

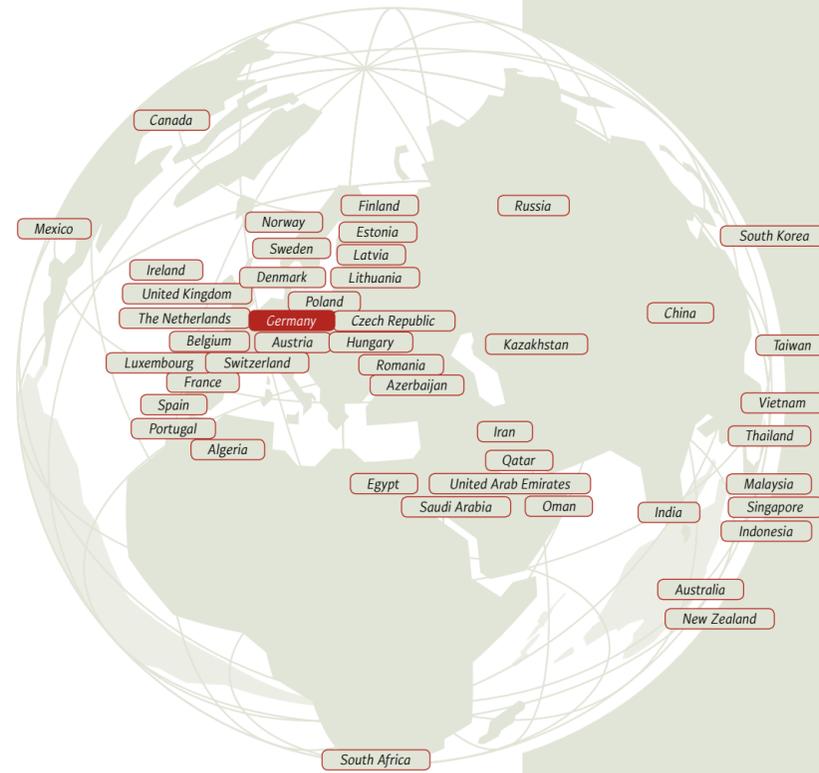
KAEFER Our strategy for the future **INDUSTRY** "Greening up" the Albian Sands Project – Dolphin Energy awards annual maintenance contract **OFFSHORE** New managing director for the Offshore division – New company focuses on rope access services **SHIPBUILDING** KAEFER builds the biggest sauna on the seas – Insulation for the most modern submarines in the world **CONSTRUCTION** Ready for take-off: Pier B West – Euro Plaza: a new city district for Vienna **AEROSPACE** SAP at Aerospace: fulsome praise from the customer – A new man at the top

K | WERT

More than good ideas



KAEFER 2009



KAEFER

www.kaefer.com

KW27/08.09



May 2009
Launch of the KAEFER Group strategy



June 2009
The recently founded KAEFER STI is conquering the central Russian market



August 2009
TERMOIZOLACIA SA and IZOKOR Plock SA merge to become KAEFER SA

JANUARY '09 FEBRUARY '09 MARCH '09 APRIL '09 MAY '09 JUNE '09 JULY '09 AUGUST '09 SEPTEMBER '09 OCTOBER '09 NOVEMBER '09 DECEMBER '09



February 2009
Vietnam opens its first oil refinery in Dung Quat Bay



July 2009
TOP AREVA Supplier award presented to KAEFER



July 2009
Inauguration of the first thermosolar power plant in the Andasol Project, Spain



Summer 2009
Cold insulation of ammonia tanks for the fertiliser producer Yara



Spring 2009
Work under way on multi-disciplinary offshore maintenance contract



August 2009
Adriatic – first offshore LNG terminal completed



Autumn 2009
Work starts on the drilling platform GSF Grand Banks in Canada



March 2009
Conversion work starts on Mein Schiff for TUI Cruises



July 2009
First anchor-handling tug supply vessel completed for A.P. Møller at the Volkswerft in Stralsund



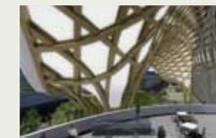
Autumn 2009
Bar counter installed on the yacht Scout for the Kröger shipyard



February 2009
Official opening of the Antarctic station Neumayer III for the Alfred Wegener Institute (AWI)



Spring 2009
Fire-protection work begins on the entrance to the Kirchenwald tunnel in Switzerland



Summer 2009
Work starts on the Centre Pompidou Metz, France



Autumn 2009
Multiplex cinema completed in the Allee Mall shopping centre in Budapest



Summer 2009
Entry into aftermarket for Airbus planes



November 2009
KAEFER Aerospace introduces SAP at its site in Seiffenndorf

KAEFER GROUP

INDUSTRY

OFFSHORE

SHIPBUILDING

CONSTRUCTION

AEROSPACE



Our strategy for the future

Peter Hoedemaker, "We are convinced that we can serve clients better than anyone else, because we deliver the most professional complete insulation solutions."

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KAEFER develops growth market in FLNG

The development of what is known as floating LNG (FLNG) could enable stranded reservoirs to be exploited.

>> [Page 23](#)



New company focuses on rope access services

KAEFER Access offers the most spectacular workplaces in the KAEFER Group.

>> [Page 37](#)



KAEFER builds the biggest sauna on the seas

In just 38 days the MS Galaxy was converted and renamed Mein Schiff on behalf of shipping company TUI Cruises, established in 2008.

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New opportunities in conversion and repairs

The after-sales market, which covers both maintenance and conversion of aircraft, is an interesting and important market for KAEFER Aerospace.

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Dear colleagues and friends of KAEFER,

The year 2009 was defined by the financial and economic crisis, which has and continues to affect KAEFER, too. The effects vary greatly according to country and division; some countries have been able to report considerable growth despite the crisis.

This illustrates the advantage of our broad-based activities. Thanks to our wide range of capabilities in five divisions, the weaker areas can be supported by the strong ones.

Our course remains set on growth. Some of the outstanding projects successfully completed in 2009 include Adriatic LNG (KAEFER Spain), South Hook LNG (C&D England and Corporate Competence Center Liquid Gases), as well as the Antarctic Neumayer III Station (KAEFER Construction and KAEFER Schiffsausbau Germany), just to give a few examples.

We see development potential and growth opportunities for 2010, too. It will also be a year with new challenges, however, as we expect the crisis to have a delayed effect on some divisions.

This year we began to implement our new strategy, which defines our path forward. The KAEFER strategy is demanding and supportive of everyone and therefore of our mission, which is to offer our clients around the world the most professional complete insulation solutions. We keep our eyes fixed on our vision of eliminating the waste of energy.

A new Corporate Competence Center for renewable energies has been set up as a concrete step towards reaching these goals. Further challenges are still to be overcome on the way to more effective, sustainable insulation systems.

Behind every successful company stand motivated and well-qualified staff. Education and training are crucial to achieving this, and that is the job of the KAEFER Academy. In 2009, the Project Management Qualification Programme was rolled out in six countries, the Junior Leadership Programme took place for the second time and programmes for executives and top management were also added. Vocational and professional training will continue at all levels in future.

Staff commitment and loyalty to KAEFER make the company strong in times of crisis, too. For this we would sincerely like to thank all our employees, also on behalf of the shareholders and the Advisory Board.

We wish you and your families a peaceful and merry Christmas and good health in 2010.

Philipp Dalheimer
GEC member

Jörn M. Fetkötter
Vice Chairman of the GEC

Peter Hoedemaker
Chairman of the GEC

Robert Skrobisz
GEC member

GEC members Robert Skrobisz (l) and Philipp Dalheimer during the interview.



The crisis is both a challenge and an opportunity

2009 was not an easy year. The global economic and financial crisis continues to cause turmoil, and KAEFER is not immune. The steady growth of recent years couldn't be repeated in 2009, but overall, KAEFER is doing a lot better than companies in other industries. Philipp Dalheimer is responsible for the Industry division in the Middle East, Africa, Oceania, South East Asia and India, and Robert Skrobisz takes care of its business in Eastern Europe and China. In this interview with K-WERT, the two GEC members report on the challenges the crisis brings and where the opportunities lie for 2010.

K-Wert: What were your major professional challenges in 2009?

Dalheimer: Primarily, to develop the new KAEFER strategy and to communicate it to our staff. Another real challenge was to estimate the effects of the crisis on our business and decide what steps to take in response. In times like these, the main thing is to find the right balance between reacting quickly and staying calm.

Skrobisz: We will only feel the real effects of the crisis in the period ahead. That gave and gives us time to develop scenarios and to prepare for it as well as possible.

K-Wert: How do you manage to deal with the crisis?

Dalheimer: KAEFER has very sound and well-established structures, which enable us to view each country and each division independently. You can't lump the whole Group in the same basket; some areas are already affected by the crisis and others aren't yet.

Skrobisz: We can't avoid the crisis, but we have some room for manoeuvre.

K-Wert: What effects is the crisis having on KAEFER?

Dalheimer: After several years of steady growth, we now have a new situation. That means that we need to rethink. We have

got used to things the way they were, but now we have to think in other directions as well.

Skrobisz: The order books still look good, but new orders are dropping. In some countries there have been sharp swings in exchange rates. KAEFER has recently recruited an expert in currency hedging in order to hedge our exchange rates better.

K-Wert: Which areas are particularly hard hit by the crisis and why?

Dalheimer: Shipbuilding was hit hard and fast; not only Germany, but the whole division. The yards have run out of orders and if there are no ships, we can't fit them out. Countries like Australia, which export raw materials, are also severely affected.

Skrobisz: In the construction sector, a lot of projects have been put on hold because of the liquidity crisis, so the pie is smaller for everyone and there's more pressure on margins. In industry, clients are saving on maintenance work, some plants have even been shut down completely.

Dalheimer: That doesn't apply to all countries though. Spain is benefiting from new technologies for renewable energy, like solar power plants for instance. In France and Germany we are technology leaders and in a strong position as partners for

constructing, maintaining and upgrading power plants. The offshore sector also holds more and more potential for us, as oil is being pumped from ever deeper underground and ever further out to sea.

K-Wert: Where are the new opportunities for KAEFER? How can we make the best use of them?

Dalheimer: Energy requirements are rising all the time. Energy efficiency is an opportunity for us, i.e. realising potential savings by means of high-quality insulation, amongst other things.

Skrobisz: It's not just about us either. KAEFER played a leading role in setting up the EiiF (European industrial insulation Foundation). With this foundation, we and other European members of the insulation sector want to make a sustainable contribution to increasing awareness of the role of insulation within European industry and politics.

Dalheimer: At KAEFER, we have set up a Competence Center for renewable energies, because we consider them to be a market of the future. We want our external positioning to be even sharper. Complete Insulation Solutions – that's what KAEFER stands for, and that shows clearly what our core competences are. Our staff and customers should be able to see clearly what we stand for.

K-Wert: What are the specific opportunities in the areas you are responsible for?

Dalheimer: The LNG market is growing and by introducing pre-insulation we have established another core competence. The markets in North Africa and India also have great potential.

Skrobisz: There are large-scale power plant programmes in Poland. I also see great growth potential in the CIS – they have a lot of catching up to do there, especially in terms of emis-

sions. Kazakhstan is an awakening oil giant, which is why we have already positioned ourselves there with a wholly-owned subsidiary. In China, the energy requirement is also expanding enormously.

K-Wert: Where is KAEFER headed in terms of CSR, health and safety and training?

Skrobisz: Those areas are and will remain important elements of our sustainability strategy.

Dalheimer: Training remains a very high priority for us, and I mean at all levels. For the first time this year we have run programmes for all management levels. CSR is not being forgotten, in spite of the crisis. The preparations are currently under way for an energy efficiency project for small and medium businesses in India for instance, in collaboration with the German development agency GTZ*.

K-Wert: What is your forecast for 2010? How can employees contribute?

Skrobisz: I expect it's going to be a difficult year. That represents both a challenge and an opportunity for us.

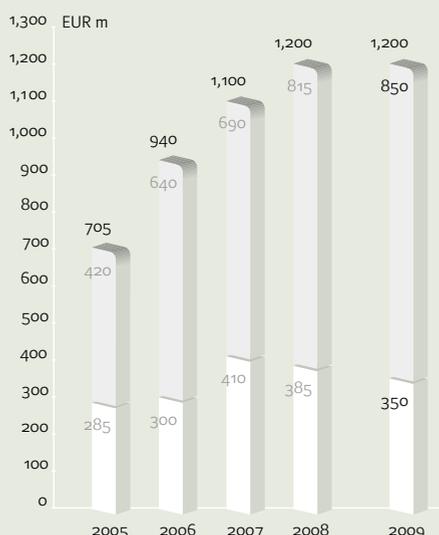
Dalheimer: We have to stay vigilant, be open to change and act prudently. We are in a strong position, and if every employee continues to do their job as the times demand, we can achieve a great deal and overcome the crisis together.

Skrobisz: We know that we have wonderful staff around the world, and that their performance makes our success. Now we have to keep trusting each other when times get tough, and think and act collectively.

Thank you for the discussion.

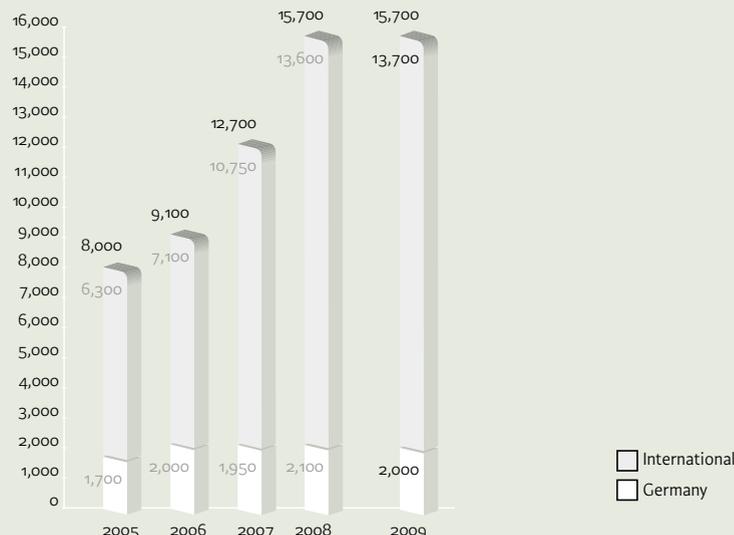
* Deutsche Gesellschaft für Technische Zusammenarbeit
(German society for technical cooperation)

Group sales 2009



>> KAEFER GROUP REVENUE

Thanks to its many sites around the world, the Group was able to match last year's revenues of 1.2 bn euros, despite the difficulties caused by the financial and economic crisis. Falls in revenue in some countries or regions were made up for by others.



>> KAEFER GROUP WORKFORCE

The number of employees in the Group also stayed the same as last year.



IMM: historic atmosphere for new strategies

MANAGEMENT Every year, KAEFER's top managers from around the world convene at the International Management Meeting (IMM), for discussions, presentations and networking. This year (7–9 May), 98 participants from 26 countries made their way to Dresden, the baroque capital of the German state of Saxony, known as "Florence on the Elbe".

In addition to the analysis of data, facts and figures, the programme focused particularly on strategic topics. The presentation of the new KAEFER strategy (see page 07) was enthusiastically received. The current economic crisis and its effects were also the subject

of intense discussion. The presentations on technical and organisational changes as well as market and staff development made it clear that KAEFER has positioned itself well in a tough competitive environment. This year, as every year, individual companies were commended for their outstanding performance.

Awards went to:

- KAEFER Industrie GmbH, Germany (Best Performing Business 2008)
- KAEFER Construction AS, Norway (Best Turnaround 2008)
- TERMOIZOLA UAB, Lithuania (Best Development 2008)

- KAEFER Engineering Ltd., Vietnam (Exceptional Performance 2008)
- KAEFER SDN BHD, Malaysia (Exceptional Performance 2008)

As well as working, the participants also had time to visit Dresden and its wealth of historical buildings and baroque showpieces, including the Semper Opera, the Zwinger, the Residence palace and the Green Vault. As a perfect match for so much fascinating history, dinner was held in medieval vaulted cellars by the river Elbe.

New business on three continents

EXPANSION Asia, Africa and Oceania – the white spots on KAEFER's map of the world are shrinking fast. In 2009 alone, four new companies were set up – in Russia (see the article Opportunities in central Russia), Azerbaijan, Algeria and New Zealand, and more countries are planned.

In April, KAEFER Integrated Services (NZ) Ltd. was registered in New Zealand. Like so many KAEFER subsidiaries, the company evolved out of a successful project. Last year, KAEFER Australia carried out extensive scaffolding and asbestos removal work for one of New Zealand's major energy providers. Establishing KAEFER Integrated Services in New Plymouth, the energy capital of the country, was the logical next step. The company, led by Aaron Orchard, has since acquired follow-on

contracts and is working on one long-term construction site. Also in April, KAEFER LLP Kazakhstan founded a subsidiary in Baku, the capital of the Republic of Azerbaijan, which is mainly intended to pitch for contracts in the oil and gas sector.

Oil and gas are already the backbone of the economy in Algeria. Around 60% of all the state's budget revenues come from this source and some 30% of gross domestic product is generated here. Experts predict rapid growth for the energy sector in the years ahead, which is increasingly also opening up to private foreign investment. This was the background to KAEFER's decision to set up KAEFER Eurl in the capital Algiers in mid 2009. The company has every chance of establishing itself in this booming market.

Our strategy for the future

KAEFER IS WELL PREPARED FOR GLOBAL COMPETITION With motivated and well-trained staff, high-quality work and value-based leadership, we are following an ambitious goal: to differentiate ourselves from the competition and offer the best complete insulation solutions worldwide. This is the core of the new KAEFER Group strategy. The management is convinced that this strategy is the key to our future success. Therefore, we hope that all KAEFER members participate together in its implementation, and contribute towards the company's sustainable results.

The future of the energy market is exciting: by 2050, CO₂ emissions are predicted to increase worldwide by 25%, according to Shell. In addition to this, energy loss due to inefficiency will increase by 20% in the EU. At the same time, energy demand is expected to grow by 50% in the next two decades.

Our environment – our opportunities

This means investments into power plants, as well as into the oil and gas industry will increase dramatically. The International Energy Agency (IEA) is predicting an investment volume of 20 trillion euros globally in the energy sector by 2030. The maintenance of current facilities will also continue to play an important role in the coming years. This gives us excellent market and growth opportunities. For these reasons, KAEFER, with its core business of complete insulation solutions in the energy production and consumption sector, is facing a great future. We are well prepared and ideally positioned in the market.

Our vision

Where does KAEFER want to go? The answer: "We want to do what we can do best: fight against the energy waste. In our strategy we define this as "to eliminate the energy waste".

Our mission

How can this vision be realised? Peter Hoedemaker: "We are convinced that we can service customers better than anybody else, because we deliver the most professional complete insulation solutions worldwide. That is the core of our business activities."

One thing is clear: it is only possible with motivated, talented and capable employees! KAEFER intends to retain its employees, and for this reason, continuous training and education has a persistently high priority.

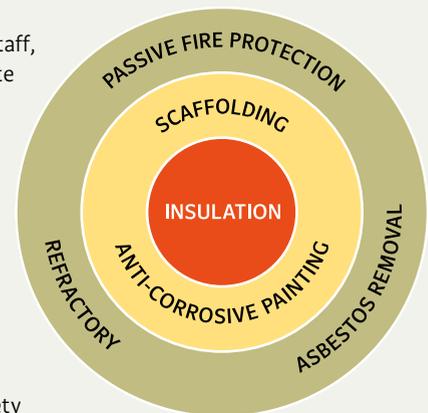
Our five core principles:

- We care for the health and safety of our workforce
- We take environmental and social responsibility for our global activities
- The quality of our work forms the basis for excellent relationships with our customers and partners
- We promote value-based leadership
- We respect cultural differences and build on diversity

Our business

KAEFER's core business is the insulation and interior finishing for corporate customers in the fields of industry, offshore, shipbuilding, construction and aerospace. Support disciplines, such as scaffolding and anti-corrosive painting, will be further developed to enhance our core business for newbuild and maintenance projects. The associated disciplines of refractory, passive fire protection and asbestos removal will be offered in some countries and markets in order to expand our core business activities.

Our management is convinced that this strategy is the key to a successful future. It should encourage all KAEFER members to work together to achieve real sustainable success. "Come with us on a trip to the future, be part of our common success."



Opportunities in central Russia

MOSCOW After having launched activities in North-West Russia in 2007 with KAEFER NWR and setting up an office in St Petersburg with TERMOIZOLA Lithuania, we have now taken another step into central Russia. The joint venture KAEFER STI, in which KAEFER is the majority shareholder with 51%, is based in Moscow and has been up and running since June 2009.

The company has more than 70 years' experience in the thermal insulation market. In addition to this core business, which makes up around 80% of the company's revenue, it is also active in anti-corrosion, coatings and fire protection. Today, KAEFER STI and its 1,200 staff in 11 operating companies covers the central Russian market and serves the power-generation industry, oil refineries and the gas and chemical sectors.

KAEFER STI is led by two managing directors who have been with the company's forerunner for a long time, Alexandr Belkin and Alexey Dyakiv.



Successes in Taiwan

POSITIVE START KAEFER in Taiwan was established in April 2007 and already a few months later acquired its first orders from Taiwan Power Corporation (TPC). By the end of 2008, order backlog was already 5.5 million euros. Today, with 23 office employees and 120 temporary workers, both the company and the entire region is experiencing rapid development.

Establishing close relations with state-owned companies is crucial for success in Greater China. So securing loyalty of TPC, which controls the coun-

try's nuclear power plants, can be called a real accomplishment. KAEFER is the partner of choice for insulating TPC's nuclear power plant No. 4.

In August 2009, a new contract for the Chinese Petroleum Corp. expanded our portfolio. Another recent project deals with insulating 48 units of reactors and convertors for the Taiwanese polysilicon plant producing solar energy wafers for SKY Power Equipment Co.

Success in Taiwan of course wouldn't be possible without the back-office and technical support of KAEFER in Shang-



hai. The sky is the limit for KAEFER in Taiwan, where clients from shipbuilding, renewable energy, nuclear and LNG industries demand quality insulation.

The Polish market is full of energy

POLAND KAEFER is ramping up its presence on the Polish market with a very good result indeed. Despite the crisis, Poland is still investing heavily in the energy sector and KAEFER benefits from that. Poland is one of the fastest-growing markets for KAEFER. To improve their market profile and strengthen their competitiveness, TERMOIZOLACJA SA and IZOKOR Płock SA merged to form one big company on 3 August 2009 and are now known as KAEFER SA.

The company is headquartered in Warsaw and started operations in September 2009. KAEFER SA now has around 1,500 highly qualified staff at 16 sites in Poland and four locations abroad.

TERMOIZOLACJA and IZOKOR had a very similar scope of services within

the insulation and building market. The merger of the two companies means that many services can now be offered from a single supplier. This fact has already contributed to increasing their competitiveness in a short period of time.

KAEFER SA renders services for the biggest Polish and foreign companies e.g. PKN ORLEN, LOTOS, Lurgi, ALSTOM Power, Foster Wheeler, RAFAKO, PGE, Polimex Mostostal. At the beginning of 2009, in order to clean up the portfolio and focus on core business, TERMOSPRZĘT was sold to an investor from the scaffolding sector – SCAFOM.

In order to establish a nationwide presence in Poland, KAEFER bought TERMOKOR-BELCHATÓW and incorporated it into the KAEFER Group in late 2008. The Belchatów-based company is ISO certified and employs around 120 insulation professionals. Its core competence includes heat and cold insulation, as well as noise and corrosion protection. Belchatów is the site of the largest coal-fired power plant in Europe (Belchatów PP). In the near future, several old units are to be renovated there. TERMOKOR is to stay independent from KAEFER SA, but the two companies will work together and complement each other. TERMOKOR has knowledge of and years of experience in refractory work, too, a business which KAEFER is very interested in developing in Poland.



Bioenergy market grows in importance

CLIMATE CHANGE The market for renewable energy in Norway is growing by approximately 6 terawatt hours (TWh) per year. 90% of this energy is used to produce heat and electricity. So far, the development of bioenergy projects has not been affected by the financial crisis. On the contrary, the authorities are highly committed to green carbon-neutral energy projects.

KAEFER ENERGY has positioned itself well to participate in this rapidly growing market. Optimised insulation is very important for good production processes and the efficient use of energy. KAEFER ENERGY's tasks in bioenergy production are therefore the insulation of boilers and electrical filters as well as passive fireproofing of plants. The Norwegian staff possesses considerable experience in these areas. Its main target groups include energy companies, engineering firms and suppliers of production equipment.

New energy plants are usually initiated by government authorities or private investors who receive significant state funds as incentives. Since there is a lot of competition for the funds, only the best projects are realised. KAEFER ENERGY is currently working on a number of government-backed projects that will be built from now until 2012. These will provide considerable workloads.

Bioenergy is produced using biofuel, which is basically made of biomass – in other words, organic material. In Scandinavia, the waste from households, forests and slaughterhouses is often utilised for the production of biofuel. Using organic materials to generate power yields carbon-neutral emissions – that is the main reason why the world wants to replace energy produced with fossil fuel (coal and oil) with environmentally friendly bioenergy. KAEFER ENERGY is contributing its share to this process towards sustainable power generation and to the reduction of greenhouse gases by supplying high-quality insulation services.

C&D: greater presence in the south of Great Britain

NEW OFFICES C&D Industrial Services Ltd. previously had nine branches in Britain, mainly in Northern England and the Midlands as well as Southern Scotland. But as C&D also has many major clients and projects in other parts of the UK, it was natural to bolster its presence in these regions. As a result, in February 2009, C&D opened new offices both in South Wales (Newport) and in Kent

(West Malling), which is located in South-East England.

C&D will be using these two locations to promote its full range of services to new clients.

The prospects are good, as numerous new building projects are planned in these regions in the years ahead, including waste incineration facilities and power plants (coal and nuclear).



Successfully prepared for the future

SWEDEN Plastics, nuclear energy and cow dung – the range of client businesses is large. But for Eddy Ström it can hardly be large enough. The Managing Director started at KAEFER in 2005 and within four years he has built a team of 15 and acquired numerous large-scale projects. “With the help, tremendous support and expertise of Robert Skrobisz and many KAEFER workers from Germany and Poland, we have now made a good name for ourselves on the Swedish market”, enthuses Eddy Ström.

The biggest contract to date was insulation work for a new polyethylene production plant in Stenungsund near Göteborg, where work is to be completed by the end of 2009. In autumn 2009 and May 2010, KAEFER AB is to carry out work at the nuclear power plant in Forsmark, some 100 kilometres north of Stockholm, in a joint venture with KAEFER Industrie from Bremen and on behalf of Balcke-Dürr. “I hope this will be a good market entry for us”, says Ström.

Another very interesting market is biogas technology. The Danish-German company Bigaden has recently built a biogas facility in Falkenberg on Sweden’s west coast. This plant is one of the first in Sweden to produce biogas from cow dung. It belongs to a farmers’ collective which sells the gas produced to energy utilities. KAEFER insulated many of the pipes and ducts at the facility.



South Africa expands training centre to include sheet metal school

SKILL SHORTAGE KAEFER South Africa is expanding its Sizani Technical Skills Training Centre by establishing a sheet metal school alongside the well-established scaffolding training facility. This is in response to South Africa’s skill shortage and the pressing need to fill the gaps within KAEFER’s own workforce as well as those in the insulation industry as a whole. “We have a wealth of capital projects under way and must be able to meet the demands with properly trained personnel”, said Umesh Prakash, Commercial Manager at KAEFER.

The training centre has become an essential vehicle for employee development within KAEFER. Those employees that qualify for training and are selected to attend courses receive high-quality training to improve their sheet metal skills. The concept will be extended to include external candidates as part of the KAEFER corporate social responsibility initiative to assist in alleviating skills shortages on major projects throughout the industry.

The sheet metal training course will run for a minimum period of two years and be extended for up to five years for inexperienced candidates. The training consists of a combination of classroom theory and work-based practical training on site. The five modules range from basic applicator training up to sheet metal foreman skill levels.

KAEFER’s success in South Africa is partly due to its emphasis on training and developing industry-specific skills: KAEFER’s long-term presence at SAPREF, the country’s largest petrochemical refinery, has been supported by this philosophy.



Mexico focuses on offshore business

NEW MANAGEMENT Michael Woloszyn succeeded Carlos Strappa as managing director of KAEFER Mexico on 1 July 2009. He previously worked as an assistant to Peter Hoedemaker, Chairman of the GEC. His main goals in the new position are to reinforce Mexican operations, better connect Mexico to the rest of the Group and utilise KAEFER's contacts amongst international EPCs to generate business in Mexico.

So far, Mexico's main focus has been on industrial projects. Now the company is also positioned to participate in the promising offshore activities at the Gulf of Mexico. For this purpose, Mexico was transferred to KAEFER's North Atlantic region in order to strengthen the link to KAEFER ENERGY in Norway, where the Group's offshore competence is centred. Mexico had previously been part of the Southern Europe region.

KPLL reports massive organic growth in India

NEW BRANCH OFFICES KAEFER Punj Lloyd (KPLL), a joint venture between KAEFER and Punj Lloyd Ltd., has grown dramatically in its first two years of operation. After starting out in 2006, turnover more than tripled between 2007 and 2008 alone. The number of employees grew from 35 during the start-up phase to 166 white-collar workers in 2008.

This rapid development is based largely on the economy's huge investments in infrastructure to meet the increasing demand for power, steel, cement, oil and gas, fertiliser, and petrochemicals. KPLL has secured significant contracts in the area of insulation, where it has already claimed India's second-largest market share. Major contracts in 2008 included insulation work in two refinery projects, an LNG plant in Yemen and four LNG tanks.

In the highly specialised refractory business, KPLL has already moved into the country's top position. The company has accumulated extensive experience in glass

furnaces. It provides a one-stop solution for fabricating and erecting the furnaces' steel structure, including the design, supply and installation of refractory lining. In 2008, KPLL received contracts for five glass furnaces in India and one in the United Arab Emirates. It also executed lining work in a fertiliser plant and was recently awarded its first aluminium smelter contract for lining electrolytic pots and anode baking furnaces.

In the future, KPLL also expects major opportunities in the shipbuilding sector. To properly take care of all demand in various business areas and geographic regions, KPLL moved into the KAEFER House near New Delhi in June 2008 and opened several offices across the country, including Mumbai, Chennai, Bhubaneswar (Orissa) and – coming soon – Vadodara (Gujarat). With this infrastructure in place, KPLL expects very good results again for 2009, topping those of the previous year.

New Jubail facility visited by Middle East managers

SAUDI ARABIA Construction of KAEFER's new facility at Jubail, Saudi Arabia, is progressing swiftly. Work started in January 2009 and the first office block was already in operation by the middle of the year. Phase I of construction activities will continue

throughout 2009 and 2010. In addition to office space, it includes warehouses, accommodation for junior and senior staff, and a kitchen, which is already in operation and offers meals for all employees. Also, a training facility with a conference room will be constructed in 2010, along with an insulation and scaffolding training centre.

Phase II is scheduled for 2011. The accommodation block will then be expanded to accommodate labourers working on sites in the vicinity. When it is finished, the Jubail facility will serve as a hub for all KAEFER activities in Saudi Arabia. Besides training and warehousing, it will also be the location of all tasks related to project planning, project control, purchasing and accounting.

With a state-of-the-art facility at Jubail, KAEFER Saudi Arabia now has the requisite infrastructure to host management functions – and an economically viable alternative to hiring conference halls in hotels. The second Middle East Management Meeting was therefore held at Jubail shortly after the facility opened. The meeting, which takes place on a regular basis, was used to evaluate the performance in the last four months and to discuss future plans. The heads of all departments and the heads of KAEFER's Middle East companies attended the meeting and provided an overview of developments. Philipp Dalheimer and Ramneek Datt chaired the meeting.

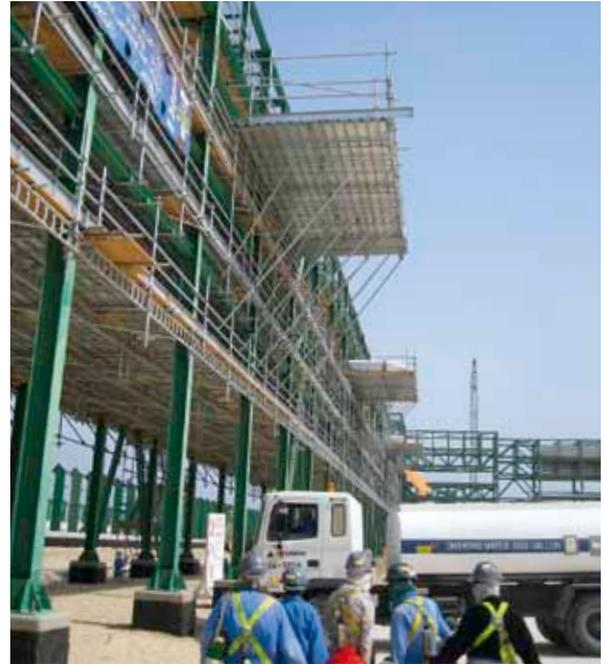


Joint venture for power plant project in Qatar

ACOUSTIC INSULATION KAEFER Qatar and KAEFER Spain have joined forces to participate in a major power plant construction project in Mesaieed, Qatar. To keep up with the rapidly increasing demand for power and water in one of the fastest-growing economies in the world, the Mesaieed Power Company is building a 2,000 MW, gas-fired combined cycle power plant, which is scheduled for completion by 2010. The KAEFER companies' task is to supply and install 61,000 m² of acoustic insulation wall panels.

The materials required for the project are manufactured in Spain and transported to Mesaieed. KAEFER Qatar is in charge of site mobilisation as well as providing the machinery and the required manpower of 30 employees in various positions. Experts from Spain are supervising the work, which started in June 2008 and is expected to last until February 2010. KAEFER Spain and KAEFER Qatar founded a joint venture specifically for this project. The total project value is approx. 6 million dollars.

Mesaieed Power Company is a joint venture formed by Qatar Electricity & Water Company, Qatar Petroleum and the Japanese Marubeni Corporation. The new plant is engineered and constructed by Spanish company Iberdrola at a total cost of 1.63 billion dollars.



Project Management Qualification started in six countries

HUMAN RESOURCES Effective project management is a centrepiece of every successful business operation. To make cooperation between different KAEFER units easier and raise everyone to a higher level, Corporate Human Resources (CHR) started the Project Management Qualification programme last year. By now, more than 100 participants have enrolled on the training programme in six countries: France, Germany, Norway, Qatar (Middle East), Spain, and the UK. Many of them have completed the first modules with outstanding results.

The qualification programme consists of three levels, each of which lasts about six months while participants continue to work full-time. Paul Worrall, who achieved outstanding success with his projects in Australia and New Zealand, was named manager of KAEFER's new Project Management Academy in February 2009. Worrall's responsibility is to roll out the learning modules throughout the KAEFER world, enhancing them as the project evolves, and to keep track of its successes.

The programme gained even more steam when it received an accreditation from the Project Management Institute (PMI). This organisation is the world's leading non-profit project management association with half a million members in 170 countries. KAEFER is now sure to teach and apply excellent project management skills that are based on the know-how of the world's leading experts.

In addition, KAEFER's own group of project management experts devised a "Project Life Cycle" based on the experience that most of the projects are comparable and face crucial decision gates at the same points – often when responsibility is passed from one unit or person to another. The experts have provided checklists and mandatory documents that help to ease the transfer of responsibility without losing information.



Participants from Britain



Participants from the Middle East



Participants from Poland

Understanding KAEFER

NEW RECRUITS GET TO KNOW KAEFER Creativity and practicality were the keywords for the ten participants from different departments during the first information event for new recruits at the end of May. The HR department (DHR) had invited the newcomers in order for them to get an even better picture of their employer while experiencing and discovering KAEFER first hand. The one-day event consisted of a company presentation, a guided tour of the workshops and laboratories and presentations by the works council and KAEFER Schiffsausbau GmbH.



The afternoon was set aside for practical work. Using typical KAEFER materials such as sheet steel, Armaflex and polystyrene, the participants built interesting objects to illustrate the topic, "What is special about KAEFER for me?" at the training workshop in Bremen. Three imaginative works of art were created in small groups.

The general opinion of the day was "highly recommended". A follow-on event is planned.



"Connect" is a global connection

A REUNION WITH ADDED VALUE 13 former technical trainees met in Bremen in November for the week-long Connect programme. The seminar run by the Corporate Human Resources department is tailored to the demands and responsibilities of engineers and is primarily intended to develop international contacts and foster knowledge transfer.

The workload during the programme was considerable: topics ran from teamwork in international groups through to a technology update by staff from the Corporate Technology & Research department and project management training based on the PMI standards practiced by KAEFER. The participants presented their most successful projects and learnt from their colleagues' experiences. They also had the opportunity to benefit from the insights of a senior project manager.

A week with a win-win effect, as HR executive Reinhild Heider notes, "The trainees compared notes across national borders and learnt a lot from one another. This strengthens the group identity at KAEFER and forms the basis for working well together subsequently."

JLP goes into the second round

DEVELOPING LEADERSHIP SKILLS After a successful start last year, the Junior Leadership Programme (JLP), which is aimed at young managers with an initial experience of management, went into the second round. In 2009, 15 participants from 11 countries took part (2008: 13 participants from seven countries), including KAEFER staff from Canada, Australia and China.

The modular programme consists of four seminars on a variety of leadership topics. This year, the junior managers met in Bremen, Shanghai and Vienna. The concluding event with a presentation of project results to top management is again planned to take place in Bremen in January 2010.

In this round too, the young managers work on projects relevant to KAEFER in a variety of fields. What they all have in common is a strong practical connection, as the topics were set by the managing directors of individual national companies. For the participants, the course means more work and a particular commitment, but everyone is highly motivated and enthusiastic, which goes to make the JLP 2009 a great success, too.

Strong managers make a strong company



LEARNING AT ALL LEVELS Highly qualified and highly motivated managers are the decisive strategic success factor for our company. "We have set up the KAEFER Academy in order to consolidate and develop our market position. We create custom-built programmes at the highest level in line with KAEFER values, management principles and our corporate strategy", says Alexander

Lüder, Head of HR for the KAEFER Group.

The development programmes for senior managers have now also begun, in addition to those already in place for junior management. They include the Executive Development Programme (EDP), which was launched in May 2009 with a group of 15 managing directors and senior managers. The EDP runs for

12 months and is divided into four modules of three days each.

The participants also work on projects of strategic significance for KAEFER, also by means of the e-learning platform especially created for the purpose. Several groups are due to take part in the EDP in the years ahead.

The Top Management Programme (TMP), which is also modular, started in September. It involves two groups of 15 top managers, starting with the members of the GEC and covering regional directors and area directors. The contents for both programmes are provided by Henley Business School in Reading, England, one of the world's top business schools.

Management development for all levels and professional development programmes for project management and junior technical staff all fall within the remit of the KAEFER Academy. "In 2009, we had 150 people in ten groups in corporate development programmes. That is a remarkable achievement and strengthens our strategic positioning", emphasises Alexander Lüder, before adding, "And that is something to be proud of!"



Award for 500,000 working hours without an accident

SAFETY IN THE ADRIATIC The North Adriatic LNG Receiving Terminal is being built off the coast of Venice. At its heart are two enormous tanks, each holding 250,000 m³ of liquefied gas. Since September 2008, around 150 KAEFER fitters from Spain have been working there to insulate the floors and walls of the tanks as well as the piping. Their

health and safety is always the highest priority. Now KAEFER Aislamientos has won a safety prize for 500,000 working hours without an accident. As a thank-you for their superb performance, the staff were given polo shirts, wallets and caps.



Ready to surf

NEW INTERNET SITE ONLINE SINCE MAY 2009 The film clip starts in space. The earth gets closer; we pierce through the cloud cover. A passenger aircraft crosses our flight path, open sea. We approach the coast, passing an oil platform. Office blocks and flats to the right, an industrial plant to the left. We fly on and look down on a luxury cruise liner. Touch down – in the virtual KAEFER world.

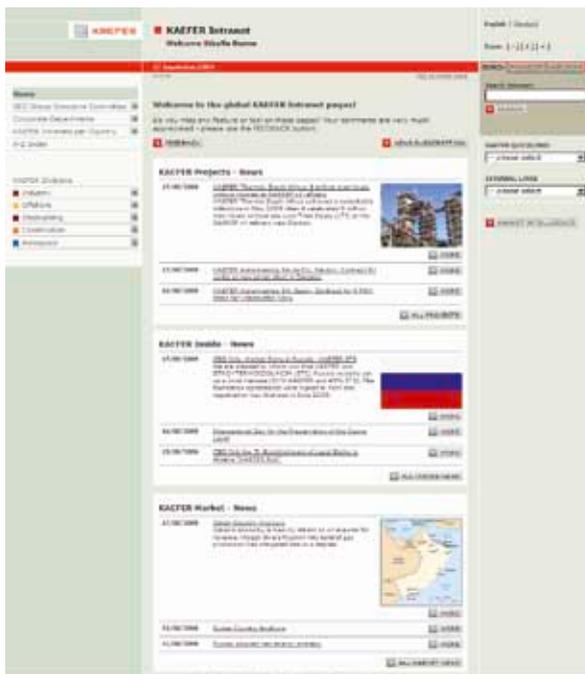
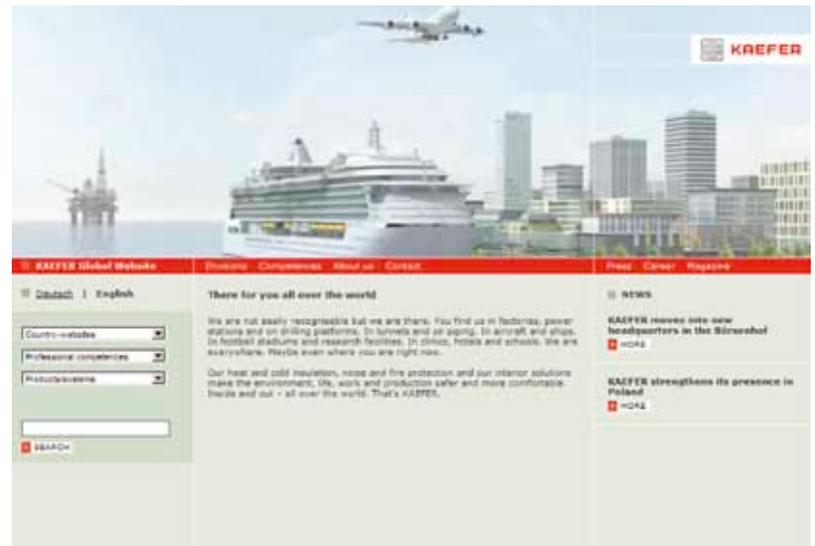
The new global KAEFER home page (www.kaefer.com) is a lively, well-structured site with sophisticated graphics that is easy for clients, staff, partners and potential new recruits to navigate. Different pull-down menus enable visitors to browse through the company's range of capabilities or beam them directly to their desired destination in the KAEFER universe. There is information on everything to do with insulation, the company history, corporate social responsibility, human resources and technology and research. Interesting reference cards illustrate the factual information and helpful search functions assist non-specialists and job applicants in finding their way around quickly. In the career portal, anyone who is interested can view vacant

positions or send a spontaneous application to anywhere in the Group.

A separate Internet site for the German companies was also launched at the same time as the KAEFER global website. It is a pilot project for a further 20 national home pages and depicts them as part of the strong KAEFER Group, but with the freedom to adapt to local market requirements. Following the example of Germany, the Web contents for France,

Austria, Poland and China are to be published shortly.

The bottom line is that the new home page strengthens KAEFER's position as market leader and furthers its reputation. It is also a key channel for attracting qualified staff to KAEFER in difficult times. And last but not least, the home page can be used to generate new business.



Global platform for a global company

INTRANET The future began in March 2009. Since then, it has been possible to log in to our new intranet from anywhere in the world by eToken – and so to access a panoply of well-structured information, available in German and English. Teams are presented with photos, specialist areas and languages; it's the ideal way for new staff to enter the world of KAEFER! Our range of capabilities, reference databases, market information and much more create a new dimension in transparency and availability of data. Does the client want to know which projects we have already worked on? In just a few seconds you have an international reference list!

The offering is completed by the latest daily information: visitors are welcomed right on the home page by KAEFER Inside News, Project News and Market News.

Each company also has the opportunity to connect to the global intranet with its own platform. The software adds new articles to the framework, which is based on our corporate design, almost by itself. That means the clear, easy-to-read structure is always maintained, even when the contents are expanded. Some units already have their own presentation, and others are working on it.

Contact: cma@kaefer.com

Our strong team

A STRIKING ADVERTISING CAMPAIGN In December 2008, the KAEFER Construction employees from Hamburg, Thorsten Bauer, Martin Behning, Volker Bulschak, Peter Koch, Thomas Pannek and Michael Prüß, swapped the building site for the photo studio. The reason for the unusual assignment was a photo shoot for the new KAEFER advertising campaign.

“The image posters focus on our staff, who are out there working for the client every day”, explains Romy Petrausch from Corporate Communications (CCM) in Bremen. “Authenticity was important, so the photo session with real KAEFER craftsmen was ideal”, she continues.

In one of the motifs, “Our team for a relaxed atmosphere” ensures collectively and at top speed that the clients can later concentrate completely on their work in their finished offices. The unusual photo shoot certainly caused the amateur models to work up a sweat. They had to strike different poses and recreate different working situations. The search for suitable background motifs also turned out to be quite tricky. So Petrausch says a big thank-you to all the colleagues who helped make it a success.

The images thrive on the contrast between the strenuous working environment and the benefits for the customer, who can enjoy KAEFER’s finished product. So “Our man for deep relaxation” is putting in a great deal of effort to ensure that the passengers on the cruise ship will feel comfortable in the spa he is building. And “Our man/woman for the right operating temperature” provides professional insulation for the pipes in a hot steel mill.



The campaign is already being shown in some countries, e.g. in advertisements or as eye-catching banners on building sites. The pictures, which draw their strength from the powerful images and contrasting headlines, are also available as posters in the KAEFER shop, where they can be ordered free of charge.



Safety signs as ambassadors of the brand

BRANDING Sometimes there is a chance to fulfil requirements and create additional value in the process. Such an opportunity was embraced when KAEFER Middle East decided to promote safety at work and increase awareness for the KAEFER brand at the same time: safety signs that are displayed at construction sites now carry the KAEFER logo.

The idea came up when the Corporate Communications (CCM) staff from India visited the Middle East in 2008. Safety sign requirements were one item on the agenda. Based on these discussions, CCM developed a complete solution for designing, producing and shipping the signs to interested countries. The Middle East region, including the UAE, Qatar, Oman and Saudi Arabia, embraced this offer and ordered more

than 500 signs. They were designed and produced by CCM in India and then shipped to the Middle East.

Now the project is completed in that region. As an alternative to the “all-inclusive” solution, CCM is developing designed templates which will be made available on the Corporate Design Download Portal. Interested companies can download their own template and produce them locally to reduce the shipment costs. The portal will hold the artwork file and a quick guide on how to produce these signs in the users’ own countries.

In addition to the individual company logo, the template’s unique feature will be a provision to display the sign’s instruction text in up to three languages.

KAEFER sponsors local art you can touch

SPONSORSHIP The art museum in Bremen is closed for two years for alterations and has made a virtue out of a necessity. With a minivan sponsored by KAEFER, the art is now coming to children in Bremen – especially to those who wouldn't have much chance of setting foot in an art museum.

The museum's mobile teaching staff are equipped with projection screens, paints and easels, replicas of artworks, tactile materials and even a projector, laptop and music system

and can now reach out to completely new target groups. The primary schools are delighted, and the wider response to the various creative and entertaining activities on offer has also been extremely positive. Local libraries, old peoples' homes and other institutions now fill the free appointments in the afternoons. A total of 2,000 people have already taken part and everyone has enjoyed the initiative "Kunsthalle Bremen ... on the road" made possible by KAEFER.



© Karen Blindow

KAEFER Oman demonstrates expertise in camps and catering

CATERING KAEFER Oman is providing insulation, fire protection and scaffolding services at a 1.6 billion dollar aromatic complex that has been built in the industrial city of Sohar. The plant uses naphtha as feedstock for the production of aromatics. KAEFER has also been contracted for insulation services at Salalah Methanol, which is being built in the port city of Salalah. In both cases, KAEFER Oman is providing services for GS Engineering & Construction, the EPC contractor.

To accommodate all workers near the Sohar construction site, KAEFER Oman has erected a camp for more than 250 men. Even though the circumstances are not exactly ideal for the provision of dining, the camp's catering staff has shown great commitment and skill, delivering excellent and healthy meals for a large number of people on a daily basis. The local authorities are pleased with the catering facilities as well. The catering staff in Oman shows that everyone at KAEFER can make a significant difference when the task on hand is performed with dedication.



More energy efficiency for India

CSR Our increasing commitment to India (Gurgaon, Mumbai, Chennai) is well known: KAEFER Punj Lloyd (KPLL) is active in industrial insulation and KAEFER Engineering India as an internal service provider for our Group. This creates an opportunity to undertake social responsibility in this area. KPLL and our Corporate Social Responsibility department have therefore launched the project MovIEE – Moving India's SMEs towards an Energy Efficient future. This is a field where we can put our expertise to good use and achieve positive effects for economic development and environmental protection at the same time.

The problem: In India's fast-growing and most populous democracy there are a large number of small and medium-sized enterprises, however their current use of energy is not optimised. Enormous quantities of energy are lost every day due to the inadequate or non-existent insulation of pipes and facilities, and CO₂ emissions are colossal.

The idea: We are going to measure these losses precisely at two model companies and afterwards insulate them more effectively and recalculate their energy efficiency. This will provide clear documentation of the gains that can be achieved for the economy and the environment. The documentation is intended to convince small and medium companies of the benefits of this kind of work and will be presented to them via an "Energy Bus". Of course it will be accompanied by concrete actions to realise these savings: measurement and analyses as well as support in planning and carrying out insulation will also be provided. In addition to this, companies can gain access to training courses where they learn facts about materials and the necessary practical skills. This will take place in cooperation with other sponsors. The aim is to develop opportunities for people to help themselves and to learn a manual trade.

The objective: To create awareness of the problem and the potential of industrial insulation as a solution, to help a large number of companies improve their energy balance and ultimately to trigger a domino effect where other companies strive to imitate their results.

4th Day of Caring: a proven and popular success!

COMMUNITY WORK As in previous years, this was the day on which employees from several companies donated their time for a good cause. As the largest of these teams of helpers in Bremen, KAEFER chose the children's farm in Tenever, after having worked last year on the junior farm in Habenhausen. There was plenty to do there, just the right thing for our 70 highly motivated volunteers, competently managed by Dagmar Steil, Anke Gregorzewski and Thomas Meyer. Everyone from

the apprentice to Managing Director Jörn M. Fetkötter wielded a saw, spade, hammer or paintbrush. The shifting, digging, building and painting went on until late afternoon, and then the 150 children were let loose on the new and refurbished facilities. The water playground, bakery oven, pavilion, raised flower bed, log store and greenhouse made not only them happy; the busy helpers also stood back and enjoyed the fruits of their labour.



KAEFER WANNER: award for special performance

FRANCE Around 9,000 tons of asbestos-containing material were removed by KAEFER WANNER from the office block in the Paris business district La Défense, where the French insurer AXA was headquartered until 2007. The work took almost two years and required around 1,000 lorry loads to remove the material. The AXA tower, the Montparnasse tower and the Cristal AGF tower are all examples of the outstanding capabilities of KAEFER WANNER's

disposal experts. They enabled the department to report the highest earnings contribution in 2008, which in turn earned them a prize in May 2009. The award was presented for the first time at a KAEFER WANNER managers' meeting held in Arles and in future is to be made annually in recognition of outstanding performance by individual departments of KAEFER WANNER.

Green light for the Green Car Policy: German launch in early 2010

ENVIRONMENTALLY FRIENDLY When one litre of petrol is burnt the carbon it contains mixes with the oxygen in the air to form no less than 2.3 kg of CO₂ (diesel: 2.6 kg). This undesirable carbon dioxide warms the earth's atmosphere. KAEFER is taking environmental protection seriously and from 2010 onwards

will be reducing the carbon footprint of its car fleet – this represents 400 company cars with an annual mileage of around 16 million kilometres in Germany alone.

As the emissions depend directly on the amount of fuel used, the solution is to “save fuel”, with the added benefit

of also saving money. It's a fine goal, but how to get there? Andreas Kamradt, Head of Corporate Supply Management explains, “We cut costs by restructuring the company car fleet and slimming down the administration, and also promote the use of particularly fuel-efficient vehicles using an incentive system.”

Staff who beat a defined CO₂ threshold when selecting their car and engine size are rewarded with higher subsidies, and there are to be no more model restrictions and no fixation on diesel cars. This all has considerable advantages for most users. On the other hand, those who are less environmentally friendly are penalised.

Andreas Kamradt continues, “Our method cuts fleet consumption and therefore CO₂ emissions and has benefits for our staff at the same time. We want to make people aware that everyone can do something to protect the climate – and by acting in concert the effect is relevant. It's an ideal win-win situation.”

The Green Car Policy follows the new strategic vision of the KAEFER Group “to eliminate the waste energy”.



Focus on energies of the future

“GREEN” ENERGY SUMMIT IN BILBAO The EU's climate change goals are ambitious. The concept known as 20-20-20 aims to cut Europe's carbon dioxide (CO₂) emissions by 20% compared with 1990 by the year 2020 and increase the share of renewable energies to 20%. To do so, Europe needs companies which can put the new technologies into practice and contribute to a new energy economy. Most of them met in

early June 2009 in Bilbao for the first European Future Energy Forum. Some 4,000 companies, institutions and organisations took part in the meeting, which was a great success – and KAEFER Aislamientos had its own stand there.

The forum in Bilbao offered a unique opportunity to exchange information on the latest developments, make new contacts and renew existing ones within such a large group. KAEFER Aislamientos made good use of the occasion, initiating new business relationships and advertising its services.

What's more, the location and country for the congress were well chosen, as Spain is investing heavily in renewable energies. Taken together, all the sources of renewable energy in Spain could now supply around one-third of all households with energy.

The Basque region around Bilbao plays a special role and is currently investing more than 4 billion euros in combined cycle power plants, combined heat and power and a number of other renewable energies, with the aim of tripling the amount of electricity generated from renewable sources.



The photo shows (from left to right): Christian Martin (Managing Director), Gorka Ibañez (Commercial Branch Bilbao), Vicente Izaguirre (Sales Technical Dept.).



A new outfit for Gastech 2009

A SUCCESSFUL PRESENTATION “We had a lot of great discussions, strengthened relationships with existing long-term clients and established contacts with many new leads. In short, we were very pleased to have taken part in the exhibition!” That was the assessment of Andreas Pöppinghaus, Head of the Corporate Competence Centers (CCC) on his return to Bremen from Gastech 2009.

KAEFER was present at the leading international trade fair for the LNG, liquid and natural gas industry from 25–28 May in Abu Dhabi with a fully redesigned stand covering some 60 m².

The clearly and functionally structured exhibition stand offered visitors the chance to find out about KAEFER in general and about products and services in particular. The modern design and interesting contents, as well as the customer-oriented and friendly welcome were obviously so popular with the professional guests that the stand became one of the fair’s favourite meeting places, as Pöppinghaus put it.

The KAEFER presentation focused on topics such as pre-insulation of piping, vacuum insulation and a thermographic model created especially for the exhibition. The letters of the KAEFER

logo were wrapped in different insulation materials in a closed box and heated. A thermographic camera then provided fascinating evidence of the different insulating capacities of the materials used.

Gastech is the world’s largest professional conference for the LNG, LPG and natural gas industries. More than 10,000 experts travelled to the Emirates from all over the world in May and the number of exhibitors rose by more than 20% compared with Gastech 2008, to 378.



Henry Kohlstruk explains how insulation works to a class of schoolgirls from Abu Dhabi.

Concours Calo 2009: successful young insulators

FRANCE They are the best young insulation technicians in France and maybe even in Europe: on 24 and 25 June, seven young employees demonstrated their skills in Concours Calo 2009, the internal competition organised by KAEFER WANNER. The best three went on to perform brilliantly in the national competition at the end of September, winning two medals.

This is the third time that KAEFER WANNER has organised the Concours Calo. The young insulators come from all over France and this year it was the turn of the Bordeaux office to host the test of manual dexterity. "The main aim is to find a candidate for the national competition, but it's also an event where all the branches can get to know each other, share experiences and build team spirit",

says Caroline Aloy, Head of Human Resources at KAEFER WANNER.

The seven up-and-coming insulation experts had plenty to challenge them: they insulated pipes within a set time frame and had to use different materials from mineral wool to Armaflex and install different elements such as angle or T fittings. The jury was made up of staff and retirees from KAEFER WANNER as well as from an external training institute. All the youngsters did a great job, but at the end of the day, three of them were ahead by a nose: Eric Schibotto (East) took first place, David Duboc (Normandy) came second and Vincent Fornelli (Aquitaine) was third.

These three beat 13 other competitors in the national competition held on 23 and 24 September in Martigues in the South of France. David Duboc won the gold medal, Eric Schibotto the silver and Vincent Fornelli presented very good work as well. The two medal winners will now be representing France at the 2010 European Junior Insulators Competition to be held in Copenhagen.

Nil Ritterhoff (right), Caroline Aloy and Christoph Rottenwöhler (3rd from left) present the awards.



New company headquarters in the centre of Bremen

GERMANY The contracts for the new premises in downtown Bremen were signed at the beginning of the year. The building known as Börsenhof B/Petrihof is just a stone's throw away from the market square and the town hall and doesn't just put an end to the cramped conditions in the Bürgermeister-Smidt-Strasse. By choosing this location, KAEFER is preparing for the future and as a local company with a long tradition here, is also making a strong commitment to Bremen.

After a thorough refurbishment, the building's historic façades will accommodate KAEFER head office staff and the Deutsche Service Center (DSC) under one roof, which will facilitate contacts. The total area of 4,200 m² is to become a modern, communicative working environment, capable of adapting flexibly to changing demands and with sufficient space for informal gatherings, international meetings, training courses and project work.

The refurbishment work has been under way since spring 2009. On 20 October, all the staff at the new HQ were able to inspect the shell of the building as well as a mock-up office. They had the opportunity to quiz the project team and find out more about the finished building. The move is set for autumn 2010, but employees can already look forward to experiencing and living the KAEFER values in their new premises.



Family day in Monheim

GERMANY 19 June 2009 was a wonderful day for an outdoor party – a Friday, warm and dry but not boiling hot, and one of the longest days of the year, coming immediately before the summer solstice. In short, the organising team consisting of Michael Rottland, Gabriele Sahn, Jürgen Kummer and Klaus Dworatzek had made an excellent choice for the family day for the staff of Industry and Construction. It wasn't just a question of the date either, but also the location and everything that went with it.

The waterski centre in Monheim near Düsseldorf was just the right set-

ting. There was always something to look at and anyone who felt like it could take a ride on the water themselves. Out of the 150 participants, some particularly fearless guests took ample advantage of the opportunity. But even those who hadn't packed their swimming costumes had a great time. They were finally able to have a quiet chat with colleagues from other teams and meet each other's families. There was a clown and a marshmallow catapult too, which drew big crowds. The distances thrown and the level of accuracy are not recorded, but there is no doubt that in

terms of entertainment the marshmallows certainly hit their target.

The main attraction was the barbecue of course, and there was plenty of liquid on hand to quench everyone's thirst, too. The party atmosphere continued until well into the evening, the kids had fun, and dusk was gathering before the participants started to make their cheerful way home.



Team Austria collects the Knauf Europe Trophy with KAEFER apprentice Thomas Sklenar

APPRENTICES In 2008, the second-year apprentice Thomas Sklenar won the Rigips Competition for Austria, and thereby a ticket to the final round in Zagreb. Then in June 2009, he and a colleague from his training school took part in the battle for the Knauf Europe Trophy, as Team Austria against nine national teams.

The standards were high: 60 questions had to be answered on everything to do with dry construction, and the excellent all-round level was evidenced by total mistakes of just 0 to 5. With 59 correct answers, Austria came in second, behind the Lithuanians who were the only ones with no mistakes. Then came the practical test: to build three connecting walls, 1.4 m high, with two graduations and a wall penetration, including cladding the jamb, filling the joints and fitting edge protection and Knauf surface sealing tape. The time allowed of

just three hours made it all quite hectic, but our team was calm and concentrated and laid sound foundations for success by cutting the panels to size with great accuracy. When they had finished, after exactly 2 hours and 55 minutes, the result looked as if it should earn one of the top places, despite strong competition. After a detailed final inspection, the outcome left no doubt – a clear win for Austria with 91 out of a maximum of 100 points, ahead of Croatia (83) and Bulgaria (81). The chairman of the jury praised our lads in particular for the precision of their work and the outstanding quality of execution.

We congratulate KAEFER Austria and Thomas Sklenar for this impressive demonstration of good vocational training, high motivation and great commitment.

CCCM: experts for turbine insulation and material logistics

EXPERIENCE AND INNOVATION KAEFER is one of the world's leading providers of mattress systems for insulating steam and gas turbines. The relevant expertise is concentrated in the Corporate Competence Center Mattresses in Bremen, for short CCCM. The small but effective team of young engineers and technicians also takes care of exporting material around the world.

"Our global outlook is a historical legacy", says CCCM Head Peter Latacz. CCCM developed out of the export department and has been a market success since the beginning of 2009. Global players such as Siemens, Alstom, Linde, MAN and Polysius rely on the experts from Bremen. This is where all the different threads come together, this is where design, planning and project coordination take place. "We design mattresses based on customer data, using a CAD system in our own design office", explains Latacz. The mattresses are then cut and sewn

in the KAEFER workshops in Shanghai and Abu Dhabi, as well as by business partners.

The mattress insulation systems are notable for their accurate fit and rapid fastening systems, which ensure that the turbine insulation is effective, easy to maintain and reusable. They adjust to the turbines like a second skin and are simple to handle, as well as being straightforward to remove and replace. A special stainless steel subframe ensures that the mattresses, which are made of glass fibre and filled with mineral wool, silica fibres or other insulation material, don't budge an inch. The mattress system has become indispensable, especially in remote locations, as the system can be installed easily and at any time with an experienced site manager and local staff.

The innovative system has been well received by clients. In summer 2009, Siemens appointed CCCM to insulate 12 steam turbines, for example, and new customers such as Skoda from the Czech Republic and LMZ from Russia have also been acquired. In addition, CCCM acts as a knowledge pool for all the companies in the KAEFER Group. The information required for dimensioning and design is warehoused, kept up to date and made available to other Group companies.

CCCM's clients for material deliveries include oil refineries, cement works and power plants. Site managers with international experience monitor the correct delivery and assembly of the parts and thereby ensure that KAEFER standards are met even in the most remote places on earth.

The CCM team under the direction of Peter Latacz (second from right)



Design contract opens the door to a lucrative market

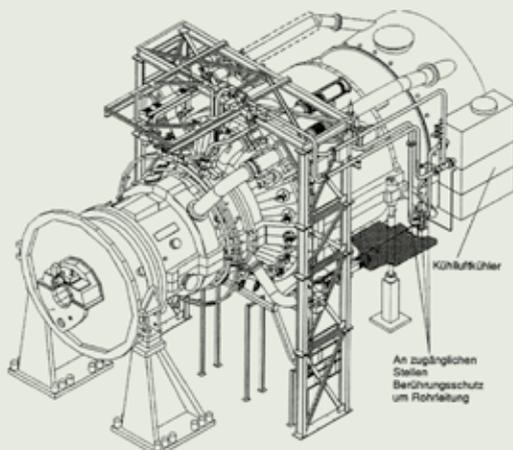
TECHNOLOGY LEADER KAEFER Siemens has been making the SGT 5-4000 F gas turbine, which is primarily used in gas and steam combined cycle power plants, since the 1990s. The turbine was always insulated with mattresses according to the same specifications. Increasing demands have meant that the design of the turbine insulation had to be completely reworked. This job was assigned to KAEFER CCCM.

"This is a tremendous success, because it puts an end to a long dry spell", says CCCM

Head Peter Latacz. For years, KAEFER had missed out on almost all the insulation contracts for this type of turbine. Latacz elaborates, "The order means that the client is convinced of our engineering and design capabilities and it gives us the opportunity to get back into an attractive market."

The design contract is extremely extensive, as the mattress insulation consists of several sub-assemblies with more than 400 mattresses, plus the appropriate framework and

impact protection. "The complexity of the assignment makes the order a real challenge for our designer Irina Wrede and the whole team", admits Latacz, before adding, "Winning this contract means that we determine the design according to which our competitors also have to produce and install the insulation in future. That makes us the technology leader in this market segment."



KAEFER develops growth market in FLNG

ENORMOUS POTENTIAL Stranded reservoirs are what gas industry professionals call reserves which are not economical to exploit at present for a variety of reasons. But the development of floating LNG (FLNG) means that in the foreseeable future, it may be possible to use these reserves as well. The term refers to the gas liquefaction plants which float. At the moment, they only exist on the engineers' drawing boards, but soon the first of these special ships could be launched – and KAEFER would be on board as the insulation expert.

That, in any case, is the objective of the intense research and development activity which the KAEFER Corporate Competence Center Liquid Gases (CCCL) has been pursuing for several years. "We are involved in various projects, both at a commercial level and in a scientific capacity", explains the Head of CCCL René Matthies.

KAEFER has been insulating conventional LNG tankers for many years. But they are not suitable for use as FLNG. "The

ships have to withstand a completely different ambient environment than conventional tankers", says Andreas Pöppinghaus, designated Head of CCC. The gas reserves are often situated in inhospitable areas with rough seas and pack ice. "That's why the search for innovative solutions is so pressing", continues Pöppinghaus.

A project initiated by the German Federal Ministry for Research as part of the innovation initiative for the new German states has been working on developing cryogenic tank systems since 2006. "KAEFER is the exclusive partner for the insulation part", reports Matthies. Altogether ten companies and research institutions are collaborating on the project, and a second one is planned for a further three years.

So the prospects for the future are very bright. "We are confident that we will also be part of the Research Ministry's scientific follow-on project and intend to position ourselves on the growth market in FLNG", confirms Pöppinghaus.



Cement for West Africa

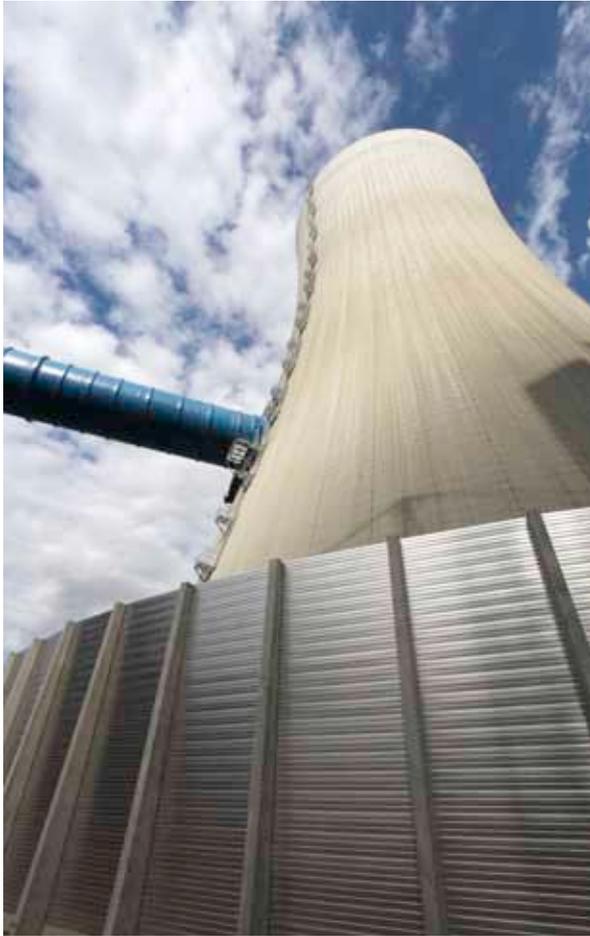
TIGHT DEADLINES In Senegal, the largest cement factory on the continent was expanded in summer 2009 by a second production line. KAEFER Corporate Competence Center Mattresses (CCCM) was appointed by Polysius AG, the leading global supplier to the cement industry, to provide all the insulation material, including engineering and assembly instructions.

CCCM project manager Markus Tetens had to go through a long and tough negotiation process before the major contract was cut and dried. In April 2009, the tender was awarded to CCCM and after that, things accelerated rapidly. The material already had to be dispatched in May, which was a logistical challenge of the first order.

The contract was not a small affair either, as plant and components with a surface area of 24,000 m² had to be insulated. This meant purchasing, packing and dispatching 30,000 m² of mineral wool, 1,000 m of pipe mufflers, 28,000 m² of sheet steel, 14,000 m² of flat steel, 8,500 m² of steel channelling and 400,000 screws. The close cooperation between project management, purchasing and dispatch was successful and meant that KAEFER was once again able to reinforce its good reputation with Polysius as a trusted partner in matters of insulation. Incidentally, following the delivery, a supervisor from CCCM is to monitor the installation.



Noise protection for power stations



QUIETER COOLING TOWERS AS AN ACTIVE CONTRIBUTION TO PROTECTING THE ENVIRONMENT In Neurath, North Rhine-Westphalia, RWE Power AG is building the most up-to-date lignite coal power plant (2 x 1,100 MW) in the world. KAEFER supplied and fitted the noise-protection walls for the two new cooling towers. They are the product of close cooperation between the staff in the Noise Protection department and those in Corporate Technology & Research/Acoustics. Together, they worked out the acoustic design and determined the dimensions of the walls. The result was two circular walls, each 500 m long and 12.5 m high, including the lightning protection. The noise-protection experts also supplied and fitted stainless steel doors and gates.

In the Walsum district of Duisburg, which is around 50 km away from Neurath, the energy company Evonik is building a 750 MW power plant block. It will generate not only electricity, but district heat and process steam, too. Here, KAEFER equipped the new cooling tower (181 m high) with noise-control baffles. The baffles are up to 11 m high, but are just 20 cm wide. Altogether 1,160 baffles were arranged in a circle, which required 15,000 m² of perforated metal sheeting (around 100 tons of aluminium) and 45 tons of mineral wool. The functionality of the baffle design had been tested beforehand in the flow dynamics laboratory at the technical university RWTH Aachen.

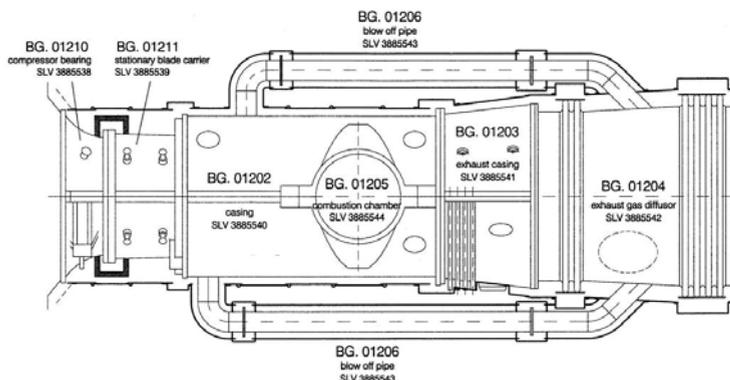


Success in Russia

A LOGISTICAL TOUR DE FORCE It had to go quickly, it had to be done precisely and there were numerous obstacles to be overcome. For the first delivery of insulation for a gas turbine to the Russian company LMZ in St Petersburg, the KAEFER Corporate Competence Center Mattresses (CCCM) was able to demonstrate the wealth of its experience.

The contract for the supply of insulation material was awarded in April 2009 and by July, all the work had been completed. All the insulation material, including the prepared sheet

metal casings, had to be designed, scheduled and partly prefabricated. CCCM was also responsible for prefabricating the supporting construction and the fasteners and for coating the sheet metal casings. Thanks to the far-sighted work of the project manager and CCC Logistics, the time-critical assignment was mastered with flying colours. And their good work was soon rewarded: in August, the follow-on contract was signed for a second gas turbine.



First insulation hood is finished

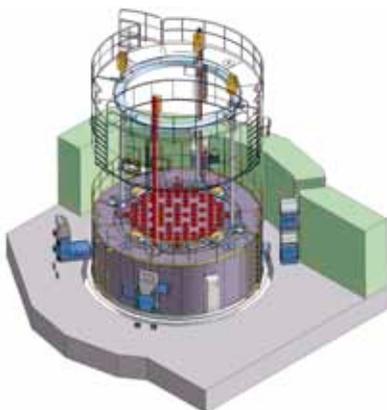
CROSS-COUNTRY COMPETENCE The Franco-German-Finnish KAEFER cooperation in Olkiluoto is bearing fruit. KAEFER WANNER is busy with insulation work on the primary loop of Europe's first EPR (European Pressurised Water Reactor). The French colleagues are insulating the pressuriser, steam generator and volume equalisation pipes. Planning and engineering work is making good progress, so that the components can be produced and installed in 2010.

The German contribution relates mainly to insulating the removable insulation hood for the reactor cover. Günther Ahlers from the Corporate Competence Center Nuclear (CCCN) in Bremen explains, "We've designed the hood and started on production." The insulation hood is around five metres in diameter and seals the pressure vessel where nuclear fission takes place. It can be walked on and removed for inspecting the reactor cover. It is to be built in Bremen, transported to Finland and fitted there in four stages.

The KAEFER staff from Finland is responsible for conventional insulation

work, as well as local logistics and organisation.

KAEFER experts from all three countries have also already begun working on the second reactor of this type in Flamanville, France. KAEFER Bremen is again designing and building an insulation hood. "What makes the contract in Flamanville so important for us is that the power plant is seen as a reference project for all the following reactors of this type", says Ahlers. This has already proved successful, as KAEFER now has options on the construction of two insulation hoods from China.



France: well set for the growth market in atomic energy

RENAISSANCE OF NUCLEAR POWER In the context of climate change and the fight against the greenhouse gas CO₂, atomic energy is becoming more important again. In France, nuclear power now accounts for 75% of total energy. 58 power plants supply electricity, ensuring that the country is 50% independent of imported energy.

KAEFER WANNER has been a dependable partner of the energy industry since the French atomic energy programme was launched in the 1970s, and is an important service provider for insulation, scaffolding, fire protection and related services. To build on its position KAEFER WANNER is investing heavily. The workshop in Pessac was equipped with a laser cutter and a CNC folding machine back in 2007. The IT infrastructure was also adapted to meet the increased demands.

Pessac focuses primarily on prefabricating insulation components used as part of the French replacement programme for steam generators and new programmes in connection with the European Pressurised Water Reactor (EPR) in Finland. The increased capacities reinforce KAEFER WANNER's competitiveness and position the company in the growth market for nuclear energy.

High-profile project at the University of Alberta

CENTENNIAL CENTRE ALBRICO KAEFER Edmonton Commercial has recently been awarded the largest commercial project in company history: insulating the pipe and duct systems in the new Centennial Centre for Interdisciplinary Science at the University of Alberta, Canada. This is a high-profile contract, as the centre is being built to celebrate the university's 100-year anniversary.

The project was in preparation for two years and now replaces Edmonton's Health Research Innovation Facility (HRIF), which was ALBRICO KAEFER's previous largest commercial project. The Centennial Centre is four times as large as HRIF. It contains three large lecture theatres, 15 floors in three towers of laboratory and office space, and four large mechanical rooms.

ALBRICO KAEFER's tasks include insulating the pipe and external duct system as well as furnishing a one-hour-rated duct system in the life safety areas. The one-hour-rated system gives an area of refuge for personnel trapped in the building in the event of a fire. Numerous lab areas need PVC jacketing over insulation due to possible contamination problems.

Work on the project started in January 2009 and is scheduled to last until December 2010. ALBRICO KAEFER expects to have eight to ten employees on site for most of this time. During the last three months, this number is expected to increase to 16.

Fire protection for Olkiluoto 3

A SENSITIVE AREA The Areva Group awarded KAEFER the contract for fire protection at the nuclear power plant Olkiluoto 3 in Southern Finland. KAEFER's fire-protection concept for the annular space around the reactor was accepted by Areva and the KAEFER Corporate Competence Center Nuclear (CCCN) was appointed to carry out the work.

The annulus is the space between the nuclear area and the dome which forms a second shell. It is 1.8 m wide and holds electrical wiring, supply ducts and plenty of piping. CCCN carried out fire testing with the fire-protection experts from Corporate Technology & Research and developed a concept. The contract was worth some 1.5 million euros and covered wall and ceiling cladding for around 700 m² of wall and 450 m² of ceiling surfaces.

The engineering process is currently under way: test plans are being drawn up, material lists written, master drawings and structural calculations made and materials selected. Once this phase is complete, the wall and ceiling cladding will be prefabricated ready for final on-site fitting.



Anne Lauvergeon presents the award to Peter Hoedemaker (r) and Henry Kohlstruck (l).

KAEFER is TOP AREVA supplier

GREAT ACKNOWLEDGMENT The international energy technology group Areva awarded a seal of quality to its best German suppliers for the first time on 1 July 2009. Out of a total of 8,800 suppliers, just 141 were nominated as TOP AREVA suppliers and KAEFER was among them. Peter Hoedemaker, Chairman of the GEC and Henry Kohlstruck, Head of the Corporate Competence Center, accepted the award.

“As a global leader in energy technology, we depend on key success factors such as expertise, innovation, reliability and quality”, declared Anne Lauvergeon, Chief Executive Officer of Areva. “We can only achieve our goals in close cooper-

ation with industrial partners who meet these criteria for success.”

KAEFER supplies and installs thermal insulation and fire protection in nuclear power plants for Areva and has worked closely with the Group and its predecessor companies for around 30 years. One of KAEFER’s real trump cards is its permanent willingness to refine its cutting-edge technology.

It is also notable that KAEFER is the only company to receive the quality seal for insulation technology and fire protection. “We see this as confirmation that in future, too, we will remain very well placed in energy technology with this partnership”, stated Henry Kohlstruck.

Vienna Schwechat again and again

NOISE PROTECTION Many people think of Vienna Airport when they hear the word Schwechat; but not well-informed K-WERT readers. For them, the immediate association is with the refinery complex situated close to the airport, which is one of the largest in Austria and run by our regular clients Borealis and OMV. Not surprising, as they have often appointed us to carry out industrial noise protection. But this time, the order doesn’t just relate to one plant,

but to the entire company site. As part of the Borealis programme Top 20, the 20 loudest sources of noise are to get a noise-control upgrade. A wide variety of work is to be carried out for a total sum of around 200,000 euros, particularly building noise-protection walls and installing new or better-performing silencers. The project also covers a “normal” industrial insulation job for 170,000 euros, which mainly relates to piping.



“Greening up” the Albian Sands Project

OIL SANDS As supplies of conventional oil reserves diminish, alternative sources become more and more important. Amongst these alternatives is oil sand – and ALBRICO KAEFER is becoming an important player in this growing business. This autumn, one major project was the Albian Sands Expansion in Alberta, an ambitious operation owned by Shell Canada.

The project is named after the Albian Boreal Sea, which covered the area north of Fort McMurray more than 100 million years ago and caused the formation of oil sands. The first mine has a daily capacity of 155,000 barrels of bitumen, which is upgraded after excavation and prepared for refining. The expansion project will add another 100,000 barrels per day.

In this project, ALBRICO KAEFER insulated two settler vessels that will be used to separate oil from sand. The insulation consists of 38 mm-thick calcium silicate and 0.4 mm stainless steel cladding. About 20 to 25 people worked on the project between September and November 2009.

The vessels are part of an effort to reduce carbon emissions generated in the process of separating oil from sand. Due to innovative technology, the heat in the vessels can be raised twice as high as in previous models, and pressure can be added. Both factors significantly speed up the process and lead to a reduction of carbon emissions by 10 to 15%. The technical process is called “high-temperature froth treatment”.

Vietnam's first oil refinery opened

DUNG QUAT In February 2009, Vietnam opened its first oil refinery, located at Dung Quat Bay. It has a processing capacity of 6.5 million tons a year and produces 1.8 million tons of gasoline, 3 million tons of diesel oil, 400,000 tons of kerosene as well as large amounts of various other products when it is in full operation.

KAEFER Engineering (Vietnam) Ltd. was heavily involved in this project: it completed 300,000 m² of hot and cold insulation, 800,000 m³ of scaffolding, 4,100 m² of fire protection as well as refractory on four heaters and boilers on schedule. About 1,500 workers were involved during peak times. The project started out with scaffolding activities in March 2007 and lasted through July 2009, when the last insulation tasks were completed. Refractory and fire protection were performed in 2008.

Work on the project had been delayed several times because of disagreements between international investors and the Vietnamese government regarding the site of the plant. The government finally decided to build the refinery on its own. Currently, the sole owner is Petrovietnam, also known as Vietnam Oil & Gas Group. TECHNIP of France and JGC



Corp. of Japan were the main contractors for this project. The Vietnam government places great hope in the project, which was constructed in a less developed part of the country with high unemployment rates. KAEFER employees were very committed to finishing the work on time, and they showed pride in being part of an important infrastructure project for their country.

Woodside Energy rewards successful completion of Train V LNG project

NEW CONTRACTS KAEFER has further strengthened its ties with Woodside Energy, one of the world's leading producers of liquefied natural gas (LNG). After the successful completion of the Train V LNG project in 2008, KAEFER has received several more contracts from Woodside.

Work on the separable portions on the Woodside Energy Stabiliser 6 and VRL Lines projects had been awarded based on KAEFER's successful completion of the Train V project. In addition, KAEFER has secured the cladding replacement project for various tanks and the fractionation shutdown as part of ongoing maintenance work at the Karratha

Gas Plant. Insulation and scaffolding works for three fractionation towers at the plant were carried out by KAEFER. This planned shutdown was unprecedented as it marked the first time a full fractionation refurbishment had been undertaken by Woodside. The tank cladding replacement and the fractionation shutdown were both to be completed by November 2009.

Meanwhile, KAEFER has also started work on two maintenance-based contracts, which commenced in October 2009 and are scheduled to run well into 2010. The scope of this work includes insulation, cladding, blasting and painting. These two contracts highlight

the trust and the excellent relationship KAEFER has established with Woodside Energy. Since the completion of the Train V LNG project, KAEFER has continuously proved to be a reliable service provider, finishing work within the time frame and under budget. KAEFER trusts that this newly established relationship will continue to blossom and lead to the permanent provision of services to this important client. Each year, Woodside Energy spends large sums on maintenance work which is within the range of services offered by KAEFER in Australia.

Complete insulation package for Leismer oil sands project

CANADA The Leismer Demonstration Project, a new oil sands facility owned and operated by StatoilHydro, is being built with significant contributions from ALBRICO KAEFER. The scope of work consists of pipe insulation at four remote well pads, a central processing facility and the gathering lines connecting the four pads to the plant. It is not the first time that Torger Rød, the Vice President with StatoilHydro Canada who is overseeing the project, has worked closely with a KAEFER company: he was already introduced to the Group on his last project in Norway – Snøhvit LNG.

The Leismer facility is located approximately 25 kilometres north-west of Conklin in Alberta, Canada. It uses

steam-assisted gravity drainage (SAGD) to extract heavy oil that is buried deep beneath the surface. When this method is applied, pairs of horizontal wells are drilled into the ground. The upper wells are injected with steam to heat the oil and make it flow into the lower ones. From there it is pumped into the plant for processing. Leismer is expected to produce 20,000 barrels of bitumen per day.

The work is scheduled to last from July 2009 to August 2010. ALBRICO KAEFER uses its Special Projects division (a.k.a. Branch 20), based in Calgary, to oversee and administer the work. It draws manpower from various industrial branches throughout Alberta. Addi-

tional manpower has been hired specifically for the project with an emphasis on seeking out qualified labour in the local area. A full-time project management team remains on site for the duration of the construction schedule. Its highest priority at all times is safety.



Yemen LNG Project successfully completed

COLD INSULATION KAEFER Punj Lloyd Limited (KPLL) and KAEFER Malaysia have participated in the largest industrial project in the history of Yemen, a project involving the construction of a two-train LNG plant with a production capacity of 6.7 million tons per year. The LNG plant has been built with investments from shareholders such as Total, US-based Hunt Oil, Yemen Gas, Hyundai Corp. and Korea Gas Corp.

A 320-kilometre gas pipeline connects the processing facilities in the Marib fields to the two LNG trains at Balhaf,

Yemen. The trains are scheduled to start production in the last quarter of 2009. Around 180 KPLL employees performed a variety of tasks, including hot and cold insulation, personnel protection and acoustic insulation. The area to be insulated totalled 35,000 m².

Malaysia employed 95 workers to provide 10,000 m² of cold insulation for the jetty lines. Due to delays in insulation work front releases, the scope was completed by August 2009.



Netherlands: scaffolding works to increase the output of electricity

SCAFFOLDING The Netherlands have a problem: there aren't enough incineration capacities for domestic waste. But there is also a solution: to modernise and expand existing waste incineration plants. One of them is the HVC plant in Dordrecht. By building a fifth incineration line, its output is to be increased from 240,000 to a maximum of 396,000 tons a year. In addition, the new line is intended to generate power – as do the other lines. And so by 2012 at the latest, HVC will be able to supply around 76,000 households with electricity.

The client for the project is the VMI consortium, managed by construction company Visser & Smit Hanab. VMI has appointed KAEFER Nederland BV as a full-service supplier for scaffolding. From April 2009 until around April 2010, more than 30 fitters will be on site working for KAEFER and responsible for at least 15,000 m³ of scaffolding. As the consortium is made up of more than eight companies and KAEFER is partly working on behalf of subcontractors, this contract requires particular organisation, teamwork and flexibility.

Expansion of India's most modern refinery under way



NAPHTHA CRACKER KAEFER Punj Lloyd Limited (KPLL) plays a significant role in the Indian Oil Corporation's refinery expansion project at Panipat in the state of Haryana, which includes building a world-scale Naphtha cracker as well as some polymer production facilities. The cracker will produce 800,000 metric tons of ethylene and 650,000 metric tons of propylene per year, along with other polymers. IOCL Panipat is considered India's most technically advanced refinery.

The Naphtha cracker complex is expected to have a huge impact on the region's economic development. In combination with another petrochemical plant project, it will fuel the growth of downstream industries for the production of polyester staple fibre (PSF), polyester filament yarn (PFY) and textiles. Based on this raw material availability, a steady growth of related industries is expected in the region.

KPLL has been awarded five major projects at the Panipat Naphtha cracker:

- Supply and application of cryogenic insulation of two ethylene and two propylene double-wall storage tanks of 20,000 m³ capacity each
- Supply and application of thermal insulation for one ethylene storage sphere and four butadiene storage spheres
- Supply and application of thermal insulation for equipment and piping. The volume of the project is about 44,000 m². KPLL has successfully erected scaffolding for a 103-metre-high propylene fractionator
- Supply and application of thermal insulation for equipment and heat-traced pipelines at a scale of about 26,000 m²
- Supply and application of cold insulation and other materials for offsite facilities. Total project value: approx. 6 million dollars

A clean business thanks to KAEFER expertise

ENERGY FROM THE SUN Spain is one of the pioneers in terms of researching and making commercial use of solar energy and is now a global leader in the development of solar thermal power plants. KAEFER Aislamientos has been involved in the most important national solar projects since 2006.

At the first power plant in Europe to use what is known as parabolic trough technology, the Andasol project being built on a high Andalusian plateau, KAEFER Aislamientos is responsible for the scaffolding and for insulating tanks. The total project consists of three power plants, each with a capacity of 50 megawatts (MW), and altogether planned to supply around half a million people with electricity. The first plant was inaugurated in July 2009 and the last section, Andasol 3, is due to commence operations in 2011.

The largest solar energy facility in Europe, the PS10 power plant, is situated in Sanlúcar la Mayor not far from Seville. It will double its output when construc-

tion of the second stage PS20 is completed. The power plant consists of a field of what are known as heliostats and a central collector tower. This solar tower power plant has been supplying electricity to the national grid since 2007. At the summit of the 115 m-high tower, a collector absorbs the heat from 624 heliostats in a special liquid to produce saturated steam. KAEFER Aislamientos insulated the piping, valves and parts of the collector. By 2013 the site is to supply around 180,000 households with electricity. This will save 185,000 tons of CO₂ emissions per year.

Other projects on which KAEFER Aislamientos is working include the Almería solar platform (PSA) in the Tabernas desert. Spain has been carrying out research into the use of solar energy here since the 1980s and KAEFER Aislamientos has completed various insulation contracts.

On the Ibersol CSP project in Puertollano, some 250 km south of Madrid, KAEFER Aislamientos is responsible for



cladding the building, scaffolding and piping insulation and power plant blocks. On completion, the power plant is to produce 50 MW of electrical energy.

The most recent contract for insulation work comes from Seville. Here, Torresol Energy is planning the construction of the first central collector tower plant with a molten salt storage system. It is planned to have a capacity of 17 MW.

Major contracts in the Emirates: Borouge and Green Diesel Project

UNITED ARAB EMIRATES Despite the economic recession, 2008 was a successful year for KAEFER L.L.C., and even better results are expected in 2009. Two particularly large orders have rolled in: Punj Lloyd contracted KAEFER for insulation work at the Borouge Expansion Project in Ruwais, Abu Dhabi, while GS Engineering & Construction (Korea) requested insulation and painting work for the Green Diesel Project in the same city.

Borouge is an important provider of innovative plastics solutions and one of the United Arab Emirates' leading international companies. The multi-billion dollar Borouge 2 expansion project at its petrochemicals manufacturing facility in Ruwais is scheduled for completion by mid 2010. KAEFER L.L.C. will insulate 32,000 m² of hot piping, 17,000 m² of cold piping and 800 m² of hot equipment for this project.

The Green Diesel Project involves the construction of a refinery complex including a hydrocracker unit (41,000 barrels capacity per day), a gas oil hydrotreating unit

(44,000 barrels capacity per day), a sulphur recovery unit (100 tons capacity per day) and other units at Ruwais Industrial Complex. GS Engineering & Construction executes the whole engineering, procurement, construction and test-run process within a 42-month schedule. It is called the "Green Diesel Project" because the generated diesel will contain only low levels of sulphur.

KAEFER has been contracted to blast and coat an area of almost 50,000 m². In addition, 110,000 m² will receive only top coating and 23,000 m² are marked for a touch-up. To speed up the process, an automated blasting chamber is used on this project. It is expected to finish an average of 600 m² of blasting per day. On top of this, the contract's scope includes 50,000 m² of hot insulation on piping, 8,000 m² of hot insulation on equipment and 70,000 m³ of scaffolding.

KAEFER Middle East has become a reliable partner for GS Engineering, receiving insulation and coating orders on a regular basis.

First LNG project in Thailand executed

PLUTO In March 2008, KAEFER Engineering (Thailand) Limited was awarded the modular insulation works on the LNG processing train for Woodside Energy's Pluto project. This became the first LNG insulation project ever to be executed in the country. KAEFER Thailand installed approximately 42,000 m² of insulation with an order value of 13 million euros and peak manpower of up to 650 people.

The scope of the contract included hot, cold (cryogenic) and acoustic insulation for piping and equipment. In addition to conventional insulation, KAEFER Thailand also performed pre-insulation works in a joint venture with KAEFER Australia. A fully operational pre-insulation factory unit with three lines was set up to carry out

the work. In pre-insulation, several layers of polyurethane foam are applied on the steel pipes, which are then covered by a tough outer composite shell that is resistant to salt, chemicals and UV radiation.

KAEFER Thailand has been on schedule with the execution of the insulation work, being supported by experienced project managers and supervisors. This global know-how has also helped KAEFER Thailand to establish a team that has now gathered experience in efficiently carrying out insulation work for LNG projects. The skill level of the manpower for LNG insulation was further enhanced by providing specialised training under the guidance of the LNG supervisors.



More work lined up at Woodside Energy's Pluto project

LNG KAEFER has secured the preparatory insulation and painting work on Woodside Energy's Pluto LNG project based in Karratha, Western Australia. This so-called "pre-dressing" is already under way, but has been slowed by delays in the completion of the mechanical work. The client has not yet issued an updated schedule. However, a considerable overrun of the work is expected.

Due to these delays, the tender process on the two main portions of the Australian Pluto LNG project has also been postponed. KAEFER is expected to become involved significantly when contracts are awarded.

In the course of the ongoing work on the Pluto site in Karratha, KAEFER has also secured a painting contract with John Holland. The

task will be completed by December 2009 and involve 21 painters. This is another important step for KAEFER to establish itself as a major provider of painting services. The painting capabilities developed on the Train V LNG project are thus further strengthened and utilised.



Meanwhile, KAEFER is in the process of finishing the pre-insulation portion of the Pluto LNG project being carried out in Thailand. Work has been carried out on time to meet module shipment dates and the quality of the finished product was exceptional. Safety on site was a high priority for the team and as a result of this positive attitude, KAEFER received the "Contractor of the Month Award" for June 2009.

This project is another important milestone for the KAEFER Competence Center Pre-Insulation. In total, the Competence Center has completed about 10 kilometres of pre-insulated piping on Woodside Energy projects from 2006 through to 2009.

Vedanta aluminium smelter: major contract for KPLL

BAKING FURNACES Vedanta Aluminium is investing 4.6 billion dollars to expand the capacity of its aluminium smelter and power plant at Jharsuguda in Orissa, India. During Phase I of the project, KAEFER Punj Lloyd Limited (KPLL) was instrumental in the mechanical component erection and associated insulation work at all four anode baking furnaces in the carbon plant of the aluminium smelter. This 300,000 dollar job had been awarded to KPLL by China Aluminium International Trading Company (CAITC). An umbrella contract had been signed between KPLL, CAITC and Vedanta.

KAEFER Punj Lloyd Limited earned high appreciation from CAITC and

Vedanta for maintaining high quality standards and executing the project successfully in difficult climatic conditions. Based on this huge success in the project's first phase, CAITC has now awarded KAEFER Punj Lloyd Limited the entire mechanical component erection and associated insulation work worth 700,000 dollars for all six anode baking furnaces in the carbon plant. Another umbrella contract has been signed between KPLL, CAITC and Vedanta for this phase.

In addition, KAEFER Punj Lloyd Ltd. reached a milestone when it secured a contract worth 1.6 million dollars for refractory lining two anode baking furnaces in the carbon plant and 1.7 mil-



lion dollars for refractory lining 336 electrolytic cells (or "pots") in reduction plants of the expansion project.

Noise protection for a tomato farm

SENSIBLE ENERGY USE It sounds surprising, but is easy to explain. One of Austria's largest tomato growers has 50,000 m² under glass on the outskirts of Vienna. These enormous greenhouses are heated by environmentally friendly hot air from a combined heat and power plant. The heat given off by the engine ripens the tomatoes and the mechanical energy goes into generating electricity. This enables the operating process to cover its own energy needs, while excess electricity is fed into the public grid.

The gas-powered piston engine, which works like a diesel engine, not only powers a generator, but also our business. It generates heat and power with a high degree

of efficiency, but also the waste by-product noise. This was a nuisance, as people live right next door.

Our industrial noise department in Austria brought relief by installing a high-performance silencer and completely encapsulating the engine. The work was carried out on behalf of Bauer Energie, a new client, and was completed within six weeks by the end of July 2009. The project manager explains proudly, "The insulation measures, which we dimensioned and calculated ourselves, cut the noise level by 55 dB to below 35 dB/A for the neighbours. That means the plant can be run night and day right next to a residential area without any problem."

Collective achievement for Swedish chemical factory

SAFE, FAST, DEPENDABLE Borealis AG is one of the most important plastics producers in the world. The company manufactures polyethylene in Stenungsund, north of Göteborg in Sweden. This plastic is the basis for numerous everyday articles: plastic bags, pipes, milk cartons – the list of PE products is long. Stenungsund is the site of the only cracker and polyethylene plant in Sweden. The cracker turns the raw materials naphtha, butane, propane and ethane into ethylene, which is then polymerised using high or low-pressure processes in the polyethylene plant to form polyethylene. Since 2007, Borealis has been building a new high-pressure plant, for

which KAEFER is insulating around 52,000 m² of tanks, silos and piping.

The work began in spring 2009 and was carried out by a working group consisting of KAEFER SA, Poland, and KAEFER Industrie, Bremen, with the able support of KAEFER Isoleringstechnik AB, Sweden. At peak times, up to 100 fitters were busy on the site. They worked extremely fast, carefully and safely, so that we picked up all the safety awards at this construction site, too.



Seven at one blow in Austria

TANK INSULATION OMV Austria, a regular client of our industrial insulation department in Vienna, is getting new oil/water separation tanks for its tank farms in Matzen and Auersthal from Gronemeyer & Banck – also a regular client. The latter asked us to insulate a total of seven containers, which have diameters ranging from 12 m to 28 m and are 10 to 14 m high, resulting in a total surface area of around 7,000 m².

The insulation consists of two layers of wire-net matting and a corrugated metal casing. Its manufacture is particu-

larly determined by the demands of the weather, as well as the high safety requirements typical of OMV. Due to the exposed location, high winds and great heat were a permanent problem. In the winter months, the working surfaces also had to be continuously protected against snow and freezing rain. Interruptions were unavoidable and finally KAEFER was even contracted directly by OMV to fit additional guttering and snow guards.

Work started in early 2008 and will continue into the second winter before being completed in early 2010.



Transpower: KAEFER set benchmark for other contractors

COATING KAEFER New Zealand has won its first major contracts under this new identity, ensuring a sustainable and profitable operation in the country. The work involves the painting of power pylons for Transpower, which owns and operates the country's high-voltage electricity grid. So far, the agreement consists of three contracts per year – each covering between 10 and 50 transmission towers – and rollover.

Each tower first has to be prepared for coating. This includes checking the bolts, steel replacement, earthing live lines, high-

pressure water blasting, and sweep blasting. Then KAEFER coats the towers in three stages: spot coat primer, full undercoat and final top/finish coat. All this is undertaken from ground level up to heights of around 70 m.

At the beginning, 15 employees were selected to receive special training at Transpower's Omaka training facility and acquire certification to complete these works. According to the Transpower staff, KAEFER employees have set a new benchmark for all other contractors in this industry with their attitude, appearance and ability.

With the asbestos removal project at New Plymouth Power Station nearing completion, this new project with a key client has been very important for KAEFER NZ. It enabled the company to identify several employees who had worked at New Plymouth and offer them security, development and progression in a specialised area. Those employees have exceeded expectations. Due to the positive impressions, Transpower has already proposed talking about additional types of work for KAEFER.

Asbestos removal for United Nations in Timor-Leste

SOUTH EAST ASIA East Timor, which later changed its name to Timor-Leste, became an independent country in 2002. Due to concerns over the fragile security, political and humanitarian situation, the United Nations established its Integrated Mission in Timor-Leste (UNMIT) in 2006 to support the government in consolidating stability and continuing the process of national reconciliation.

KAEFER Integrated Services, Australia, has now become involved in this reconstruction effort for the first time. The United Nations awarded KAEFER a contract for the removal and replacement of asbestos roofs at the UNMIT warehouses in Dili, Timor-Leste. The roof was insulated with AIR-CELL Glareshield® insulation, and Monoclad roof sheeting replaced the asbestos sheets. 20 large roof ventilators were also installed during the course of this work, covering an area of 2,800 m².

The project commenced in August 2009 and was anticipated to last about six weeks. KAEFER brought in experienced personnel from Australia, who cooperated with a local company and trained workers to complete the project, supporting

the local economy in the process. All materials were shipped to Timor-Leste from Australia.

In order to receive the contract, KAEFER Integrated Services had successfully registered as a supplier for the United Nations. After completion of the project in Dili, opportunities may open up to acquire further work in Timor-Leste with the UN, local government, and Australian Defence Force.



Solar silicon for clean power

PHOTOVOLTAICS, A TECHNOLOGY OF THE FUTURE From autumn 2008 to summer 2009, up to 25 fitters from KAEFER Industrie, Leipzig, were busy at the ChemiePark Bitterfeld-Wolfen. They were installing sophisticated heat and cold insulation as well as protection against noise and condensation for columns, tanks, heat exchangers and piping in a new production plant for solar silicon which is being built there.

The industrial facility is operated by PV Crystalox Solar Silicon GmbH. It is to produce 1,800 tons a year of the primary material for solar silicon ingots and wafers, which are then turned into solar cells. According to the factory itself, it is the first in Europe from which the silicon, which is produced under a modified Siemens process, will be used solely for generating solar power.

The Bitterfeld-Wolfen region has become the centre for the solar industry in Europe, with numerous companies located there. The local state, the federal German government and the European Union are all providing tens of millions in subsidies for the new production facility, which requires a total investment of 100 million euros. Around 100 new jobs were also created.



Key figures

- 12,000 m² of piping insulated
- 14,000 m² of tanks insulated
- 27,500 hours worked
- 25% cold insulation
- Accidents: none



Ammoniac tanks insulated

GERMANY In the summer months of 2008 and 2009, KAEFER Industrie, Hamburg, provided cold insulation (-33 °C) for two large ammonia tanks at the Yara factory in Rostock on behalf of the Norwegian Yara Group, one of the world's leading fertiliser producers.

As the vessels are 33 m in diameter and 25 m high, three foam machines were used simultaneously. The surface area to be treated came to around 8,000 m² including the connecting pipes. The insulation was 200 mm thick on the walls of the tanks and 220 mm thick on the cover.

C&D always has a better idea

SCAFFOLDING For a number of years now, C&D Industrial Services Ltd. has been a competent partner for E.ON, one of the world's largest private electricity and gas companies. E.ON UK has significant operations in Britain and has signed a long-term framework agreement with C&D to provide a range of integrated services for their UK generating assets.

One of these power plants is the gas turbine power plant at Killingholme in North Lincolnshire, where C&D is currently busy with a major façade project. The plant's two hybrid cooling towers have over 5,000 m² of cladding that requires replacing.

In the first phase of the project, C&D put up conventional scaffolding. But after a careful review by the C&D team responsible it became clear that an alternative access solution, utilising "mast-climbing working platforms" would be a better choice for this particular project. These platforms provide benefits in two key areas: they can be safely manoeuvred by staff at the touch of a button and offer improved productivity.

C&D will continue to use the "mast climbers" supplied by C&D's service partner for the next phases of this project. This demonstrates C&D's scaffolding expertise in a project for a valued client.



Working in the heart of shipbuilding territory

C&D JARROW The north-east of England is traditionally the heart of the shipbuilding industry in Britain. So it's no wonder that C&D has a company there which specialises in the design, development, production and installation of heating, ventilation and air-conditioning ducting and related equipment for the offshore and marine sectors – C&D Jarrow. C&D operates a fabrication facility of around 1,860 m² in Jarrow with the latest production equipment. Recently, C&D Jarrow and its team of interior architects supplied and installed ducting,

insulation and fire protection and carried out interior work for E.ON's new Babbage gas platform.

C&D Jarrow continues to be a leading supplier of production and architectural outfitting services to the marine and offshore sectors. Ongoing project work for clients includes newbuilds and accommodation upgrades on navy ships and platforms, not only on the Tyne but at other sites in the UK such as Hartlepool and Lowestoft.



MiRO – We're on board!

SUCCESS IN SOUTH-WEST GERMANY KAEFER Industrie GmbH has signed a long-term framework agreement with the Oberrhein oil refinery (MiRO). This marks an important step in penetrating the market in Baden-Württemberg. The search for a site in Karlsruhe is now in full swing.

MiRO is based in Karlsruhe and is not only Germany's largest refinery for vehicle fuel, but one of the most modern and high-performance plants in Europe. The refinery's approximately 1,000 employees transform crude oil – around 16 million tons a year – into high-quality petroleum products such as petrol, diesel, heating oil,

propylene and bitumen for the shareholders ConocoPhillips, Esso, Ruhr Oel and Shell. MiRO is the main source of supply for petroleum products in South-West Germany.

KAEFER is responsible for insulation work in the maintenance and project business. The framework agreement also covers shutdown work, which based on past experience, often requires a high level of flexibility and commitment from the firms involved. As well as providing staff for the site, investment in new site equipment was also necessary.

Dolphin Energy awards annual maintenance contract

PERSIAN GULF The Dolphin Gas Project is the largest gas initiative ever undertaken in the Gulf Region. Its mandate is to produce, supply and transport natural gas from a dedicated section of Qatar's North Field to customers in the United Arab Emirates (UAE) and Oman.

Wet gas is produced in the Persian Gulf and then piped some 80 kilometres to the shore and to Qatar's Ras Laffan Industrial City, where the Dolphin Gas processing plant was built between 2004 and 2007. This plant is the core element in Dolphin Energy's operations. The raw gas processing includes removal of hydrogen sulphide and other impur-

ities. This is followed by the extraction and exporting of valuable by-products. The refined methane gas is then compressed for supply to the UAE through an export pipeline.



JGC Corporation of Japan performed the engineering, procurement and construction (EPC) of the plant. KAEFER played a major role under JGC, supplying and installing 330,000 m² of hot, cold, and acoustic insulation for piping and equipment. KAEFER was the single contractor for executing the entire insulation work in the plant. During peak times, more than 1,200 men were deployed to finish the tasks as planned.

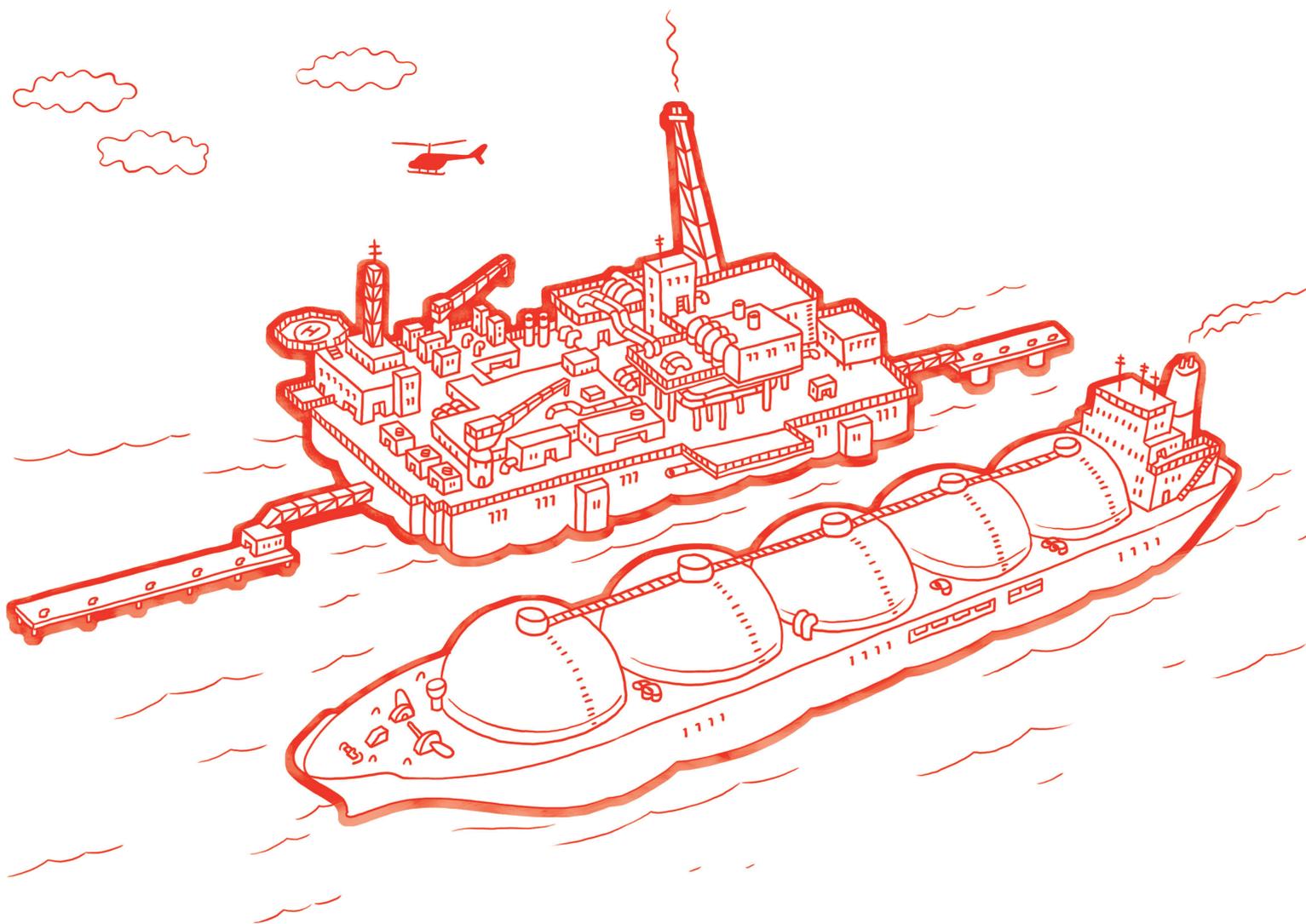
Based on this performance, KAEFER has now been awarded the annual maintenance contract for painting, insulation and scaffolding work at the project's on-shore and offshore facilities.

World premiere: first offshore LNG terminal completed

CUTTING-EDGE TECHNOLOGY FROM SPAIN In August 2009, the LNG tanker Dukhan was the first ship to dock at the receiving terminal Adriatic LNG off the coast of Porto Viro in Italy. The facility is the first gravity-based offshore terminal for unloading, storing and regasifying liquid gas (LNG). Two enormous LNG storage tanks, with a total working capacity of 250,000 m³, a regasification plant, equipment to berth and unload LNG tankers and a concrete structure have been built in Algeciras (Spain). The final stage of the work was carried out on the GBS in the Adriatic, some 15 kilometres off the

Italian coast. The terminal's handling capacity is impressive: it can supply around 22 million m³ of natural gas a day (8 billion m³ per year), or around 10% of Italy's current gas requirement.

KAEFER Aislamientos has been involved in the insulation work on the facility from the beginning, insulating the walls and roof of the steel tanks as well as the piping, equipment and fittings. In September, the entire project was completed – a milestone for the Italian energy industry and at the same time the largest project in the history of KAEFER Aislamientos.



Norway nurtures multi-skilled employees

FOCUS ON TRAINING Safety and quality are two important factors that help KAEFER stay ahead of the competition. To set even higher standards in the future, KAEFER ENERGY is now preparing a skills plan that will provide an overview of employees' skills. Based on the results, it will also define training measures to be offered for blue-collar and white-collar workers. Some of these courses will be mandatory, others voluntary.



For blue collars, KAEFER ENERGY will cover the costs of acquiring the certificate of apprenticeship if an employee can document the required experience. Also, more multi-skilled workers are needed to increase efficiency when a contract involves various tasks. KAEFER ENERGY has therefore defined the term "multi-skilled" and determined which courses need to be attended to achieve this status. In addition, multi-skilled foremen have to participate in leadership courses.

The skills plan for white collars includes KAEFER programmes such as Project Management Qualification (PMQ), the Junior Leadership Programme (JLP) and International Training for Engineers (KITE). Other relevant courses will be considered.

All in all, the plan is quite ambitious. KAEFER ENERGY wants to lead the market in terms of skills and prepare employees for the upcoming challenges in their line of work. At the same time, well-trained workers are less likely to be involved in accidents.

While a detailed plan is still being devised, building expertise has always been a priority for KAEFER ENERGY. One employee who has recently achieved significant milestones is Kurt Ekrem, the first person in Norway to be named "Certified Coating Inspector – Level 3" by NACE International, a professional technical society offering the only standard of training for coating inspectors to be recognised worldwide.

New managing director for the Offshore division

MANAGEMENT Craig Rose has been named the first managing director of the Offshore division. He brings 29 successful years of experience in KAEFER's core business areas to the Group, including extensive knowledge of the offshore sector. Rose served 26 of those years at McGill Services, now a Hertel Holdings company.

The managing director's task will be to harness KAEFER's existing expertise and leverage it to grow the Group's offshore business worldwide. He will be located in Teesside, UK, where he opened a new KAEFER office in September 2009.

Craig Rose relishes this challenge, as he has already worked closely with many people in the very specialised offshore services community. "It is important that people working in this sector

are aware of its requirements, while knowledge of the people working in the industry is a tremendous asset", he says.

Rose gained experience in his native UK offshore fabrication yards at all managerial levels before rising to executive managing director. He has been extensively involved in the offshore sector, but has also gained considerable expertise in marine and industrial disciplines over many years.

The new managing director plans to build this division by concentrating on three main factors: "green areas" where the company is not currently active, existing operations that can benefit from additional offshore involvement, and certain target projects. "There are exciting opportunities worldwide as the global push for oil and gas resources moves on", Rose emphasises.



New company focuses on rope access services

KAEFER ACCESS The most spectacular jobs within the KAEFER Group may be those at the newly founded company KAEFER Access in Bergen, Norway. To address a growing demand for highly skilled abseiling experts, this unit was set up in June 2009 as a joint venture of KAEFER ENERGY and SolidTech, a service provider for the oil and gas industry.

KAEFER ENERGY, which holds 51% of the new company's shares, will keep its own access division, but it will continue to focus on scaffolding services for the offshore industry. KAEFER Access, on the other hand, will take care of everything that needs to be done in places that are very difficult to access, such as confined spaces and high structures. The range of tasks includes inspection, maintenance, repair, and rescue services as well as almost anything else a customer might request.

KAEFER Access will soon stand on its own two feet, but will also remain a subcontractor for KAEFER ENERGY, which has high ambitions regarding the

maintenance and modifications market and plans to compete for some large contracts in 2010. In the future, KAEFER Access will also support KAEFER units outside of Norway. The company started out with six specially trained climbers, a number that is expected to increase to 10 or 15 in 2010. The plan is to employ 30 highly skilled climbers by 2011.

Safety and quality are very important issues in this field. KAEFER Access therefore uses the same ISO certification as KAEFER ENERGY, and also follows SOFT and IRATA standards. SOFT is the Norwegian standard and IRATA is the international standard for abseiling technique.



StatoilHydro awards contract for interior outfitting at Snorre A

ARCHITECTURE The architectural outfitting division at KAEFER ENERGY has been awarded the refurbishment contract for the living quarters of StatoilHydro ASA. The contract represents a major addendum to KAEFER ENERGY's frame agreement with StatoilHydro and is the largest single assignment for the architectural outfitting division so far.

Snorre A is an integrated production, drilling and accommodation platform for approximately 300 people and operates on a 24/7 basis. Production start-up was in 1992. Years of wear and tear in harsh conditions means the platform now requires maintenance, refurbishment and upgrading. The lifetime of the facility has been extended to 2028, which implies the use of durable "cutting-edge" solutions and materials to obtain the required quality.

The Snorre A contract includes the complete renovation of the freshwater system and the sewage system. Sewage pipes are partially located below the living quarters and must be accessed by temporary scaffolding above sea. The work also requires partial dismantling of hydrocarbon fire barriers. This is a crucial operation with rigid limitations due to weather and safety requirements.

KAEFER ENERGY will also renovate 180 cabin bathrooms, divide 16 two-men cabins into 32 single cabins, and renovate 600 m² of moist floors.

Employment record and major project for PARKER KAEFER

“GSF GRAND BANKS” Dodging 500 kg moose on their way to work every morning is not the only challenge the PARKER KAEFER crew has been facing this autumn. Undertaking the coatings refit on the semi-submersible drilling rig “GSF Grand Banks” was an adventure from the start. Being on a tight schedule already, the arrival of the rig was delayed for one month. In cooperation with suppliers, the PARKER KAEFER team managed to avoid demobilisation and the costs this would have incurred.

The project is the company’s first major refit in Newfoundland with the rig being berthed in Bull Arm, 1.5 hours west of St John’s, the provincial capital. Amongst the required



tasks was the application of protective coatings on equipment, materials, interior tanks, the exterior hull and living quarters in order to pass the recertification required by the Classification Authority. The contract, which is worth approximately 3 million euros, also involves insulation repairs on replaced piping. About 80 employees have had exactly 100 days to complete the tasks.

For PARKER KAEFER, the contract offers an opportunity to strengthen its ties with one of the largest players in Atlantic Canada. “In 2008, we subcontracted Pennecon, our current client, to do approximately 500,000 dollars worth of heat tracing in the Gulf”, explains General Manager Tom Fitzpatrick. “The relationships we formed have now greatly assisted us in winning the GSF Grand Banks: Pennecon is now our customer and not our subcontractor. They returned the favour tenfold.”

The St John’s-based construction group is an important strategic partner and it is beneficial for the two companies to form strong relationships, especially with a local recession expected in 2010 and 2011. Also, the “GSF Grand Banks” project puts PARKER KAEFER in a better position to gain offshore contracts with Husky Energy, who operates the rig.

In the meantime, PARKER KAEFER is doing better than ever, despite having problems finding the necessary manpower for the current projects on the east coast of Canada. In early September 2009, an all-time record of 255 employees was set in the company. That’s not counting the moose.

Multidisciplinary maintenance contract at Gjøa secured

GJØA KAEFER ENERGY has, together with the IKM Goup, secured an important contract that will help to gain additional experience in multidisciplinary offshore maintenance contracts. Until February 2013, KAEFER ENERGY will perform all maintenance work related to isolation, painting, passive fire protection and scaffolding at Statoil’s Gjøa platform in the North Sea. Additional tasks include engineering and monitoring corrosion and surface protection. The contract may be extended another two years.

For KAEFER ENERGY, the project requires a well-coordinated team of multi-skilled personnel working on the contract. Continuity needs to be maintained even though not all skills are required at all times. On average, the contract will involve 10 to 15 people – with higher peaks and a slight drop-off in winter.

Statoil will operate Gjøa while it is under development. When the field comes on stream, Gaz de France will take over as operator. Start-up of oil and gas production is expected in 2010. KAEFER ENERGY is already heavily involved in the assembly of the platform, providing fire protection, insulation, interior outfitting and engineering.



KAEFER builds the biggest sauna on the seas

SHIP OUTFITTING The sauna on “Mein Schiff” is the largest Finnish sauna to be found on board a cruise ship. It has room for 54 people and offers a panorama view over the water. The sauna and the whole wellness and spa area were built by our KAEFER subsidiary from Finland, which is certainly not short of expertise and years of experience in ship outfitting.

The MS Galaxy was converted to “Mein Schiff” in just 38 days on behalf of TUI Cruises, a shipping company founded in 2008 as a joint venture between TUI AG and Royal Caribbean Cruises Ltd. On 17 March 2009, TUI Cruises took over the ship from Celebrity Cruises in Puerto Rico and the vessel left the port of San Juan on the same day, bound for Bremerhaven.

Also on board were around 60 KAEFER fitters, who began work on the ship during the passage. The former spa area was dismantled and the steel work began in parallel. The new wellness area was expanded from 850 m² to around 1,700 m². “Carrying out the work on the high seas isn’t easy”, says the project manager. “We planned everything carefully and prepared it all days before leaving San Juan. If something is missing in the middle of the Atlantic you can’t just have it delivered later.”

On 27 March, “Mein Schiff” arrived at the Lloyd Werft shipyard in Bremerhaven and then the work really started. At times there were more than 100 fitters in the yard to complete the spa and wellness area. Apart from the Finnish sauna, Deck 11 now has oriental steam

baths, a hamam, seawater and herbal baths, a relaxation zone and private spa suites as well as rooms for hairdressing and cosmetics and treatments such as shell massages and thalassotherapy.

Altogether, TUI Cruises has invested some 50 million euros in alterations to the ship. This includes the cost of more than 32,000 litres of exterior paint and 2,000 m² of protective foil for the letters on the hull. The work was completed in the spa area at the end of April as planned. The ship was renamed “Mein Schiff” in Hamburg on 15 May 2009 and then set off on its maiden voyage. In summer 2009, the vessel travelled mostly on Northern and Baltic routes, before leaving for the Mediterranean in autumn and then on to the Caribbean.



MEIN SCHIFF

- **Construction:** Meyer Werft, Papenburg, 1996
- **Alterations:** Lloyd Werft, Bremerhaven, 2009
- **Length:** 262.5 m
- **Width:** 32.2 m
- **Draught:** 8.5 m
- **Crew:** 780
- **Passengers:** 1924
- **Cabins:** 962
- **Decks:** 13
- **Speed:** 21.5 knots

Insulation for the most modern submarines in the world

SPAIN They are set to be the pride of the Spanish navy and will be amongst the most modern non-nuclear submarines in the world: four military S80 submarines, developed by the Spanish defence group Navantia and currently under construction at the shipyard in Cartagena.

The subs are around 70 m long and have a displacement of 2,200 tons when fully submerged. In addition to three diesel generators and an electric motor, they have an air-independent propulsion system (AIP) based on fuel cells. The vessels reach a speed of 12 knots above water and 19 knots under water and have space for 32 crew members and eight special forces personnel. Their special

features include enormous operational scope, the rigidity of the hull, their silent running and greater capacities for storing and deploying weapons.

Navantia is Spain's leading military shipbuilder and brought KAEFER Aislamientos on board for the insulation work on all four submarines. This makes KAEFER responsible for the comfort insulation, noise and fire protection on the project, for which the total area to be insulated comes to 3,096 m². KAEFER Aislamientos is also in charge of designing and manufacturing the cold stores. The fourth sub is to be delivered to the Spanish navy in 2013.

KAEFER Schiffsausbau at the Kröger shipyard: a serial success

REFURBISHMENT Project manager Jürgen Bartels was able to make himself at home in Rendsburg in 2009, as the Hamburg office had won a whole series of contracts, all refits: four minesweepers and a speedboat for the German navy, with a tug and a yacht in between for some variety. Enough work to keep ten men busy for almost a whole year – and also the Bremerhaven office with the delivery and assembly of kitchen furniture.

On the minesweepers Auerbach, Datteln, Dillingen and Bad Bevensen it was mainly the galleys which needed gutting, in order to replace all the casings with aluminium panels and stainless steel sheeting. This was followed by the installation of the sort of modern equipment that will delight any ship's cook. Panelling and insulation was also removed and renewed

for maintenance purposes and in order to work on the weaponry, and the exhaust pipes were reinsulated. The total contract volume was over 1 million euros. Replacement work on the speedboat Wiesel covered all the exhaust pipes for the engines (which alone required 129 m² of insulation mattresses) and furnishing the crew's quarters, amongst other things.

In between these orders for the navy, an elderly tug was converted and fitted with new wall and ceiling panelling and new equipment. Finally, the 65 m private yacht Apoise, built in 2006 by Lürssen, got new insulation on the exhaust pipes as a "standard service", plus a watertight cover made of hard PVC for the tender garage at the captain's request, because when the sea was choppy, launching and recovering the toys sometimes brought more water on board than planned.





Volkswerft Stralsund: new “six-pack” for A. P. Møller

GERMANY As in the period 1998–2003, KAEFER is in Stralsund and working on six ships for the Danish A. P. Møller Group again. And for this new “six-pack” we also have several contractual sections.

Anchor-handling tug supply vessels (AHTS) must be able to carry out their multiple tasks reliably at all times, even in choppy seas. That’s why they are equipped with four main engines and a wide range of special equipment. The outfitting and noise protection are of similar calibre. KAEFER Schiffsausbau is responsible for all the insulation on floors, walls, ceilings and exhaust pipes, the delivery and assembly of cold stores and shelves as well as the floors in the engine control room and the navigation room, plus the outfitting and furnishing of

all living and working quarters including primary and secondary floor coverings. The contract volume per ship is well above 2 million euros.

Laying 890 m² of hardwood flooring on the working deck alone accounts for more than 10% of the order volume. For the first time, this does not involve attaching the planks with screws, but laying them in fields made of double T sections. The visual perfection attained by this time-consuming method is the pride of the men who realise the work.

In July 2009, NB 476 was the first to be delivered after a build time of just ten months. NB 481 is to complete the series exactly one year later.



From outside ceilings to outside furniture – one good thing leads to another

FURTHER DEVELOPMENT KAEFER external ceilings for yacht building are a real success story. The Sunflower at the Lürssen shipyard, Bermuda at Kröger Rendsburg, Luna at the Lloyd yards as well as BN 704 (Oceanco, NL), Safari and Eclipse at Blohm + Voss are just a selection to demonstrate the convincing advantages of our patented system. The panels and profiles are made in our own workshop in Bremen and are visually attractive, technically optimised and of course seawater-proof. They now set standards in terms of quality, ease of installation, flexibility and finish.



With all these advantages, the obvious question was how to use this material and know-how in other ways, and as so often, the answer was right in front of us. Or rather right below us, as the furniture for the deck areas covered by these outside ceilings should also offer the same benefits in terms of freedom of design, manufacturing and surface quality and robust weatherproof finish. In fact, we and our clients all started thinking in the same direction at the same time.

In early 2009, everything was set. Our workshop for producing exterior ceilings with the existing CNC machines was expanded to include a four-way plane and a capacious spray-painting and drying facility, additional staff were recruited and a large bar counter for the yacht Scout by Kröger Rendsburg was chosen as a pilot project. The shells made of hard-foam panels and designed by Espen Oeino, Norway/Monaco, were delivered to our workshop. There they were given an exquisite surface finish consisting of smooth filling followed by several layers of high-resistance gloss paint, as well as the interior fittings such as fridges, etc. Work surfaces and doors can be selected from a wide range of materials, from granite in exotic colours and patterns through to oiled or varnished teak.

The advantages of the material are complemented by a very practical aspect. Ideally, outside ceilings and outside furniture are installed at the same time and in the same place. If both are carried out by the same people, the yards save on time and organisation and avoid the inevitable disruption that comes with two separate teams working simultaneously.

And so it is no surprise that the order book for our workshop is already full until 2012 and follow-on orders for furnishing the J24 and from Blohm + Voss for the Orca have already been received. More contracts are being prepared, too.

KAEFER OPTICON: a popular partner in Vietnam

SHIP OUTFITTING Whether for insulation, ceilings, curtains or carpets, the Vietnamese shipbuilding market still relies on material and expertise from Europe. KAEFER OPTICON BV is based in Reeuwijk (Holland) and in recent years has established itself as a dependable supplier in this field. In 2009, the company again fitted out numerous freight and coastal ships from various shipyards.

KAEFER OPTICON provides complete packages of materials as well as engineering and supervision for fitting out living and sanitary quarters in Vietnam.

And it does it very successfully: KAEFER OPTICON equipped four VG 3300 coast liners on behalf of the Hong Ha Company in Hai Phong. Each ship has four decks, which means a total of 1,040 m² had to be fitted with insulation,

pipings, ceilings, walls, doors, sanitary facilities, floors, curtains and furniture. The engineering also came from KAEFER OPTICON. In fact, the Hong Ha Company received assembly support last year as well, from a supervisor trained in Holland, who provided the yard with the necessary expertise.

The 189 Company in Hai Phong also depends on quality from Europe for its four VG 2600 coast liners. KAEFER supplies similar services as for the Hong Ha Company and is fitting out an area of some 180 m² per ship. KAEFER OPTICON also works for S.K.B. nv in Antwerp (Belgium) and recently took on the complete outfitting for three new tugs, including the engineering.



Jörn M. Fetkötter,
Vice Chairman of
the GEC, at the
inauguration of the
Neumayer III Station.

Successful completion of our most southerly construction site!

THE ANTARCTIC Atka Bay, position 70°40'8" South, 8°16'2" West, on 20 February 2009 at 1 p.m.: in the presence of Jörn M. Fetkötter, the key to the Antarctic station Neumayer III is ceremoniously handed over to Professor Karin Lochte, the director of the Alfred Wegener Institute for Polar and Maritime Research (AWI). It is a symbolic gesture though, because in the Antarctic people don't really tend to lock the door behind them when they go out.

Unfortunately, we had to stay at home, but in Bremerhaven we received first-hand information from project manager Dietrich Thöns. Three years ago, we examined the 1:25 scale model in Riedemannstrasse; now not only Neumayer III is finished, but the new KAEFER office building Am Lunedeich 151B is almost ready, too.

K-Wert: So tell us Dietrich, when did it all start?

Dietrich Thöns: AWI first started planning before the new millennium. The previous station II built in 1992 sank into the snow cover, which had been anticipated, but gradually went too far. In 2004 we had more detailed discussions, in early 2005 the work was put out to tender and a year later the working group J. H. Kramer/KAEFER put in their bid. But we didn't actually intend to build the work as tendered.

K-Wert: I beg your pardon!?

Dietrich Thöns: We had safety concerns about the excessive fire toxicity of the materials in the tender. So we put in a parallel bid for a different design, which achieved the desired aims with more suitable materials. The main element was our LOLAMAT® product. These are insulating panels which meet the required specifications in terms of thermal and acoustic insulation and fire protection and are completely non-toxic, too. To top it all, they are also rigid enough to form self-supporting structural elements, which saves space and weight.

K-Wert: That was obviously the right concept. How did the timing go afterwards?

Dietrich Thöns: The order was placed at the end of August 2006. Then came a year of design and production. In late summer 2007, we had a trial assembly of some sections here in Bremerhaven and on 16 November, the Arctic Sea set off with all the construction material and the tools.

This was followed by two assembly seasons on site, both during the Antarctic summer from December to February, and that took us through to final completion, on schedule, in February 2009.

K-Wert: It sounds easy, but wasn't it quite exciting?

Dietrich Thöns: No – the only nerve-wracking bit was the four-week delay during the first assembly season. We were only able to start in mid January instead of on 16 December 2007, because a field of pack ice two kilometres wide prevented our material from being unloaded at the edge of the ice shelf. This condemned 40 highly motivated men to an unscheduled "holiday" in a region with more snow than anywhere, but which is totally unsuitable for winter sports. But then everything went like clockwork and we accelerated the second season with a few more staff. Looking back, there was just a single one-kilo pot of zinc undercoat which caused a problem. We forgot it, which meant that one square metre of outer skin glistened metallically and unpainted in the sun for months.

K-Wert: A scintillating triumph...

Dietrich Thöns: (smiling) ... in both senses! Because we had 2,500 tons of material and 1,000 tons of equipment and apart from that tin of paint nothing went missing, not even one of the 16,000 screws. Everything was transported and assembled in full, without the slightest damage. And above all, there wasn't a single accident, not even sickness or anything like that, despite all the unusual challenges and climatic difficulties. So we're fairly proud that we hit the target spot on.

K-Wert: Indeed; we can really only offer our congratulations to you and everyone else involved in realising this unique achievement!

Dietrich Thöns: Thank you. But it wasn't as unique as all that, because we already took part in the construction of the forerunner station 18 years ago.

K-Wert: So if you want to build on the coldest continent on earth, there's no way around KAEFER, the world's largest independent provider of complete insulation solutions. Thank you very much Dietrich for this insight into a fascinating project of yours.

For everyone interested in details of the construction, technology, research goals, etc.: www.awi.de (> English > Infrastructure > Stations)

Ready for take-off: Pier B West

FRANKFURT AIRPORT It was definitely one of the more unusual projects. The completion of Pier B West at Frankfurt Airport required the ultimate in careful planning, preparation, logistics and execution. Working in the security zone of the airport, ongoing flight operations, nowhere to store material and to top it all, complex services and lots of contractors in a relatively restricted space – it was a real challenge for the team from KAEFER Construction GmbH.

And now at the end of 2009 the west side of Pier B is as good as finished, and so everyone involved can breathe a sigh of relief. “For our part we met all the deadlines”, says one of

the project managers. “But altogether there were delays, so completion took longer than planned.” Not surprising, as there are always added extras on a project of this complexity.

Overall, the contract was worth more than 15 million euros. KAEFER was contracted for the complete outfitting of Pier B West and since March 2008, has carried out more than 75 small sections. The work included dry construction, painting, doors, metalwork, screed and sophisticated stone flooring, suspended ceilings and wall panelling as well as various fire-protection components and the installation of the security gates.



Fire-protection upgrade during ongoing operations

HOSPITAL KAEFER Austria has been busy with extensive fire-protection work at the accident and emergency hospital in Meidling since summer 2009. This affects around 7,000 m² of L90 ducts and 1,200 F90 soft partitions over several construction phases. The work has to be carried

out in stages, as the hospital continues to operate without interruption and so individual areas have to be prepared and carefully sealed off, one after another. This means that the project will take three years and is only due for completion in 2011.

Insulation for one of Norway's largest hospitals

NORWAY St Olav's in Trondheim is one of the largest hospitals in Norway. Research, teaching and patient care at the university hospital have only recently come under one roof. A new organisational structure and new buildings: since 2002, numerous new clinics and facilities have been built in several sections. Altogether around 80% of the existing buildings are to be altered and refurbished. Construction work is due for completion in 2015, when the hospital complex will encompass nearly

200,000 m², of which around a quarter is set aside for the university and teaching.

For KAEFER Construction AS, this is the largest project in Norway to date. Three contracts for a total volume of some 4.5 million euros are still in progress until the end of 2009. KAEFER is responsible for passive fire protection, pipe cladding and insulating the heating, ventilation and air-conditioning equipment. “With this project we can deploy our expertise in project management, coordination and risk manage-



ment and gain valuable experience for future hospital projects at the same time”, says Ronny Harsvik, Business Manager at KAEFER. Several large hospitals are going to be built in Norway in the coming years.

Centre Pompidou-Metz: an architectural highlight

FRANCE The Centre Pompidou is not only closely associated with Paris, but also with KAEFER WANNER. More than 30 years ago, WANNER ISOFI was involved in building the famous centre for art and culture, which was opened in January 1977, in the 4th arrondissement in Paris. The first branch, which is currently being built in Metz, around 300 km to the east of the capital, is due to open in 2010. The superstructure is folded along two axes to form a complicated roof design in a hexagonal shape, which is 90 m wide and 77 m high at the apex. The structure is completely made of wood and coated with a waterproof fibreglass and Teflon membrane.

Metz will be able to enjoy the collection of the National Museum of Modern Art in the Centre Pompidou in Paris. Only around 1,300 out of a total of 60,000 works can be shown there at any one time, and so the branch in Metz can now compile and present its own exhibitions from this huge collection. In order to offer the Centre Pompidou-Metz and all the works of art the greatest possible level of safety, KAEFER WANNER is back on the job again. The French colleagues were responsible for fitting sheet steel elements to all the smoke extraction and ventilation systems and for the fire protection on the heat registers on behalf of the construction company Demathieu & Bard. Visitors to the museum can admire all our works, and so we would ask all the fans of modern art amongst our staff to give us their opinion of the pieces realised by our French colleagues.



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Good planning is half the battle

TUNNEL FIRE PROTECTION The KAEFER fitters at the entrance to the Kirchenwald tunnel in Switzerland need strong nerves, as the lorries rumble past directly under their scaffolding during their day and night shifts. The reason for their endeavours is that the section of the A2/A8 motorway near Hergiswil, between the mouth of the tunnel and the existing noise-protection gallery, is to be fitted with a domed roof in order to protect nearby residents from the noise and the drivers from snow and rain. KAEFER is planning, supplying and fitting the fire-resistant cladding. It is to be attached to the roof gallery using a subframe made of high-quality stainless steel.

Construction work has been taking place in three sections since early 2009 and is due for completion in early summer

2010. "We planned carefully and prepared the work for a good six months", says the project manager from KAEFER in Frankfurt. "It was worth the effort, everything functions properly and we can work very efficiently."

That is all the more important as this motorway is one of the most important in Switzerland. Wherever possible, the technicians work on top of the scaffolding while the traffic goes past below them. "But for some jobs, either one or both lanes have to be closed", says the project manager. That only happens at night, when traffic is rerouted through the town. Then the fitters work in the tunnel night for night, for up to six weeks at a time.



MyZeil: opens on time in Frankfurt am Main

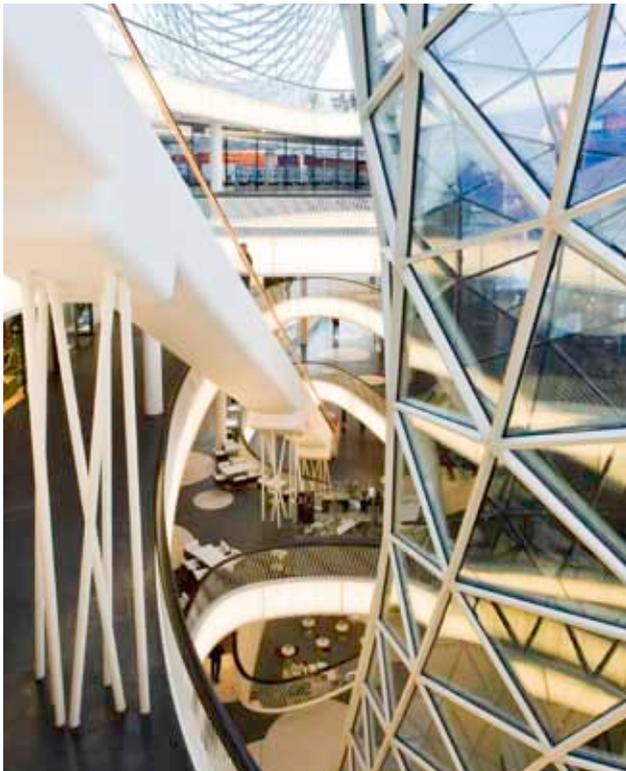
PARTIAL GENERAL CONTRACTING INTERIORS MyZeil, on a street called Zeil. On 25 February 2009, one of the most spectacular and modern shopping centres in Europe was opened in the centre of

Frankfurt am Main. There are more than 80 shops on a total area of around 77,000 m², one of the longest indoor escalators in Germany at 47 m, which runs from the ground floor directly to

the fourth floor, and an underground car park with 1,400 parking spaces. Around 90,000 visitors come to the shopping centre every day.

The punctual opening of MyZeil was also made possible by KAEFER Construction GmbH. The partners in the working group PalaisQuartier Interior – consisting of KAEFER, MBN Bau Köln GmbH and Mänz und Krauß Ausbau GmbH from Berlin – worked virtually around the clock in the months before the opening. “The working relationship in the group was really good – very collegial and personal”, says the KAEFER project manager. That enabled them to master the challenges, even when things got stressful. Which was quite often, as working days often ran from 6 a.m. to 11 p.m. and were followed by an inspection with the client MAB Development until 2 in the morning.

This was magnified by complicated logistics – on a major building site in the middle of Frankfurt, lorries can basically only deliver supplies at night. Especially as the shopping centre is only one of four construction sites in the Palais-Quartier: a 136 m-high office tower, the Jumeirah hotel with 24 storeys and the Thurn and Taxis Palais are also due for completion by spring 2010.



INTERIORS MyZeil with underground car park

- Construction period: 11/2007 to 02/2009
- KAEFER contractual sections included: **Façade** – around 20 fitters, e.g. 10,000 m² of ceiling insulation in the underground car park, **Fire protection** – around ten fitters e.g. for cable and ventilation ducts, **Dry lining** – around 100 fitters, almost all the dry lining work in the shopping centre

Personnel deployed within the working group:

- 2 x project managers
- 2 x site managers (at peak times, 6 site managers)
- 3 x commercial staff (incl. commercial manager)
- 2 x foreman
- 2 x secretarial staff

CHEMPARK: new office space for management

INTERIORS With sites in Leverkusen, Dormagen and Krefeld-Uerdingen, CHEMPARK is the largest chemical park in Germany. Some 50,000 people work at the over 70 companies located here. CHEMPARK is run by the Bayer subsidiary Currenta, a service provider in the chemical-technical field.

KAEFER Construction GmbH has worked for Bayer for many years, mostly under framework contracts, but also on individual projects such as this one on behalf of Currenta. The building E1 at the Leverkusen site went through a high-quality refurbishment in winter 2008/2009 for the offices of CHEMPARK’s management. The building was erected in 1914 as a teaching workshop for Bayer and since 1942 has housed the apprentices’ school and the material testing laboratory.

“It is a listed building, so the interior finishing is always something special”, says the project manager. KAEFER was responsible for the interiors on a total of four levels, from the ground to the top floor: plasterboard walls with skylights, partly also fitted with Ecophon acoustic panels, illuminated ceilings, perforated plaster ceilings, door frames, glass doors and windows (in collaboration with bemo fire

protection systems). But not everything is new. “We have kept the style of the staircase”, explains the project manager. The doors were also just restored by a joiner. “We stuck to the building time of four months with no problems – our foreman Chaban Saceme and the whole team did a great job!”



EURO PLAZA: a new district in Vienna

INTERIOR FINISHING A new life for a former industrial site on the outskirts of Meidling, Vienna. This multi-year project is to create a completely new urban district, including rerouted transport links. One of the most striking construction projects is the office complex EURO PLAZA, initiated by investors of the Kapsch Group, which will occupy four city blocks.

We have been involved since the first construction phase, both for interiors and for HVAC insulation on behalf of our regular client Porr Project und Hochbau AG. Phase 4 alone related to usable space of 52,000 m² – the volume of our contract was around 3 million euros and it kept 40 of our staff occupied during the year-long building phase, and up to 60 at peak times. The interior finishing concerned some 45,000 m² of suspended ceilings as well as around 2,000 m² of exterior metal ceilings including fitted lighting. The insulation covered 10,000 m² of mineral wool encased in aluminium and 27,000 m² of steel panelling, plus 8,500 m² of noise insulation.

These are impressive figures on their own, but overall the project has already reached a total of 120,000 m² of office and

commercial space. After the final construction phases are completed, the total area is set to exceed 200,000 m² in 2012, meaning there's still plenty of work for us to do.



© Anna Blau

Vienna: second Uniqa Tower after three years

FIRE PROTECTION It was back in 2006 that we struck the right tone at the new headquarters of Uniqa Versicherungen AG on the Danube canal with MICRO-SORBER® panels. Now a second tower is going up on Praterstrasse, for mixed use with shops and a hotel, but also with office space. We have been involved in building the shell since May 2009 – the steel pillars in the 17-storey building (total height: 77 m) have to be clad in 7,000 m² of Promat panels as fire protection. This job will be finished in March 2010.

The contract is special because of the difficult conditions on site. As the site manager explains, "The approach

roads are narrow and packed with traffic and there is virtually no storage space on the site itself, so logistics is a real challenge, requiring complex organisation. We are also not the only contractors who need new material every day and space to unload it."



Façades: one contract, many opportunities

FAÇADES A new client with great potential: LEG Landesentwicklungsgesellschaft NRW GmbH manages some 92,000 flats with a total of more than 280,000 tenants. This makes the business from North Rhine-Westphalia one of Germany's largest housing companies. The façade department of KAEFER Construction GmbH is now working for LEG for the first time. The team from Bremerhaven is to refurbish the façades on two 20 m-high buildings with 45 flats

and fit a new composite wall insulation system. "We have five months in which to do it – everything has to be finished by the end of 2009", says the project manager responsible. If everything goes to plan, he hopes there will be more tenders, also for partial general contracting. KAEFER Construction has mainly been active in refurbishing façades in Northern Germany and this contract offers a good chance of more projects in North Rhine-Westphalia.





Completion: cinema paradiso in Central and Eastern Europe

HUNGARY Today, the Cinema City Group consists of 65 multiplex cinemas with a total of 603 screens, and there are a lot more in the pipeline. That's good for film fans, especially in Central and Eastern Europe, where Cinema City is now the market leader for multiplex cinemas. KAEFER HEIBL also benefits from the cinema operator's enormous growth, as it is involved in the completion of many of the projects.

At the end of 2009, the Allee Mall shopping centre in Budapest is to open, complete

with a multiplex cinema with 13 screens. KAEFER HEIBL took over the complete interior finishing of the cinema as sub-general contractor for an order volume of around 2 million euros. KAEFER has also been involved in other Cinema City projects, such as the IMAX cinema Arena Plaza Mall in Budapest or the Cinema City in Szeged, Southern Hungary. "The investor group is an important client for us", says András Lénárt from KAEFER HEIBL. "It's one of the fastest-growing cinema chains in Europe and there are

currently 45 cinemas under construction. That's an interesting market for us, not just in Hungary but in the whole of Central and South-Eastern Europe."

Cinema City has more than 3,000 employees in six countries (Poland, the Czech Republic, Hungary, Rumania, Bulgaria and Israel). The Dutch company is based in Rotterdam.

Langenfeld: new building of the main fire and ambulance station



GERMANY KAEFER Construction, Monheim, had won the tender run by the town of Langenfeld, Germany, for the internal outfitting, and the contract was by no means insignificant. Dry lining, assembly wells, suspended ceilings, acoustic ceilings, supply and installation of doors and door frames, joinery work and signage added up to a contract volume of some 0.5 million euros and covered all areas, from the vehicle garages and workshops to administration, staff and relaxation rooms and annexes.

The project management team, ably supported by their staff and some sub-contractors, carried out this extensive programme within less than a year. Work began in summer 2008 and by the end of May 2009 the project was complete. Only the joinery work was completely outsourced. The metal ceilings in the canteen deserve special mention, as they include complicated integrated lighting with moulded parts and shadow gaps, as do the relaxation rooms for the teams on duty, which had to be fitted with extra noise protection.

SAP at Aerospace: fulsome praise from the customer

ORGANISATION Handwritten warehousing ledgers are a thing of the past – as of November 2009, KAEFER Aerospace in Seifhennersdorf will also be running its business processes in SAP.

For the colleagues' everyday work this means that when they take something from the warehouse for instance, they no longer write it in the warehouse ledger, but enter it directly in SAP. This doesn't sound like less work than before at first, but to appreciate the real benefits of the SAP system you have to think one step further. "The advantage is that we save a lot of time on analysis", explains Anja Szilard, Head of the IT department and project manager for the SAP installation. "Before, we had loads of handwritten lists, Excel spreadsheets, text files and a stock-keeping system, which all required a great deal of work to collate and put into a format that enabled us to generate analyses." Thanks to SAP, figures for orders received or production planning can now

be accessed from all sites and at any time. So now the staff in Seifhennersdorf can easily input orders that are received by email into the system for example.

SAP had already been introduced at the Aerospace site in Nobitz in 2008. The team there worked on the roll-out in Seifhennersdorf as well, and was thus able to draw on its past experience. "It's vital not to disrupt the entire production process during the changeover period", says Anja Szilard. "For instance, the input screen has to be kept as simple as possible, so that everyone can learn how to use it quickly and can operate the system without any mistakes in a short period of time."

The introduction phase made high demands of the project team and the employees who had worked on the project as key users. "Everyone was exceptionally willing, even though for many of them it was a tightrope walk between SAP and their everyday work",

recalls Anja Szilard. "But even when production continued over Saturday and Sunday, everyone was back on the SAP project on Monday full of enthusiasm. It was a great achievement." Ideal conditions then, for the roll-out to go as smoothly in Seifhennersdorf as it did in Nobitz. The major client Airbus even explicitly praised the changeover – they didn't notice the switch to SAP at all. And from the customer's perspective, there is hardly any greater praise.



Outstanding!

AWARD KAEFER Aerospace has been recognised as an absolutely reliable supplier for fibreglass-reinforced plastic components by Diehl Aircabin GmbH (formerly Airbus Laupheim). In spring 2009, the Top Delivery Supplier Award 2008 went to the Aerospace team. This is proof positive that KAEFER has added to its reputation as a dependable supplier and partner for Diehl Aircabin GmbH. No missed deliveries, a punctuality

rate of 99.8% and complaints of below 0.2% make KAEFER Aerospace the main supplier for air-conditioning pipes and interior components. This is primarily due to the outstanding efforts of the 200 staff at KAEFER in Nobitz, where the side and ceiling panelling as well as air-conditioning pipes are produced for all Airbus models.

New opportunities in conversion and repairs

NEW MARKETS A wide-bodied passenger aircraft flies for a good six years on intercontinental scheduled services and by then has logged more than 30,000 flying hours and around 25 million kilometres. It is then sent in for a general overhaul, where the paint is scraped off and every single part and system is removed and inspected. Lufthansa Technik is one of the global market leaders in this business and has to be supplied with spare parts quickly and with absolute reliability whenever it needs them. This is where KAEFER Aerospace comes into play.

The after-sales market, which includes both the conversion and overhaul of aircraft, is an exciting and vital market

for KAEFER Aerospace. Naturally, this doesn't just apply to Lufthansa Technik, but also to clients anywhere in the world. "Of course the need for spare parts is particularly high when the planes are being checked and serviced", says Sales Head Thorsten Schmidt. "This is where we can optimise our use of resources, deploy our available capacities and provide the client with the necessary spare parts in large volumes at short notice. Our advantage is that no other company knows Airbus insulation as well as KAEFER."

To date, KAEFER Aerospace has been listed with Airbus as an OEM (original equipment manufacturer) and can only sell material for Airbus planes di-

rectly to Airbus and not to its customers or to conversion companies. This is partly because of safety guarantees and partly because of the rights to drawings and documentation, which are completely held by Airbus. KAEFER has now officially applied for authorisation from the EASA (European Aviation Safety Agency) to supply maintenance and conversion operators or airlines directly, subject to approval by Airbus. This can be with fully tailored insulation mats but also with "semi-finished" mats, which can be stored as universal mats and cut to shape at short notice as needed. "Entering the market for replacement parts and related services is a key step for us, not least because the international quota in this segment is very high. That means we can make optimal use of our international distribution network", says Schmidt.

The need for spare parts is not so high for air-conditioning systems. Here, KAEFER Aerospace continues to concentrate on maintenance and repair services. "At our site in Nobitz, we inspect air-conditioning pipes for leaks or other damage, repair them and send them back to our clients within two or three days", explains Schmidt.



A new man at the top of KAEFER Aerospace

MANAGEMENT From Bavaria to the far north of Germany – since 1 July 2009, Dr Alexander Toussaint has been Managing Director of KAEFER Aerospace GmbH. The 42-year-old was born in Fürstentfeldbruck and studied engineering at the Technical University Munich, where he completed his doctorate in metalworking technology in 2000. Subsequently Toussaint worked as a principal and interim manager for the consultancy Droege & Comp. in Düsseldorf, where he specialised in corporate recovery, LEAN production and process optimisation. "Chemicals, automotive or food – I learnt about a lot of industries during that period", says Toussaint. "It was a very exciting and valuable experience." One of the projects was at EADS, which went so well that in 2005, Toussaint moved to EADS Eurocopter as Head of Production Planning and Management for helicopter components made of composite materials. Eurocopter is one of the world's leading helicopter producers and in 2006, Toussaint took over the management of the components production centre (dynamic components and systems for helicopters) in Donauwörth. We are delighted to welcome Dr Toussaint to our team and wish him great success in his new role at KAEFER Aerospace.



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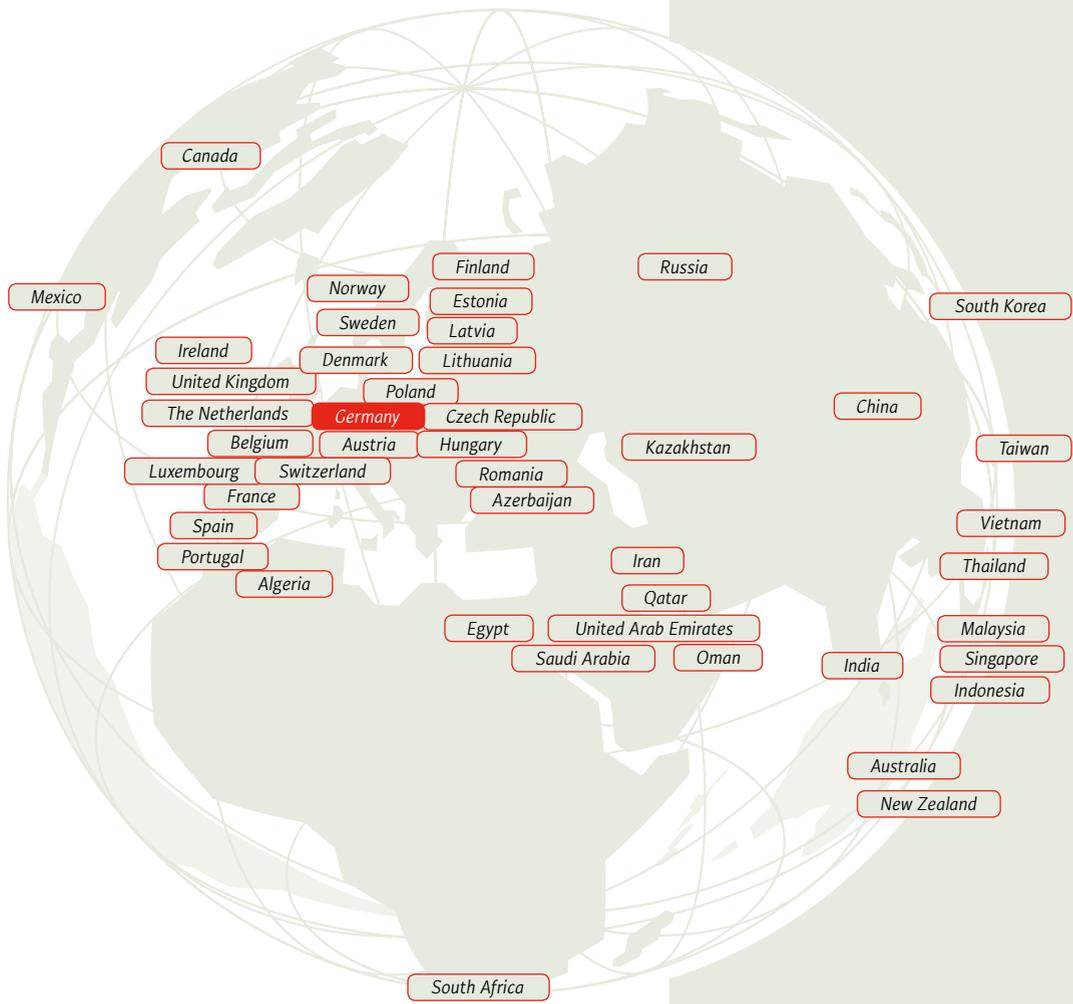
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