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Check against delivery!

**Remarks by Chief Financial Officer Herbert Marner
at the Koelnmesse Annual Press Conference
at 11:00 a.m. on 13 July 2017 in the Großer Sitzungssaal of the Administration Building
(Messehochhaus)**

- **Turnover and earnings significantly higher than planned**
- **Koelnmesse grows and stays sustainably profitable**
- **Convincing forecasts: 2017 promises to be the next record year**
- **Koelnmesse 3.0 makes further progress**

In 2016 the Koelnmesse consolidated companies posted turnover amounting to €274.0 million – €17 million more than planned. The fact that in 2016 our turnover and our earnings once again exceeded our plans does not mean that our planning was bad. Many of the events for which we were responsible were simply very successful, and our guest event business, as well as our trade fairs abroad and our service business, all posted good developments. Also contributing to our good earnings were our efficiency-boosting programmes, all of which are having sustainable effects.

Our earnings were significantly better than planned. The annual net loss, which was expected because of the trade fair schedule, was not only significantly lower than the planned €17 million – it was hardly even there. Our net loss for the year was only €0.9 million. In other words, we were able to almost completely carry over the increased turnover into our earnings. Our earnings before interest, taxes, depreciation, and amortization (EBITDA) amounted to €17.9 million, exceeding our plans by €15.7 million. Incidentally, we posted a pre-tax profit of €1.2 million. Of course I find that even more satisfactory.

Our other financial key indicators also show that Koelnmesse is doing extremely well. The equity of the Koelnmesse consolidated companies totals €143 million. The equity ratio is an impressive 48.1 per cent. By way of comparison, the average equity ratio at German companies and German medium-sized enterprises is 26 per cent. Another important financial parameter, liquidity, has also been good in 2016 on account of our positive financial results in recent years, in spite of high investments and loan repayments. And that is also absolutely necessary for our planned investments, especially our investments in Koelnmesse 3.0.

This positive development is not a one-off phenomenon. The Koelnmesse consolidated companies' average turnover for the last two four-year periods has increased by around 19 per cent, from approximately €232 million between 2009 and 2012 to €277 million between 2013 and 2016.

A look at the current fiscal year 2017 shows that our forecasts for the years ahead are also very positive. If we use the expected development of the overall economy and of our business as a basis, the planned turnover of the Koelnmesse consolidated companies will be €329 million. This means that we expect to top our previous record year of 2015 as early as 2017. We plan to make a profit every year in the foreseeable future and to post turnover that is far above the €300 million mark

over the long term. In other words, Koelnmesse will continue its course of growth and stay sustainably profitable.

All in all, Koelnmesse is developing in a very positive direction. This development can also be seen in the size of its workforce. The Koelnmesse consolidated companies had an average of 784 employees on their combined payrolls during 2016, with 594 working at Koelnmesse GmbH, 15 at Koelnmesse Ausstellungen GmbH and 175 at foreign subsidiaries. This corresponds to a nearly 26 per cent increase in the past five years.

On this extremely solid basis, we will be able to make further important investments. That's the only way we can continue to be one of the top ten companies in the global trade fair industry in the future. Once again in 2016, a large proportion of our investment volume flowed into our modernization programme Koelnmesse 3.0. In addition, we invested almost €8 million in our IT infrastructure so that we can take advantage of the potential that digitalization offers for our business operations. By comparison to the previous year, we almost doubled our investment volume to more than €32 million. We plan to significantly increase these investments in the coming years as well.

We've made good progress with Koelnmesse 3.0 since our annual press conference in 2016.

In 2016 the focus was on the construction of the new car park near the Zoobrücke bridge. The construction is on schedule, and plans call for the first section of the car park, encompassing 2,000 parking spaces, to be opened in autumn 2017. This section will already be directly connected to the Zoobrücke in order to reduce the amount of traffic in the Deutz and Mülheim districts.

Our plans for the new construction of the Confex® Hall and Hall 1plus are also making good progress. In the next step, we will submit our application for a building permit for the planned Hall 1plus in August. We expect to start the actual construction in mid-2018.

In recent months a great deal of creativity and planning work have also flowed into the design of the open spaces that will create the right setting for our events in our exhibition centre's outdoor areas as well. This autumn we expect to receive the first drafts from urbane gestalt, the landscape architects we have commissioned for this work.

Moreover, important maintenance work has begun in the basement of Hall 10, involving the modernization of various technical facilities such as the installation of a new sprinkler system.

A lot is also going on outside our exhibition grounds. Construction work began in July 2016 at the MesseCity site, which is located between our Southern Halls and the Köln Messe/Deutz railway station. It's clear to see that a great deal of construction work is going on, but during the entire construction period the excellent access to the exhibition centre via local and long-distance traffic will remain unchanged. Starting in August 2017 and continuing for the next few years, a new set of stairs will lead to the Entrance South. These stairs will serve as the entrance to the exhibition centre during further construction work. After the requisite construction phase of MesseCity Köln is completed, visitors will enter Entrance South of Koelnmesse via the new Messebalkon annex.

But back to Koelnmesse: In the process of implementing our digital strategy, we have initiated extensive measures since mid-2016 and reached some important milestones with regard to our IT infrastructure. At the end of 2016 we successfully completed the changeover of our previous sales systems to cloud solutions. In addition, we converted all of our PC workstations in the Administra-

tive Building (Messehochhaus) to mobile Microsoft Surface devices and rolled out more than 300 Samsung smartphones. By installing innovative hardware and software, Koelnmesse is enabling its employees to communicate at eye level so that they can respond appropriately to new customer and market needs in the area of digitalization, conduct knowledge management and create in-house networks. We are also forging ahead with the digitalization of our exhibition centre – for example, through advertising formats for future digital signage and the installation of future-oriented technical systems for providing new WiFi-based services in the trade fair halls.