

CBRE announces plans to combine project management business with Turner & Townsend

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CBRE Group, Inc. (NYSE:CBRE) today announced plans to combine its project management business with Turner & Townsend, a global leader in programme, cost consultancy, and project management services. Turner & Townsend is a majority-owned subsidiary of CBRE.

Upon completion of the deal, CBRE will hold a 70% ownership stake in the newly combined entity, with Turner & Townsend partners retaining the remaining 30%. This strategic move creates an unmatched project management powerhouse, boasting over 20,000 employees serving clients across 60+ countries.

Bob Sulentic, CBRE's Chair and Chief Executive Officer, said: "Unifying our project management business will create an offering that is unmatched for its scale and breadth of capabilities, with more than 20,000 employees serving clients in over 60 countries."

"Powerful secular trends, particularly increased spending on infrastructure, green energy, and employee experience, are growth catalysts for this business and we are well positioned to capitalise on this significant opportunity."

Vincent Clancy, Turner & Townsend's Chairman and Chief Executive Officer, will spearhead the combined business. He will continue to report to a board controlled by CBRE, comprised of senior executives from both companies.

"Vince is an exemplary leader who has guided Turner & Townsend to great success," Mr. Sulentic said.

"Putting CBRE's extensive global project management resources and capabilities under Vince will strengthen our value proposition for clients and advance our growth ambitions."

Vincent Clancy, Turner & Townsend's Chairman and Chief Executive Officer said:

"Our ambition since joining forces with CBRE in 2021 has been to create the premier, differentiated programme, project and cost management capability globally."

"We have made exceptional progress towards this goal and our revenue and profit have grown significantly in the last three years. Turner & Townsend's momentum will continue to grow with the combining of two great businesses into one integrated, pure-play project management capability. Our combined depth of talent and resources, global footprint, sector expertise and commitment to excellence will be second to none in project and programme management."

The combined entity will leverage the strengths of both businesses, offering unparalleled depth of talent, a global footprint, sector expertise, and an unwavering commitment to excellence in project and programme management. Mr. Clancy further emphasised, "This merger positions us as the clear leader in our field, with unmatched resources and capabilities."

As part of the deal, CBRE intends to establish a new project management segment within its reporting structure, separate from Global Workplace Solutions. This will provide increased transparency for investors beginning in 2025.

"Vince will bring a global perspective and deep experience in key growth areas like renewable energy and infrastructure to our Board. We look forward to his insights and contributions," Mr. Sulentic said.

The merger is anticipated to be finalised by year-end, subject to customary regulatory approvals, completion of consultations with employee Works Councils in certain jurisdictions, and the fulfilment of other standard closing conditions.