

Check against delivery!

Remarks by Gerald Böse, President and Chief Executive Officer,
at the Koelnmesse Annual Press Conference
at 11:00 a.m. on 13 July 2017 in the Großer Sitzungssaal of the Administration Building
(Messehochhaus)

- We deliver sustainable growth
- We invest without having any old debts
- We are taking the route of digitalization
- We are creating the world's most attractive downtown trade fair complex

After emerging from the financial and economic crisis of 2008, Koelnmesse has developed into one of the Top Ten international trade fair companies. We have done this successfully without subsidies of any kind from our shareholders. Today Koelnmesse enjoys sustainable growth, steadily posts profits, and has for years exceeded the average key performance indicators of the German trade fair market.

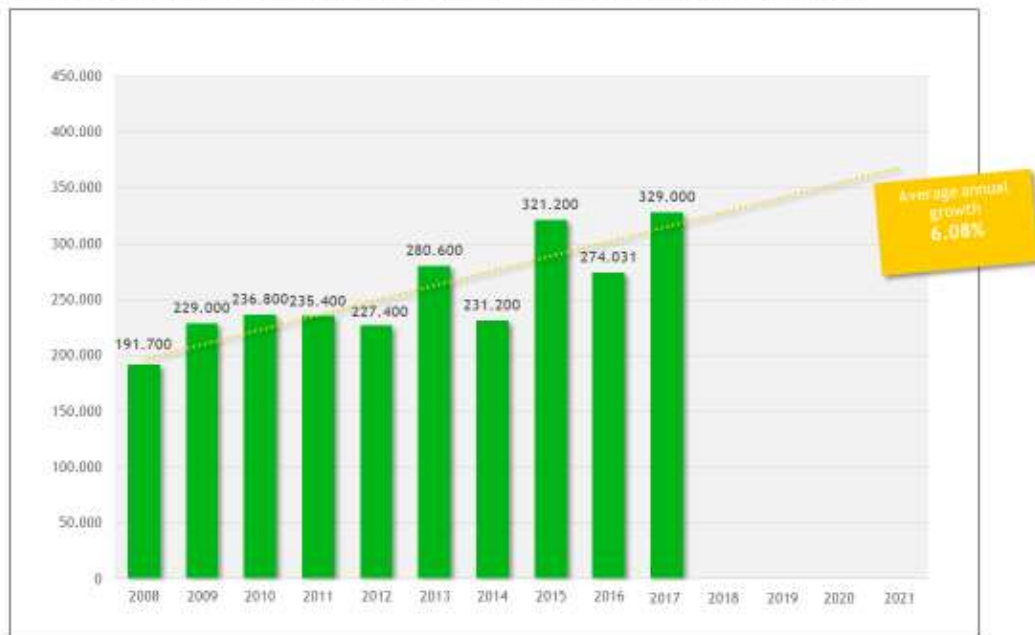
That's the situation today. Our present challenge is summed up by the leitmotiv of our Annual Report: to continue our process of transformation into the trade fair company of the future. I hope you will be satisfied by our Annual Report. For the 2015 relaunch of our brand image, which includes our Annual Report, Koelnmesse and the Brandit agency were selected, along with seven other companies, by the German Design Council to receive the German Brand Award in Gold.

The path toward the trade fair company of the future is described by four key messages:

We deliver sustainable growth
We invest without having any old debts
We are taking the route of digitalization
We are creating the world's most attractive downtown trade fair complex

In 2016 our turnover once again significantly exceeded our own forecasts. For years now, we have predicted growth, and for years we've delivered it. If we continue this success in the future, we will have an average annual surplus of more than six percent by 2021. That means we'll set a new record for turnover in 2017, as well as prospectively in 2019 and 2021. If we also succeed in exceeding our own expectations in the future, we will also continue to accelerate this growth.

Development of Koelnmesse's turnover from 2008 to 2021 (in TEURO)

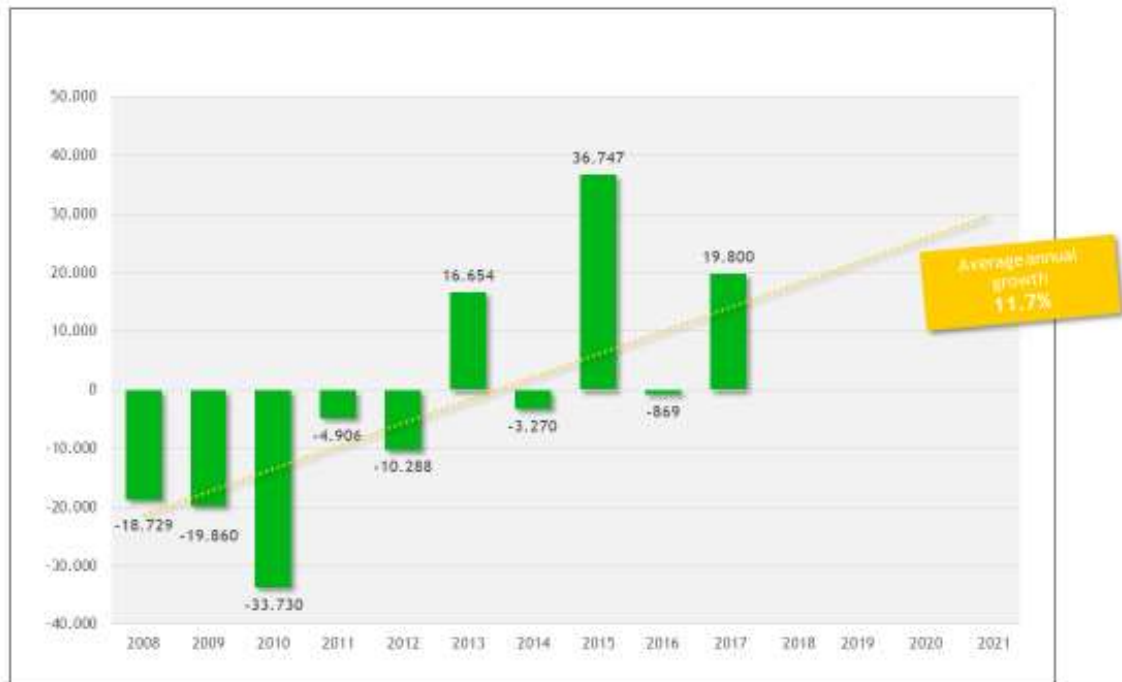


Slide 1

For a long time it looked as though we would have to announce a double-digit loss for 2016, even though it would be the last time in the foreseeable future. But now the loss is so small that we are coming very close to the break-even point.

In other words, 2016 has been our best even-numbered year ever, with turnover of €274 million – €17 million more than planned – and it has continued our course of sustainable positive development. Our annual loss has been €0.9 million – an amount that is double-digit millions of euros less than our prediction.

Development of Koelnmesse's earnings from 2008 to 2021 (in TEURO)



Slide 2

We've also grown very fast abroad, and we've established new events in important markets. Our long-term internationalization strategy is right on track. In 2016 we laid special emphasis on South America and tried out new approaches in Europe as well. One example of the latter strategy is our successful cooperation with the trade fair company Fiere di Parma – one that is unique in the international trade fair sector. In 2016 we successfully ensured that our business operations abroad would account for 14 percent of our total turnover. We have thus reached our strategic goal of 12 to 15 percent of total turnover. This is all the more remarkable because our total turnover, which serves as the reference value, is continuously growing.

We are delighted that we have once again been commissioned by the Federal Ministry for Economic Affairs to organize and operate the German Pavilion at the next world exposition, EXPO 2020 in Dubai. For us, this is an important responsibility that will benefit the reputation of our country, as well as Koelnmesse, in the United Arab Emirates, which is one of the most important markets of the future, and far beyond the UAE.

Altogether, 2016 was a great year for the entire trade fair sector in Germany, which set new benchmarks for exhibitor figures and posted record turnover of €3.8 billion. But even in that outstanding year, we grew faster than the rest of the sector in year-on-year comparisons of the figures for exhibitors, visitors, exhibition space and turnover of individual events.

Of course we have to emphasize, as always, that all of our forecasts are predicated on stable framework conditions. This is not a trivial remark – it's more important than ever, in view of the many challenges we are facing. In particular, the global security situation and the growth of protectionism are very real issues, and they are capable of causing massive disturbances in the global economy. We are trying to counteract these forces through our internationally oriented trade fairs and our strong focus on worldwide networking.

In order to continue our current growth and make it sustainable, we are investing in our exhibition grounds and our infrastructure, the digitalization of our trade fair halls and services, the internationalization of our trade fair programme, the development of our events and, last but not least, in our employees.

With plans like these, it's an advantage to have freedom of movement. In fiscal year 2016 we paid off all of our bank loans. Here too, we made promises and kept them. In this regard, Koelnmesse is free of old debts.

This is how we are creating the foundation for our ambitious investment plans, which we aim to finance entirely through our own resources. In my opinion, that's a strong signal to our competitors and their shareholders in the cities and federal states, who – with a few exceptions – have received considerable subsidies in the past and in some cases are still receiving them today. These subsidies benefit the trade fair sector and the still-leading position of the German trade fair companies, but they also distort competition. In this environment, for a mid-sized company like Koelnmesse to invest in the future of Cologne as a trade fair location, as we want to do, is a real feat of strength.

However, this feat of strength is necessary, and digitalization is a key aspect of it. Disruptive changes due to digitalization, like those that are currently having a massive impact on other sectors, will not affect the international trade fair sector in the foreseeable future. Nonetheless, the speed and complexity of developments in the trade fair business, as elsewhere, have increased tremendously. The markets are changing, new competitors are entering the arena, and our customers are placing increased demands on us to stay abreast of the important sector trends at our trade fairs.

Against this background, we are duty-bound to work on supplementary and expanded business models, especially during good times. We are analysing the needs of our customers and developing appropriate digital services on the basis of our findings. These services include cross-event platforms for Koelnmesse's areas of expertise. One initial example is ambista, the global business platform of the interior design sector, which we presented this year at imm cologne.

In addition to new digital business models, we are also investing in the digitalization of our exhibition grounds, in hardware and software for our internal processes, and in our employees. We encourage them to think in terms of networks, and we are changing our internal processes correspondingly. That's because digitalization begins in people's heads and in their willingness to loosen up their hierarchies to a certain extent in order to stay in step with the world outside.

Last but not least, we are creating the world's most attractive downtown trade fair complex. I'm sure you're already familiar with this goal. You've reported on our Koelnmesse 3.0 investment programme in great detail.

Koelnmesse 3.0 is an important part of Cologne's current programme of urban development. Our investments will develop positive effects for Cologne as a business location as well only if the framework conditions support them. That's why we are actively involved in urban programmes, especially in our immediate neighbourhood.

That applies to the urgent traffic issues in Cologne and its environs and in the areas directly adjacent to our exhibition grounds. And it applies in particular to the future of the hotel situation in Cologne. A new Confex® Centre will fulfil its purpose only if the urban environment in Cologne can also offer the city's conference participants appropriate and attractive accommodation. In the past, we have had to let high-calibre events move to other venues because not enough accommodation of this kind was available. We need not only more beds in all categories but also a broad range of price categories for accommodation, as well as internationally recognized brands. In other words, we need sufficient capacities in the four to five-star range as well as Cologne hotels from the chains that are preferred in the Arab and Asian countries and in North America.

All of our activities are aimed at a shared goal: our transformation into the trade fair company of the future, which we have made the leitmotif of our Annual Report for 2016. We have a plan, and we're hard at work on its implementation. We remain keen observers of the developments in the digital world and the requirements of our customers. And we remain committed to our business location of Cologne.