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**Remarks by Herbert Marner, Chief Financial Officer,  
on the Koelnmesse Annual Press Conference  
on 20 May 2020, 11:00 a.m., Konrad-Adenauer-Saal in Koelnmesse Congress Centre North**

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As always, I deliver the view on financial results and impacts.

Let me first take a brief look back again. Our company has enjoyed a period of tremendous growth for seven years now, which has repeatedly put us in the top ten trade fair companies in the world, a position we have held consistently since 2017. This success story has now come to an abrupt end in the past seven weeks. But more about that later. First, the good news: thanks to this long period of growth, we have a solid economic foundation to help us overcome the crisis.

In 2019, Koelnmesse generated sales of over 400 million euros for the first time in its more than 90-year history, thus continuing the successful growth seen since 2012.

As always, you will find a detailed overview in our annual report. The key figures show that 2019 was another record year for us:

At 412.7 million euros, sales are more than 15 percent up on the previous record year 2017, which, as an odd-numbered Cologne trade fair year with a similar portfolio, sets the benchmark. These sales were also 5 million euros higher than planned. Since 2015, sales have been growing by an average of over 6.5 percent from 321 million euros back then to the 413 million euros I just mentioned.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) total 67.9 million euros. This is a very important measure of our operating success. EBITDA thus exceeds the target by 13 million euros.

2019 is also the third year in a row in which the company posted a profit, with one of the strongest results in Koelnmesse's history at 30.5 million euros after taxes - here, too, 9.2 million euros above target. Activities abroad and those of our subsidiary Koelnmesse Ausstellung GmbH, as well as a number of efficiency improvements, made a major contribution to this.

At the end of the financial year, Koelnmesse's equity capital totaled 255.3 million euros. The equity ratio now stands at 63.1 percent. For a comparison, the average among German medium-sized companies is 30 percent.

The cash flow from operating activities amounts to 49.9 million euros. In total, we invested around 63.2 million euros in fixed assets last year, most of which, 55.2 million euros, went into our investment program Koelnmesse 3.0. Liquid assets came to 128.4 million euros at the end of the 2019 calendar year.

Most of the trade fairs and exhibitions organised by Koelnmesse GmbH enjoyed above-average growth in 2019. Sales increased at an average rate of six percent compared to the respective previous events.

Koelnmesse was able to further strengthen and expand its international business in 2019 with 25 events abroad. International sales from trade fairs, exhibitions and participations were up 2.4 percent on 2018, reaching 37.7 million euros in 2019. Our international subsidiaries are developing well and are delivering positive results overall. The Asian market made a particular contribution to revenues from abroad.

Our subsidiary Koelnmesse Ausstellungen GmbH closed financial year 2019 extremely profitably. It passed the 20 million mark for the first time since the company was founded in the year 2000. With its marketing and expertise as a full-service provider for national and international trade fair organisers, companies and event agencies, our subsidiary generated sales of 21.8 million euros and a surplus of 10.2 million euros.

Now, on to the current financial year:

The corona crisis is, of course, having significant consequences for Koelnmesse, too. Our target sales for the current financial year were over 360 million euros. Trade fair cancellations and postponements have already resulted in a loss of sales and revenues totaling hundreds of millions of euros. It is therefore already clear that we will close 2020 with a very high loss. But, of course, it is not possible to make precise predictions yet. We do not yet know how the situation will affect each individual trade fair over the second half of the year.

Instead, we are imagining scenarios of varying degrees of severity, for which we must prepare ourselves. These degrees of severity depend on when we will be able to hold trade fairs again and the extent to which we can expect to see revenue losses due to the corona crisis for the trade fairs taking place in the second half of the year. We must prepare ourselves for the fact that many companies will not be able to participate in trade fairs to the extent and scope originally planned due to the economic impact the crisis has had on their own companies.

The investments of around 100 million euros planned for 2020 are going ahead for the most part. These are above all the ongoing measures within our investment program Koelnmesse 3.0, such as the completion of the new Hall 1plus and the further renovation of Halls 10 and 2. We want to further strengthen Koelnmesse's competitive ability through our investment programs because we believe in a trade fair business after coronavirus. This also applies to investments in the following years.

As already mentioned, Koelnmesse's successful economic development in recent years means that we are still starting from a solid foundation. This is evidenced by equity capital of over 250 million euros, a debt-free balance sheet and a liquidity cushion of over 120 million euros at the end of 2019. This level of liquidity is all the more remarkable as we have financed investments totaling around 200 million euros over the past five years. Nevertheless, the effects of the corona crisis are rapidly eating up these reserves built over many years. In future, we will therefore have to finance our investments more through borrowing than previously planned. The first thing we did was to immediately call in the loan of 120 million euros agreed with the European Investment Bank last year.

We have also made provisions for the event that, contrary to current expectations, we find ourselves faced with trade fair cancellations until the end of the year. We have agreed a credit line with our shareholder, the City of Cologne, which provides us with additional liquidity in the form of cash pooling. Incidentally, this cash pooling was also a condition imposed by the European Investment Bank for the granting of the loan, as the financial conditions have deteriorated since the start of the corona crisis.

Every trade fair that takes place again from the fall onwards will contribute to improving the economic situation of our company, as well as all our market partners, for getting back to business

after the corona crisis. Under the existing conditions, however, it will be years before we reach the level originally planned again. But, thanks to our good starting position, we are very confident that in 2021 - even if sales are below the previous targets as expected - we will be able to turn a profit and generate a positive operating cash flow again. Even though losses may well return in the coming even-numbered years, as things look today we will still make cumulative profits in the medium term up to 2024 and therefore create the conditions for investments to further strengthen Koelnmesse's competitive ability.