



HUMAN TECHNOLOGIES CORPORATION
2011 Annual Report

A Message from our President

PAUSING LONG ENOUGH TO NOTICE.

These inviting and thought provoking words, and title of a book written by local author, leader, mentor, and friend, Teresa Huggins, evokes fond and power-filled images of 2010 and 2011 for HTC. We have had several very productive and growth-filled years and see more to come, and when we pause in the midst of all the action and excitement we are creating, we see the richness and are touched by the essence of HTC, OUR PEOPLE!



We have continued our restructuring of operations, which strengthens our long term viability and sustainability. We brought on board our first ever Chief Operating Officer, restructured our finance operations to provide more oversight with the addition of a Comptroller, and added a corporate Compliance Specialist to help foster the value of improved compliance, which improves quality and ultimately increases satisfaction. We continue to position ourselves for sustainable growth and job creation for people with significant disabilities and see our efforts as playing a critical role in the economic vitality of our communities.

We expanded our Property Management Group's reach into the Syracuse and Binghamton regions and have won more custodial and groundskeeping contracts. We now employ more than 40 people in those locations. We will set up physical space in each of those locations by the second quarter of 2012.

We continue to experience growth in our Uniform Program Management line of business and have won a large Nassau County police contract along with the US Air Force Civilian Police Force contract. In addition, we have won several uniform contracts for the states of Texas, Florida and New Jersey. We have expanded and enhanced our US Forest Service Program and have moved into a new 68,000 sq. foot warehouse and distribution space that will provide room for ample expansion as this line of business continues to grow. In 2012, we will service more than 26,000 employees/customers in our uniform program.

For the past few years we have participated in National Grass Roots Advocacy training in Washington, D.C. and officially kicked off our internal Grass Roots Advocacy program. Margaret Divesti from Northern Apparel, Sandy Shade from Warehousing and Distribution and Linda Forth, Vice President of Human Resources, attended this training and learned about the inner workings of legislating. Margaret and Sandy developed their personal stories to advocate for themselves, HTC and the AbilityOne Program. This grass roots effort is certainly something we are proud of and as a result of Margaret and Sandy's efforts we provided HTC employees follow up training on self-advocacy, voting, perfecting and telling your personal story and had several HTC employees register to vote in the fall 2010 elections – for some, it was their first time ever voting! We have created our first speaker's bureau and have identified over a dozen individuals to participate!



*Sharlene Moshier
Collects unicorns and
other knick knacks*

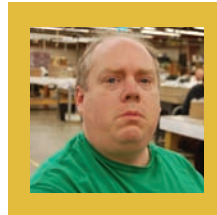


*Tom Michoud
2 years at HTC.
Native of Illion.*

People Strate



Aubrey Wells
5 years at HTC.
Grew up in Florida.
Loves TV, especially "Friends".



Mike Roberts
Started at HTC in 1988.
Plays a mean game of Connect Four.

We became an early adopter of the nationwide AbilityOne Programs Quality Work Environment (QWE). The Four Practice Guidelines of QWE create an opportunity for us to impact each of our employees, their work contributions to our customers and communities and above all their ability to grow and sustain their employment and provide long term impact to their careers. We will continue to integrate these practices into our strategic plan and day to day operations. This integration will serve then as a structural framework for how we engage in business development and how we strategically grow our lines of business as we continually focus on job creation and employment outcomes.

In 2010 we created a strategic plan that would double the size of our direct labor workforce, especially for people with significant disabilities, by 2015. This stretch goal would mean that year after year we would need to create jobs for people at the rate of 15% per year. I am proud to say that we have increased our direct labor jobs by 13%! To think that we have created more jobs during what is undoubtedly one of our country's most difficult economic times is one more example of the commitment we have as a company to live our Mission each day. We enhance the lives of people who have disabilities through work and demonstrate to our customers and communities that people with disabilities make a difference!

For the past 18 months, officers and senior staff have participated in trainings and conversations about creating a future that is vibrant

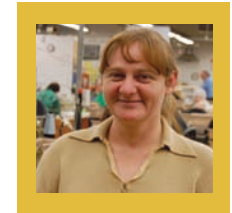
Expansion Positioning Progress



Debbie Rogers
Originally from California,
loves hiking.
Celebrated 1 year at HTC.

and sustainable. We have focused our work on our new Vision of *being an extraordinary, world class business of choice*, creating collaborative global transformation by unleashing human potential. We crafted this Vision during our strategic planning process and see that for HTC to succeed and create jobs, we must think, act and respond differently to our changing world. Together with our day to day Mission of enhancing lives through work, our strategic plan focuses on continuous improvement, standardization, job creation, new lines of business and a QWE. Our Vision can be a reality and the promises we make can be fulfilled.

As I look back on these past few years and all that we accomplished, I am struck most by the power-filled words of the new Vision for HTC and certainly how they are and will be fulfilled by OUR PEOPLE. I am honored to be among creators, industrious workers, thinkers, givers and promise keepers. I am inspired by their stories and touched by their faithfulness to improve lives of others who depend on our services and products and above all humbled by their extraordinary gift of service and charitable spirit toward others. In the years ahead we will look back on these turbulent times and see them as stepping stones to a brighter future and a pathway to our greatness! 2012 will most certainly provide more opportunities to transform ourselves and to unleash our human potential!



Jasminka Martinez
Originally from Bosnia,
loves sewing.



Scott Fralick
Likes photography and
Utica College Hockey!

Rick Anderson

g y

Act Locally...



Betty Clark
Enjoying every minute of
her five grandkids!



Alan Roy
16 years at HTC.
Loves music - especially
oldies and country.



Colin White
A big music-fan - everything
from Neil Diamond to Beyonce.



Kevin Canastar
7 years at HTC.
DJ by night!



Anne Campbell
Originally from Alabama.
33 years at HTC.
Makes a mean red velvet cake.



Catherine Pardee
Collects dolls and
love to crochet.



Mark Remington
An exercise fanatic.
An artist.
A car enthusiast.



Tim Pike
8 years with HTC.
A movie buff!



Shwe Thu
Originally from Burma.
Mom of three. Just became
an American citizen!



Vincenzo Graniero
Came to the US from
Italy in 1956.



Deanna Grant
A huge North Carolina fan!



Frank Clements
9 years at HTC.
His one year old daughter
keeps him running!



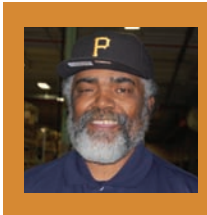
Toiyabe
National
Forest, Nevada



Brussels-Belgium

Tokyo, Japan

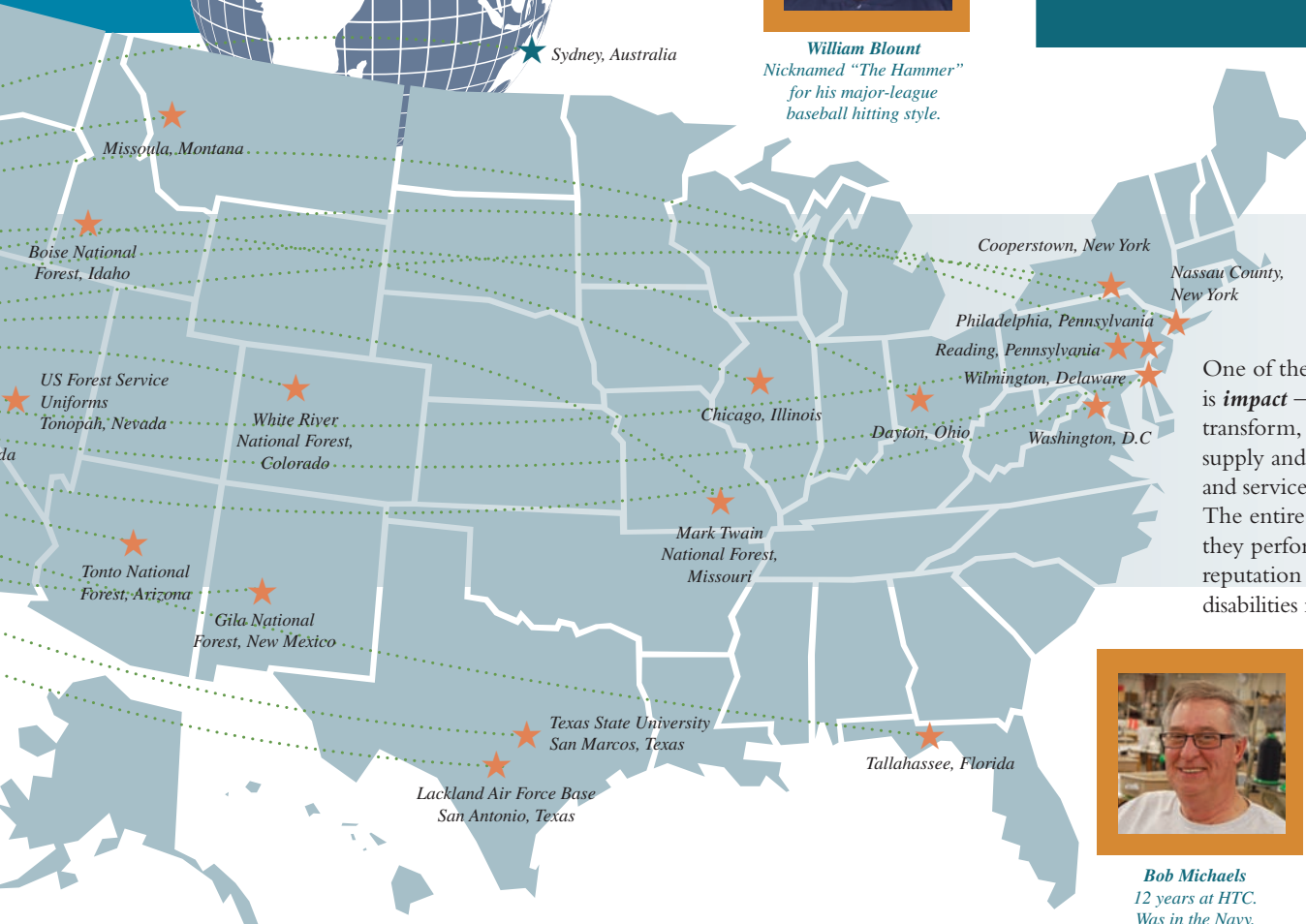
Sydney, Australia



William Blount
Nicknamed "The Hammer"
for his major-league
baseball hitting style.

We want to be an extraordinary world-class business of choice.

...Think Globally.



One of the most extraordinary things we see at HTC is **impact** – impact in the lives of our employees as they transform, find purpose and become part of a global supply and value chain that the reach of our products and services has across the nation and around the world. The entire HTC team knows that the job and tasks they perform, no matter how small, sets our worldwide reputation and advances the capabilities of people with disabilities in the workplace. Each HTC employee also



Bob Michaels
12 years at HTC.
Was in the Navy.
Loves reading about the Civil War.

knows their job is not just sewing a head harness, embroidering a US Forest Service shirt, cleaning an Air Force research laboratory or just shipping a box. They know we are assuring the safety of a soldier in our armed forces, showing pride in wearing a uniform that protects and manages our nation's wilderness and getting an important package to the right person at just the right moment. We're impacting local lives. We're making global strides.

Self Advocacy



Helping
ourselves
and others

} Representing HTC
in Washington, D.C.
Have a voice and voting!

“I’ve been more of a spectator than a player through life - I don’t just want to be a player now... I want to be a winner!”

- SANDY SHADE

The culture and benefits of being a part of the HTC family go way beyond just work – employees have the opportunity to learn, grow and share newfound knowledge to help the entire workforce become stronger both at work and home.

ADVOCACY IN D.C.

Each year, HTC representatives travel to Washington D.C. to the NISH Grassroots Advocacy Conference, which allows people with significant disabilities a chance to speak with Congressional leaders, using their own voice to talk about the positive impact obtaining employment with the AbilityOne Program has had on their lives.

Employees that have gone so far have had a wonderful time on the trip – for Margaret Divesti, who went in 2010, it was her first time on a plane or a subway. Margaret had many take aways that she brought back with her that helped her peers on the job and BEYOND – information on how to research elected officials “who are going to work for ME and other disabled workers”, getting updated on current topics, a lot of information on voting, and especially how to tell her story of success. Margaret stated, “At the end of the day, officials may not remember the statistics and facts, but they will remember the story. My story.”

COMING ALIVE

A year ago, Sandy Shade was probably the most quiet employee at HTC. She has now surprised everyone – including herself – and decided to really step up and get involved, enhance her skills, learn a variety of jobs, and become a voice for herself and her coworkers. Sandy shares that “people with disabilities are understood here at HTC. Here, we are useful, needed, important, productive and happy.” She is increasingly gaining confidence to participate, tell her story and to help others.

Sandy was the most recent HTC representative to travel to Washington, D.C. in June, 2011. Sandy was able to meet and talk with Congressman Hanna and a representative from Senator Gillibrand's office, as well as sit in the House of Representatives and listened to our Congress during their session.

HAVING A VOICE

Voter education has been a big undertaking for HTC. A speaker came to educate the staff about the importance of voting and how the process of voting goes, and how to help get the word out to others. Employees learned the difference between a Republican and a Democrat, the different positions in politics, discussed the ads that they see on TV for candidates and what to believe or not believe, learned how to become more aware and to learn about candidates and even took a tour of the Board of Election to physically see how the voting machines worked. Employees were even signed up to vote right on the spot. Getting information to people about how to have a voice in the political arena



We are laying the groundwork for those with disabilities to stand up for themselves – to be accepted and acknowledged – NOT to be feared and pushed away. We want to be part of the conversation and asked to participate.

by simply becoming aware of issues, following which candidates are looking out for THEM and sharing the knowledge they gain is an imperative step in helping HTC employees feel empowered and to have a voice.

GOING FORWARD

The groundwork is laid for a Speaker's Bureau for self advocacy at HTC and training began in January 2012. HTC employees will continue to represent disabled workers in D.C., they will do presentations in the community for different groups such as Rotary, will lead tours for visitors of HTC, and will go to Albany to talk about current issues for those with disabilities. The Bureau, which at this time has about 16 members, will meet every two weeks to work on creating members' individual stories for future public outreach and to share how the Ability One program has impacted their lives. Having peers like Margaret and Sandy take the trip, come back and step up in front of people to say what they've accomplished has been very motivating. By seeing others do it, they feel like they can do it, as well.

Representatives of Congress have the opportunity to become an "AbilityOne Congressional Champion". A Congressional Champion must complete four steps before they earn the title:

- 1) Visit with a non-profit agency representatives at their district or Washington, D.C. offices
- 2) Tour the non-profit's contract manufacturing or service contact site
- 3) Certify that the office support the Javits-Wagner-O'Day Act by using AbilityOne services or products in their Washington, D.C. or district offices
- 4) Voice their support through a communication on behalf of the AbilityOne Program: such as a press conference statement; Congressional Record statement; or a similar communication

Our district's current Congressman Richard Hanna completed all of these steps in 2011 and is considered a "Champion".

Expansion

The new warehouse space

} 58,000 square feet
19 employees
almost 2,500 SKUs

New Warehouse



A big move occurred for HTC in 2010 – the move of the distribution center from a 26,000 square foot facility to a new 58,000 square foot location. The warehouse and distribution center is now located on Broad Street in the former Dodge Graphics building. The majority of HTC’s uniform programs are fulfilled here – the US Forest Service, US Army Corps of Engineers and the Bureau of Reclamations. Almost 2,500 SKUs are housed at the new building.

The building floor plan was a blank slate to allow optimum set up for the needs of storing, pulling orders, alterations and shipping. The larger space allowed for set up of wireless barcode scanning, which wasn’t possible at the former location. The IT infrastructure makes everything more seamless.

The same staff is at the center of operations here and working productively and happily in their brand new space. They had a special pride in the new space because they had a huge hand in breakdown, moving and set up from one place to the other.

The additional space is allowing for faster order fulfillment time. The rack system imple-

mented puts the faster moving items up front so pickers have less distance to walk to pull orders. Value added services like hemming, sewing patches and other services are now more in synch in the flow, allowing products to move through in a linear workflow.

Increased security measures on the new building are also very beneficial. Because HTC deals with law enforcement uniforms, additional precautionary measures are needed. The new space has a key entry that keeps it secure and tracks who comes in and out.

The timing and availability of the new building was the “perfect storm”. HTC was quickly outgrowing their former space, this building’s specifications were a great fit and the negotiated lease saved money.

Right now, HTC is utilizing about 35,000 of the available 58,000 square feet, so there is room to grow. There is a certain trust factor with that additional space for potential new contracts – they will know that we have the capacity to handle their job. That, along with years of experience in uniform management and a tremendous track record of quality, will position HTC for great growth in the future.

Technology



Technology is becoming more and more of a vital part of HTC's infrastructure and strategy for growth. HTC's 3-person in-house technology team keeps communications flowing, manages and maintains network systems, updates email servers and hardware switches, upkeeps an extensive disaster recovery system and more. Some milestones in technology for HTC in 2010-2011 were:

SETTING UP ALL THE SYSTEMS – phones, computer networking, new equipment, running lines and more – for the new HTC warehouse location.

The addition of a **COMPUTER LAB** with eight machines to HTC's main building for training purposes and short term projects. It will also allow employees who do not have computers at home to take care of important online needs.

BUILDING OF INTRICATE E-COMMERCE WEBSITES for customers such as the US Forest Service, where people all over the country can order work apparel through online stores. The back end works with other HTC divisions to fulfill and ship each order.

MAKING PEOPLE MOBILE – Senior staff rely heavily on communication through Blackberries as they are on-site at the State Fair or traveling to visit customers. Laptops, wireless capabilities in all buildings, iPads and more are kept running by our internal team.

WRIST-WORN SCAN GUNS – HTC has worked with NISH to develop a bar code scanning device designed to assist people with disabilities to pick orders in the Distribution Center by providing visual and audio prompts.

ERP SYSTEM FOR MANUFACTURING AND DISTRIBUTION – HTC has invested in an Enterprise Resource Planning (ERP) system, an integrated, real-time business control system which will provide enhanced planning and reporting.

ELECTRONIC MEDICAL RECORDS – The Utica and Rome Clinics have implemented an Electronic Medical records system which will enhance customer service and increase the efficiency and accuracy of client record keeping and billing.

New Contracts

- 1 BINGHAMTON** – HTC made a dramatic expansion into New York's southern tier region in 2011 by winning the federal contract to clean the Binghamton Federal Building and Courthouse, a New York State Preferred Source contract to provide janitorial and grounds services for the Kirkwood Welcome Center and Rest Area on Route 81, and two Department of Transportation sites. 18 employees were added to our workforce.
- 2 SUNY OSWEGO DORMS** – In 2010, SUNY Oswego hired HTC to clean dormitory facilities and 2011 saw additional facilities added. A brand new 130,000 square foot, 10-story housing "village" was assigned to HTC's crew of 22. A deep cleaning involves all aspects of the dorm - from walls and floors to hallways and bathrooms.
- 3 SYRACUSE BUILDING SERVICES** – HTC began janitorial services for the Onondaga Justice Building and Hillbrook Detention Center, doubling employment in the Syracuse area.
- 4 ONEIDA COUNTY** – HTC was awarded new County Office Building janitorial and grounds contracts and now services thirteen locations, including the County Office Building, Utica and Rome Courthouses, Union Station, Law Library, and the Public Health Clinic. Faxton-St Luke's Healthcare chose HTC to clean seven satellite offices from Boonville to Waterville, with five new employees joining our workforce.
- 5 US AIR FORCE CIVILIAN POLICE AND GUARD UNIFORM PROGRAM** – Continuing to build on our reputation as a trusted provider of uniform management and logistics services, HTC became the Prime Contractor for the US Air Force Civilian Police and Guard. We will provide 42 separate items, all made in the United States, to 4,000 Air Force employees on 68 bases through the country.
- 6 US FOREST SERVICE UNIFORM PROGRAM** – Siting HTC's history of excellent products and services, the US Department of Agriculture-Forest Service agreed to a new five year contract through 2016 for all of their uniform needs.
- 7 COMMERCIAL FOREST SERVICE UNIFORM PROGRAMS** – HTC won contracts in 2011 to begin work on uniform programs for Texas, Florida, and New Jersey.

Quality Work Environment



Measurable outcomes of QWE will include increased:

- wages and employee engagement
- quality and service to federal customer sales
- number of people working
- statistical information that can help affect public policy decisions

A NATIONWIDE OPPORTUNITY TO BE A MODEL

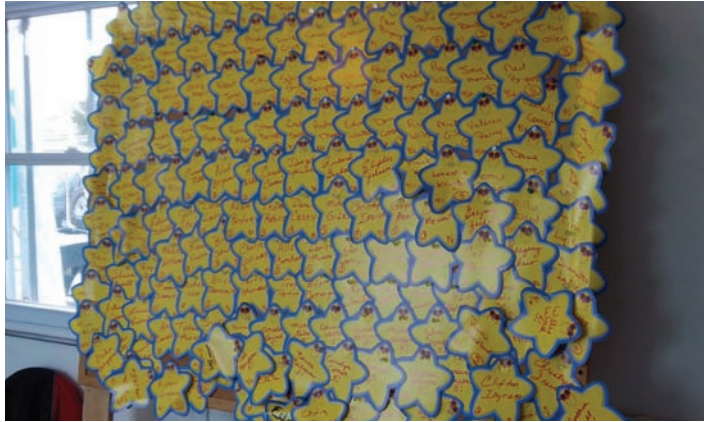
HTC was a participant and early adopter in a nationwide best practices initiative within the AbilityOne Program called The Quality Work Environment (QWE). We have completed an initial assessment and work plan and have adopted QWE to be a significant goal in our 5 year strategic plan. The QWE is a voluntary work enhancement program created by and with NISH and National Industries for the Blind (NIB) partner non-profit organizations that measure the strengths and talents an organization possesses and identifies areas for improvement and growth. The QWE helps to further identify industry-wide best practices that may be used elsewhere throughout the country as organizations continue to develop employment opportunities for people who have disabilities.

Throughout the AbilityOne Program, there are more than 50,000 people who are blind or have significant disabilities working in jobs and providing high quality goods and services to the federal government. Combined there are an additional 80,000+ employees working for those organizations and providing similar high quality goods and services to state government and commercial customers throughout the United States. Altogether more than 130,000 individuals with disabilities making a significant difference in their communities, states and nation.

A principle focus of the QWE is employee engagement throughout an organization which will contribute to increased productivity, wages, work of choice and provide sustainable outcomes through workplace supports. The QWE's purpose is to provide employees with disabilities enhanced employment opportunities, improved work experiences and upward mobility.

There are four practice guidelines of the QWE:

- Enhancing Wages Through Productivity, Assistive Technology, Agency Culture or Other Means
- Creating Opportunities for Work of Choice
- Collaborating and Linking with Community Resources
- Community Education and Training



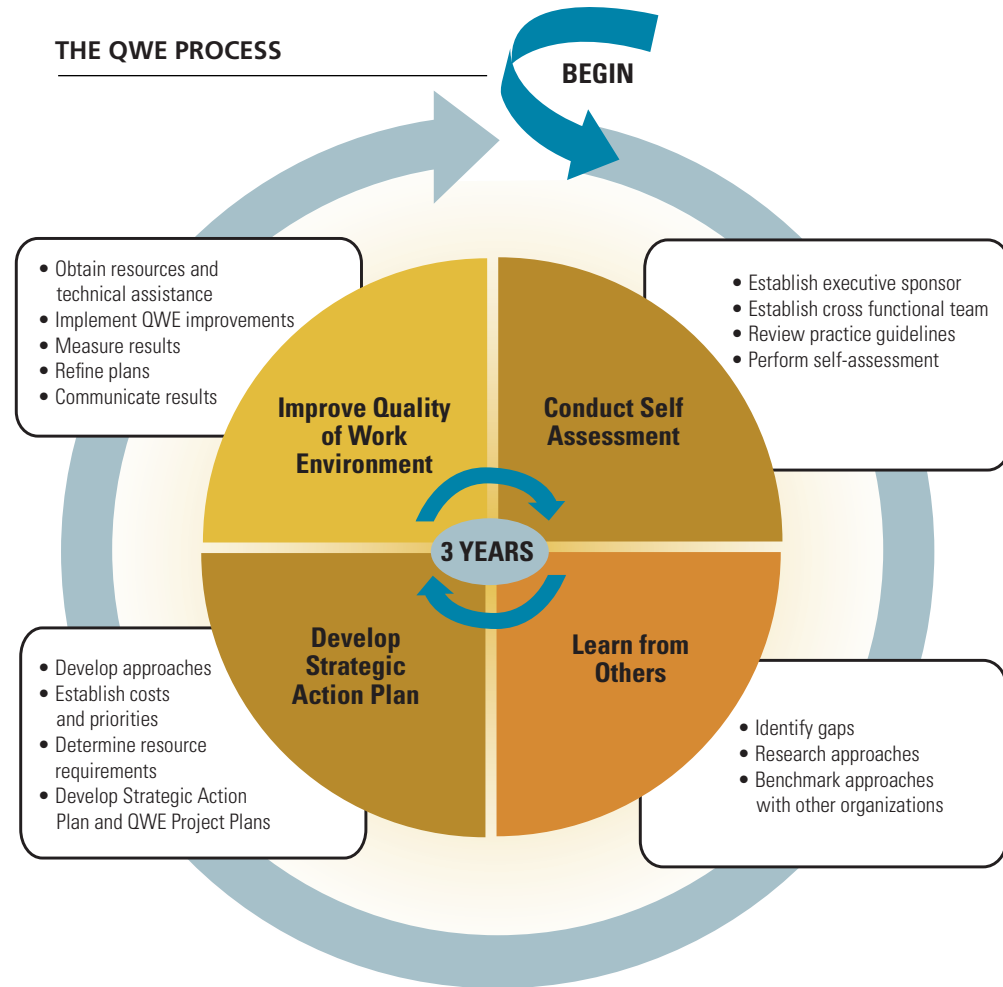
YOU'RE A STAR!

One of HTC's best practices as outlined in our QWE plan is the "You're a Star Program." This internal program creates an opportunity for peer recognition and contributes to a culture of affirmation, appreciation and satisfaction. When an HTC employee observes helpfulness, leadership or simply chooses to recognize a coworker, a note is written on a star to acknowledge the other employee. Some HTC employees have corkboards, picture frames, and posters full of stars in their work areas, all displayed proudly. The program provides connectedness throughout the organization and instills the importance of recognition, quality work and camaraderie within the workplace.

Other best practices recognized through HTC's QWE will focus on the use of assistive technology, rehabilitative services, individualized training and development plans, traditional and non-traditional job coaching and other employee engagement activities like "You're A Star".

We believe the QWE will lead to job retention, increased wages, more marketable skills leading to job advancement and an ongoing impact on the quality of our employees' lives inside and outside of HTC. At the organizational level it will provide increases in productivity, quality in services and sales and decreased lead times which will help us become more competitive in an ever increasing competitive marketplace.

Quality Work Environment is everyone's business!



Social Enterprise

A social enterprise is an organization or venture that achieves its primary social or environmental mission using business methods. Social enterprises address community needs through their products and services or through the numbers of disadvantaged people they employ. Social enterprises aim to achieve a triple bottom line, which includes: mission + fiscal responsibility + environmental sustainability.

HTC continues to be a player in the social enterprise space.

A social enterprise takes a group of people in the community that is otherwise disenfranchised and viewed as “users” and allows them to become engaged, producers, and creators. What HTC is creating is a community where people who have need can get that need met and also can meet needs. Individuals with disabilities can thrive in a social enterprise atmosphere – the work they do is personally fulfilling, they are making a living wage which will decrease their dependence on other public programs and their quality of life increases with the opportunity to become part of a community with newfound friends and supporters.

HTC helps to lead the conversation and works together with both Workability International, the world’s largest organization representing providers of work and employment services to people with disabilities and the Social Enterprise Alliance, a leading international organization that is building the field of social enterprise.

“We’re providing opportunity for individuals who have historically been disengaged or disenfranchised to be community contributors.”

- RICK SEBASTIAN, HTC PRESIDENT



THE PATH OF AN INDIVIDUAL ENGAGED IN HTC’S SOCIAL ENTERPRISE:



SUPPORT

ADVANCEMENT

CHALLENGE

INCREASED SALARY

BELONGING

SKILL BUILDING

LIFE SKILLS

“Together we are tougher than leather!”

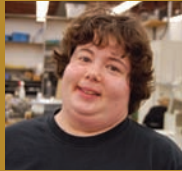
- BILL DALEY, MANUFACTURING

TRAINING

SELF SUFFICIENCY

CONFIDENCE

SELF ADVOCACY



Rebecca Fogg
6 years at HTC.
Likes to cross country ski.



David Petronella
Avid bowler and rabbit hunter.



Pat Francesone
With HTC for just over a year.
Likes to just hang out!



Mike Carchedi
Likes going downtown in the summer to support the arts.



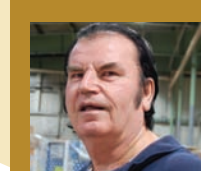
Richard White
10 years at HTC.
Loves the Redskins.
Collects coins.



Jennifer Papaleo
5 years at HTC.
Loves cats, can crochet and do latchook.



Kim Armstrong
11 years at HTC.
Loves her family and three kids!



Petar Kricka
Originally from Croatia.
Likes swimming and fishing.



COMMUNITY IMPACT

MARKETABLE PRODUCTS & SERVICES

SCALABLE

SOCIAL INNOVATOR

GLOBAL COMPETITOR

SUSTAINABLE BUSINESS

The Great NY State Fair



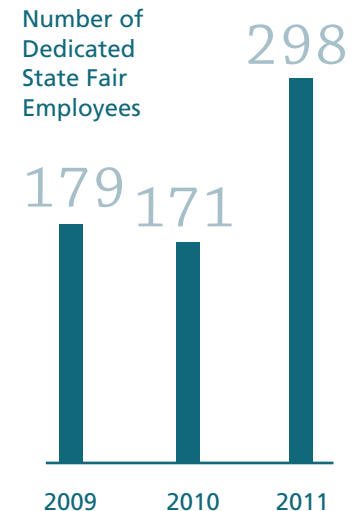
A 12 day run at the Fair: }
 375 acres of fairgrounds
 300 acres of parking lots
 186 temporary employees
 24 hours a day

For the third year, HTC provided 12 full days of garbage removal, general cleaning of the fairground, grandstand and parking lots for The Great New York State Fair.

The process to carry out the 12 days seamlessly is intense. We handle everything from job fairs to hire temporary workers, interviewing, safety training, documentation of every employee and complete oversight of the project – every shift and every employee.

Each employee of HTC that works at the Fair, with either temporary or permanent positions, carry forth the culture of hard work, impeccable quality and simply doing a great job and enjoying work every day. Incentives like the employee “You’re a Star” Program was taken on the road to showcase employees that were going above and beyond with their work. The culture and level of service has led to additional responsibilities each year.

Priorities of the Fair are security and cleanliness to assure that all fair-goers have a safe, memorable experience. Therefore, HTC’s role in keeping the grounds clean is of the utmost importance. In 2011, our responsibilities grew due to the great job that our employees have done for the past two years. Crews were also in charge of 100 restrooms on premise, dressing rooms and showers.



2011-2015 Plan Highlights

Promote Continuous Quality Improvement

Achieve national accreditations and certifications in areas that will position HTC as a leader in its industries.

ISO in our Warehouse and Manufacturing Operations, CIMS ISSA Certification in Janitorial and COA within our Behavioral Health Environment

Provide the tools and systems to improve key processes to increase productivity, efficiency, and customer satisfaction

Expanding Employment Opportunities

Double Employment Opportunities by 2015

Grow and Expand Federal, State and Commercial Uniform and Apparel Programs

Expand Warehousing and Distribution – 3rd party logistics

Establish partnerships with other community organizations to assist and secure employment for Veterans and other disadvantaged populations

Expand Services for Employee Recruitment and Retention

Improve employee engagement

Expand areas of recruitment focus

Expand staff development and cross training programs

Expand Grass Roots Advocacy and increase self advocacy

Adopt Quality Work Environment (QWE)

Enhance wages through productivity

Create work of choice opportunities

Increase training and educational opportunities

Provide work environment supports

Financials 2010/2011

STAYING POSITIVE. STAYING SMART. MOVING FORWARD.

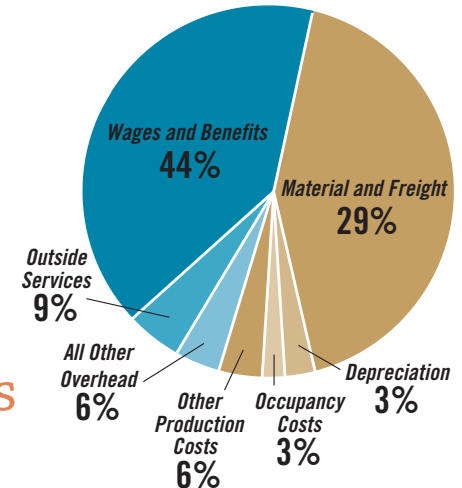
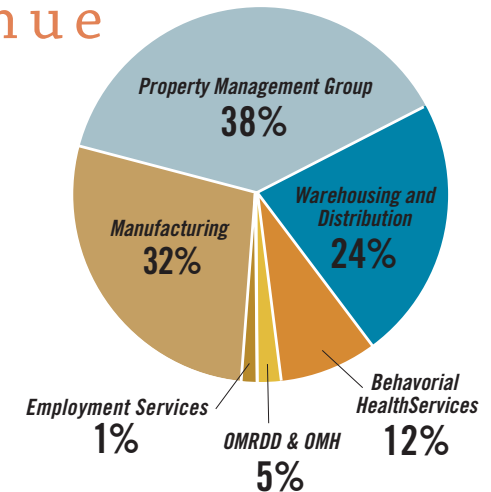
The past two years have been challenging ones for Human Technologies Corporation as we continue to be impacted by the ongoing fiscal challenges facing our nation and world.

While the past three years have generally resulted in positive year ends for us, we are impacted by the trends facing most other businesses and that is a trend toward consolidation and lowered spending expectations with all of our customers. Valued service, quality product and timely delivery, in the short term, have given way to lowest possible price for many customers, especially with regard to our government customers at the federal, state and local levels. In New York, we have closed and consolidated several prisons which had a direct negative \$1.2 million impact on our sales to our largest NYS customer, Department of Corrections and on the federal side due to fiscal constraints, the Army Corps of Engineers did not renew their uniform contract valued annually at approximately \$850,000.

Comparing 2010 and 2011, we have managed to stay somewhat ahead of the curve but again are seeing and anticipating downward trends. Revenues were down slightly from 2010 in total and offset by a significant increase in our Property Management Group, which continues to grow at an accelerated pace and added \$2 million in new opportunities in 2011. While PMG was up, our manufacturing operations were down nearly by the same amount and ended the 2011 year with a \$1.9 million decrease in revenue. As we have seen during the Global Fiscal Crisis and recession here in the US, businesses have been able to reduce costs and that has occurred for HTC as well. Despite our revenues decreasing slightly we have also paid attention to our costs and modestly decreased our overall expenses in the face of decreased revenues.

We still have a way to go and are looking at more ways to eliminate costs to be more effective at delivering high quality services and products and creating more jobs for people with disabilities.

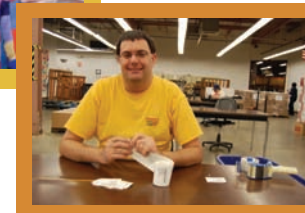
2011 Revenue



2011 Expenses

*2011 Financial Results
For Year Ending December 31, 2011*

REVENUES	2009	2010	2011
Manufacturing/Graptex	\$ 6,554,001	\$ 5,776,979	\$ 3,854,886
Property Management Group	\$ 4,405,094	\$ 5,303,770	\$ 6,972,037
Behavioral Health Services	\$ 2,406,733	\$ 2,167,561	\$ 1,908,787
Pinnacle	\$ 319,604	\$ 287,560	\$ 227,604
Warehousing and Distribution	\$ 3,424,983	\$ 3,999,229	\$ 4,364,757
OPWDD & OMH	\$ 1,032,082	\$ 1,022,207	\$ 1,017,030
Other Income	-\$ 10,575	\$ 43,841	\$ 250
TOTAL	\$ 18,131,922	\$ 18,601,147	\$ 18,345,351
EXPENSES			
Wages & Benefits	\$ 6,713,415	\$ 7,124,245	\$ 8,153,106
Material & Freight	\$ 6,765,219	\$ 6,651,149	\$ 5,196,977
Occupancy Costs	\$ 498,943	\$ 501,227	\$ 517,981
Depreciation	\$ 328,741	\$ 332,292	\$ 490,355
Other Production Costs	\$ 1,038,136	\$ 1,059,013	\$ 1,116,354
Outside Services	\$ 1,265,803	\$ 1,656,482	\$ 1,594,939
All Other Overhead	\$ 999,210	\$ 973,004	\$ 1,117,605
TOTAL	\$ 17,609,467	\$ 18,297,412	\$ 18,187,317
BUSINESS OPERATIONS SALES			
Federal	\$ 6,255,188	\$ 6,829,024	\$ 7,240,085
New York State	\$ 6,023,249	\$ 6,409,854	\$ 6,017,098
Commercial	\$ 2,426,105	\$ 1,841,100	\$ 1,934,497
TOTAL	\$ 14,704,542	\$ 15,079,978	\$ 15,191,680



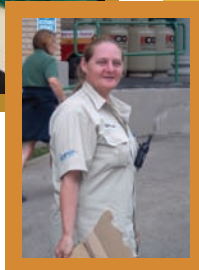
Coming up in 2012

As HTC continues to make strides towards our 2015 strategic plan and towards providing more opportunities to our workforce, we are proud to announce some important steps that are coming up in 2012.



ISO-9001 Certification

In conjunction with the implementation of the Enterprise Resource Planning (ERP) system, HTC will document procedures and create the necessary records for our manufacturing and logistics businesses to prepare for our ISO certification application.



Cleaning Industry Management Standard (CIMS) Certification

CIMS is a nationally recognized management standard that outlines the primary characteristics of a successful, quality cleaning organization. HTC will seek certification for our janitorial operations.

Behavioral Health

Our Behavioral Health operation continues to experience unprecedented changes as New York transitions to new enrollment and reimbursement models brought on by the newly created Medicaid Redesign Team. We have moved to a new reimbursement system with new rates and service codes and anticipate operating within a Behavioral Health Managed Care environment in 2012.

Letter from Our Board Chair



On behalf of the Board of Directors, I would personally like to thank each and every employee at Human Technologies for their vital role over the past two years in collaborating with us to fulfill our mission of employing people with disabilities.

It is my pleasure to lead such a great group of community-minded volunteers who care so passionately about the employees and the work that they do each and every day. It has been a wonderful learning experience for me to hold this position and my life will be forever impacted because of it.

FOR ME, IT'S ABOUT THE PEOPLE.

The work we do at the committee and board level is rewarding and strategic, but what really brings it home for me is the welcome and empowerment I feel every time I walk through the doors at HTC. The phone is never answered or a visitor is never greeted without the utmost warmth and appreciation. No matter who you are, employees of HTC that pass you in the hallways are always happy to see you. It is an air of authenticity, an obvious love of the work they do and a strong sense of belonging and contentment. I share this with people all the time – from my family members to new potential board members. There are many non-profit organizations in our community that you can choose to become involved in and only so many hours in the day to give your

time. This feeling I get on an every day basis and the people that we help is why I choose HTC.

IT'S ALL ABOUT THE TEAM!

There is a work ethic and sense of fulfillment amongst HTC's employees that is unparalleled. Everyone works with the team in mind and supports the triumphs of one another. No matter what the task is that they're performing, they do it well, with pride and always with quality in mind.

People here are leading rewarding lives BECAUSE they are working and contributing. Through work, self worth and confidence blossom and the community as a whole benefits. It's seemingly such a simple concept... but to see it in action is quite simply life changing.

WE ARE A HIDDEN TREASURE

I say this all the time – there are many who have no idea what HTC does and the great things that are happening mere miles from where they live or work. I encourage you, if you haven't visited us yet, to come take a tour. Come see our people at work and how we're making a difference in their lives. I guarantee that it will make a difference in yours.

A handwritten signature in black ink that reads "Andrea LaGatta". The signature is fluid and cursive, written in a professional but personal style.

Board Chair
Andrea LaGatta

Vice Chair
William Randall

Treasurer/Secretary
John Bach

Directors
James Brockway
John Bullis
James Hill
Harrison Hummel, III
Roxanne Mutchler
Donald St. Louis
Denise Snyder
Rose White

Corporate Officers

President/CEO
Richard E. Sebastian, Jr.

Chief Financial Officer
Barbara DeAngelis

Chief Operating Officer
Gregory Frank

Vice President, Building Services
Paul Huening

Vice President of Human Resources
Linda Forth



HUMAN TECHNOLOGIES CORPORATION

Our People ★ Your Solutions

2260 Dwyer Avenue
Utica, NY 13501
(315) 724-9891
(315) 724-9896 fax
www.htcorp.net
info@htcorp.com