

# Annual Report 2010

<b>Introduction</b>	<b>4</b>
<b>Key figures for the Messe Berlin group of companies and the venues in Berlin 2010</b>	<b>7</b>
<b>Trade fair statistics 2010</b>	<b>8</b>
<b>The year's events in 2010</b>	<b>10</b>
<b>Cash flow statement for the Messe Berlin GmbH group</b>	<b>31</b>
<b>Situation report 2010 for the group and Messe Berlin GmbH</b>	<b>32</b>
<b>Consolidated and annual financial statements 2010</b>	<b>46</b>
Consolidated balance sheet for Messe Berlin GmbH	
Consolidated income statement for Messe Berlin GmbH	
Statement of changes in shareholders' equity	
Appendix 2010: Group and Messe Berlin GmbH	
Messe Berlin GmbH balance sheet	
Profit and loss statement for Messe Berlin GmbH	
<b>Audit certificate</b>	<b>80</b>
<b>Corporate governance report for the financial year 2010</b>	<b>82</b>
<b>Report of the Supervisory Board 2010</b>	<b>89</b>
<b>Imprint</b>	<b>92</b>

# Vorwort



For Messe Berlin 2010 was the most successful year's trading in the company's history. With a turnover of some 217 million euros revenues over the past ten years have more than doubled.

The 61 trade shows and exhibitions that took place in Berlin – including 22 that were organized in-house by Messe Berlin – attracted a total attendance of some 1.9 million (2009: 1.6 million), including the largest number of international trade visitors ever recorded in Berlin. In 2010

the presence of foreign exhibitors at the capital's trade show venues was also above the average for Germany as a whole. In fact over 60 per cent of the more than 24,000 exhibiting companies and organizations at events staged in-house came from abroad. Out-of-town visitors spent a total of two billion euros in the capital and surrounding region.

With the International Green Week Berlin and ITB Berlin (The World's Leading Travel Trade Show), IFA CONSUMER ELECTRONICS UNLIMITED, FRUIT LOGISTICA (International Trade Fair for Fruit and Vegetable Marketing), InnoTrans (International Trade Fair for Transport Technology) and ILA Berlin Air Show, Messe Berlin staged six international trade shows in the capital which are leaders in their respective fields, offering outstanding opportunities for establishing and improving business links and for successfully signing contracts.

ITB Asia (720 exhibitors) and Asia Fruit Logistica (310 exhibitors) are two recently established and rapidly expanding international trade shows which the company organizes in Southeast Asia.

On 14 December 2010 the Berlin Senate decided not to proceed with the renovation of the ICC Berlin while events were still taking place there and instead it is planned to carry out the renovation after predetermined closure date. Messe Berlin was also given the go-ahead for the construction of a new hall on the site of the Deutschlandhalle. It is now expected that action will be taken by the second half of 2013 to meet the increased demand generated by the large international trade shows.

In addition a new site will be available for trade shows immediately adjoining BBI Airport, which will be used for the ILA Berlin Air Show (ILA) and for other new events.

Messeimmobilien Selchow GmbH is a new company that has been formed to market and stage events at this new venue. It is a 50:50 joint venture by Messe Berlin GmbH and Zukunftsagentur Brandenburg, an affiliate of the Land Brandenburg.

The successes of the financial year 2010 give us cause for great optimism about our future projects. We would like to thank our customers for their excellent cooperation over the past year. We also thank all our staff for helping to make this record-breaking year possible. We are also grateful to our exhibitors and visitors for the confidence they have shown in our company. Confidence is, and will remain the fundamental basis for our cooperation.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Raimund Hosch'.

Raimund Hosch  
CEO & President

A handwritten signature in blue ink, appearing to read 'Dr. Christian Göke'.

Dr. Christian Göke  
COO

# Key figures for the Messe Berlin group and the trade fair venues in Berlin 2010

Trade Fairs	2010
Overall area in m <sup>2</sup>	2,068,080
Number of trade fairs and exhibitions	98
Number of exhibiting companies	34,290
Number of visitors/participants	2,298,750

Congresses	2010
Number of congresses	530
Total attendance at congresses	approx. 240,000
<i>including</i>	
<i>attendees</i>	<i>approx.</i>
<i>from outside Berlin</i>	<i>150,000</i>

Finances (in mi. €)	2010
Turnover by the group	217
Turnover by Messe Berlin GmbH	168
Annual surplus for the group	5.33
Annual surplus for Messe Berlin GmbH	5.49
EBT trade fairs and congresses	52.6
EBT facility management/Exhibition Grounds	-45.3

Personnel*	2010
Employees in the group	693
<i>including</i>	
<i>trainees</i>	24
Messe Berlin GmbH staff	363
<i>including</i>	
<i>trainees</i>	15

\* annual average

# Trade fair statistics 2010

Events	Organizer	Dates 2010	Gross area m <sup>2</sup> *	Exhibiting companies *	Visitors/ participants *
International Green Week Berlin	Messe Berlin GmbH	15.01. – 24.01.	115,000	1,600	400,000
FRUIT LOGISTICA	Messe Berlin GmbH	03.02. – 05.02.	97,000	2,300	53,000
FRESHCONEX	Messe Berlin GmbH	03.02. – 05.02.	3,180	70	7,000
bautech	Messe Berlin GmbH	16.02. – 20.02.	50,000	820	61,500
MotorWelt	Messewelten GmbH	19.02. – 21.02.	50,000	110	55,000
ITB Berlin	Messe Berlin GmbH	10.03. – 14.03.	160,000	11,200	180,000
LASER OPTICS BERLIN	Messe Berlin GmbH	22.03. – 24.03.	4,000	140	2,900
conhIT	Messe Berlin GmbH	20.04. – 22.04.	11,000	210	3,500
PostPrint	Messe Berlin GmbH	05.05. – 07.05.	5,500	150	3,650
ILA Berlin Air Show	Messe Berlin GmbH	08.06. – 13.06.	150,000	1,200	235,000
IT Profits	Messe Berlin GmbH	09.06. – 10.06.	1,500	170	3,700
LinuxTag	Messe Berlin GmbH	09.06. – 12.06.	2,800	120	11,600
IFA	Messe Berlin GmbH	03.09. – 08.09.	134,000	1,430	235,000
Popkomm	Popkomm GmbH	08.09. – 10.09.	14,000	470	7,500
InnoTrans	Messe Berlin GmbH	21.09. – 24.09.	141,700	2,300	106,700
YOU	Messe Berlin GmbH	01.10. – 03.10.	40,000	260	145,000
belektro	Messe Berlin GmbH	06.10. – 08.10.	24,300	270	15,000
art forum berlin	Messe Berlin GmbH	07.10. – 10.10.	13,000	100	40,000
Gesundes Leben!	Messe Berlin GmbH	08.10. – 10.10.	5,000	130	5,000
IMPORT SHOP BERLIN	Messe Berlin GmbH	10.11. – 14.11.	18,900	580	43,000
Boot and Fun Berlin	Messewelten GmbH	24.11. – 28.11.	52,500	650	66,000
HIPPOLOGICA Berlin	Messe Berlin GmbH	09.12. – 12.12.	20,000	150	20,000
22 events from the Messe Berlin group at venues in Berlin			1,113,380	24,430	1,700,050
39 guest events at venues in Berlin			388,000	4,500	226,000
61 events at venues in Berlin			1,501,380	28,930	1,926,050
ASIA FRUIT LOGISTICA, Hongkong	Global Produce Events GmbH	08.09. – 10.09.	9,600	310	4,100
MeLa – Fachausstellung für Landwirtschaft und Ernährung, Fischwirtschaft, Forst, Jagd und Gartenbau, Mühlengeez	Messe- und Ausstellungszentrum Mühlengeez GmbH	16.09. – 19.09.	170,000	1,100	69,000
Internationale Zuliefererbörse, Wolfsburg	Messe-, Ausstellungs- und Dienstleistungsgesellschaft Wolfsburg mbH	06.10. – 08.10.	35,000	730	48,000
ITB Asia, Singapur	Messe Berlin (Singapore) Pte. Ltd.	20.10. – 22.10.	10,600	720	6,600
33 additional events from the Messe Berlin group at other venues	E.G.E. European Green Exhibitions GmbH, MAZ GmbH		341,500	2,500	245,000
98 events from Messe Berlin group and venues in Berlin			2,068,080	34,290	2,298,750

\* rounded off in some cases

# The year's events in 2010

## Events of the Messe Berlin group

With sales totalling some 217 million euros last year was the most successful ever for the Messe Berlin group of companies. Since 2001 (106.4 mi. euros) turnover has more than doubled. Compared with 2008, an equivalent year (199.5 mi. euros), turnover has increased by 39 per cent. Messe Berlin's events have provided the capital and the surrounding region with an influx of some two billion euros as a result of expenditure by out-of-town visitors to trade shows and conventions.

The development of an additional exhibition site at Schönefeld, which will be available in 2012, provides an attractive new location immediately adjacent to the new main airport, BBI, not only for the ILA Berlin Air Show but also for other new events.

With its wide-ranging portfolio of activities comprising leading international trade shows, success overseas in Southeast Asia, and a flourishing convention business, Messe Berlin is already in a strong and stable market position.

The 61 trade shows and exhibitions which took place in Berlin – including 22 that were organized in-house by Messe Berlin – attracted a total attendance of some two million people (2009: 1.6 million), who included a large number of international specialist buyers. In 2010 the presence of foreign exhibitors at the capital's trade show venues was once again above the average for Germany as a whole: over 60 per cent of the 24,430 exhibiting companies at Messe Berlin's own events came from abroad.

With the International Green Week Berlin and ITB Berlin (The World's Leading Travel Trade Show), IFA CONSUMER ELECTRONICS UNLIMITED, FRUIT LOGISTICA (International Trade Fair for Fruit and Vegetable Marketing), InnoTrans (International Trade Fair for Transport Technology) and ILA Berlin Air Show, Messe Berlin staged six leading international trade shows in their respective fields in the capital.

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## Guest events

The Guest Events division hires out hall and convention space to professional, outside organizers and also offers its customers a comprehensive events service, technical support and advice about putting the concepts for their events into practice. The support of the Guest Events team is available to professional organizers, from the initial business development stage through to the implementation of imaginative events, in some cases for many years.

The Exhibition Grounds continue to attract new events such as the outstanding technological conference SAP TechEd, which made its debut in October 2010 in the Berlin exhibition halls, and the WM Werkstattmesse (Workshop Fair), which was successfully launched with an attendance of 15,000 and will be held again in 2011. The grounds are also used as a movie location, and the presence of the Indian superstar Shah Rukh Khan was one of the main highlights. In November and December scenes for the action series "Don 2" were shot at various locations in Berlin, including the Exhibition Grounds. The diversity of the guest events also reflects the innovativeness that is such a feature of Berlin.

Another highlight of the guest events in 2010 was the acquisition of World Routes. The 17th World Routes will be held from 2 to 4 October 2011 on the Berlin Exhibition Grounds, the first occasion on which it has taken place in Germany. It is the world's largest annual networking event for airlines and airports, assisting airports to develop their range of services and the formation of networks through the staging of a number of global and regional forums.

During 2010 the Guest Events division attracted a total of 39 out-of-house events. Over 4,500 exhibitors (2009: 4,150 exhibitors) presented their products and services to just under 226,000 visitors (in 2009 attendance totalled 255,000). The overall rented display area for all guest events in 2010 totalled some 388,000 square metres, a slight increase compared with 386,770 square metres in the previous year.

The Congress Division of Messe Berlin reported very successful results in 2010. The International Congress Center Berlin (ICC Berlin), Palais am Funkturm and the exhibition halls hosted a total of 530 meetings and entertainment events with an attendance of some 240,000. An above-average proportion of out-of-town visitors were registered among the more than 210,000 conference attendees, with approximately 71 per cent (150,000 meetings participants) coming from outside Berlin. Expenditure by these out-of-town congress attendees provided the city with an influx of additional purchasing power valued at 125 million euros. Many of the large conferences were accompanied by industrial displays, occupying an overall area of 145,000 square metres on the Exhibition Grounds.

Highlights of the year's congresses included major medical conferences such as the World Ophthalmologists' Congress, attended by 13,000 eye specialists, the German Cancer Congress with 12,000 medical experts, the German Congress for Orthopaedics and Accident Surgery with 9,000 participants, the Annual Conference of the German X-Ray Society and the

## Congresses

Medicine + Health Congress in the Capital, both of which attracted 8,000 physicians and scientists, the Annual Conference of the German Society for Psychiatry, Psychotherapy and Neurology (DGPPN) with 7,000 specialists, the 127th Congress of the German Society for Surgery with 5,000 surgeons, and other medical congresses attended by experts in diabetes, cardiac and pulmonary specialists, anaesthetists and intensive care specialists, with attendances of between 2,000 and 3,000.

Other outstanding events in the congress field in 2010 included the AGM of Daimler AG, attended by 7,000 shareholders, and the Microsoft Tech Ed 2010, with 7,000 software specialists.

During the course of 2010 the nine entertainment events attracted a total attendance of around 30,000. The highlight was the presentation of Europe's leading music award, the ECHO 2010.

According to the latest statistics published by the International Congress and Convention Association (ICCA), Amsterdam, as a result of the international meetings taking place at the ICC Berlin the city now ranks fourth among the world's leading congress destinations.



[www.greenweek.com](http://www.greenweek.com)

The International Green Week Berlin 2010 once again confirmed its standing as the world's leading agricultural policy event and also as the world's largest consumer show. With the Global Forum for Food and Agriculture the 75th Green Week provided impressive proof of its remarkable development over the years. Originating as a purely local trade show in 1926, it has evolved into a world agricultural summit meeting which this year provided the venue for discussions by more than 50 ministers of agriculture as well as 200 board members and senior executives from companies in agriculture and the food industry.

Visits to the Green Week were made by some 200 leading politicians from Germany and abroad. As in the previous year more than 400,000 trade visitors were registered during the ten days of the fair, including some 100,000 trade visitors. The presence of 5,100 journalists from 70 countries ensured worldwide coverage.

With just under 1,600 exhibitors from 56 countries and a display area covering 115,000 square metres the 75th Green Week matched the record levels of the previous year. This special anniversary year recorded the 30,000,000th visitor in the history of the Green Week.



**International  
Green Week Berlin –  
Exhibition for the Food  
Industry, Agriculture  
and Horticulture  
15.01.–24.01.2010**



**FRUIT LOGISTICA –  
International Trade Fair  
for Fruit and Vegetable  
Marketing  
03.02.–05.02.2010**



[www.fruitlogistica.com](http://www.fruitlogistica.com)

Providing a complete overview of the market, the presence of all the important decision-makers in this field, and with record-breaking numbers of visitors and exhibitors, the FRUIT LOGISTICA 2010 again underlined its role as the world's leading trade fair for the fruit and vegetable sector. From 3 to 5 February a total of 53,000 trade visitors from 130 countries, an increase of around six per cent, came in search of information at a trade fair of unprecedented significance for the international fruit and vegetable industry. The main quality criteria of this three day trade fair were once again its international dimension, the presence of leading decision-makers and their authoritative role within their respective companies and organizations. In their statements the exhibitors and trade visitors were unanimous in praising the excellent contacts with retailers and wholesalers, with fruit and vegetable producers and with importers and exporters.

The number of participants set a new record, over 2,300 from 71 countries, and they presented details about the complex logistics that enable consumers, wherever they may be, to obtain fresh fruit and produce of the finest quality throughout the year. FRUIT LOGISTICA 2010 was more international than ever before, with 89 per cent of its exhibitors and 80 per cent of its visitors coming from abroad.

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[www.freshconex.com](http://www.freshconex.com)

The presence of exhibitors and trade visitors from so many countries, the concentrated overview of the market and the decision-making authority of the industry representatives who attended FRESHCONEX 2010 were the main features of this event. Following its successful launch in 2008, the only European trade fair for the in-demand fresh convenience sector of fruit and vegetables was taking place for the third time on the Berlin Exhibition Grounds. Between 3 and 5 February some 7,000 trade visitors from all five continents came to learn about the ranges offered by more than 70 of the leading companies in this field from 15 countries. During the three-day trade fair the Business Forum at FRESHCONEX 2010 provided a compact source of information about current trends in this highly sensitive food category. On separate days internationally renowned experts reported on current developments in subject areas such as "New Technologies for Fresh Convenience", "Marketing Innovations for Fresh Convenience" and "Improved Logistics and Distribution for Fresh Convenience". The FRESHCONEX Business Forum was organized by Eurofruit Magazine (London) and the United Fresh Produce Association (USA).

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[www.bautech.com](http://www.bautech.com)

More than 820 exhibitors from 25 countries came to bautec with high expectations, which were more than satisfied. All the participating companies, visitors and associations from the construction industry were very positive in their assessments of this event: bautec 2010 provided the expected mood of optimism in the capital and the surrounding region. Some 61,500 visitors used this event to obtain information about numerous innovations, developments and advanced technologies for existing and new buildings. There was an excellent response to the combination of this event with Build IT Berlin, IT and Communication Trade Fair for the Construction Sector, incorporating metall IT; SolarEnergy, World Fair for Renewable Energy; Urban Solutions Berlin, the specialist section for the housing and real estate sector, and freispielberlin, the market sector for public open spaces and playground construction.

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**FRESHCONEX –  
INTERNATIONAL TRADE FAIR  
FOR FRESH PRODUCE  
CONVENIENCE  
03.02.–05.02.2010**

**bautech**  
bautech – International  
trade fair for building and  
construction technology  
16.02.–20.02.2010





**ITB Berlin – The World's  
Leading Travel Trade Show  
10.03.–14.03.2010**

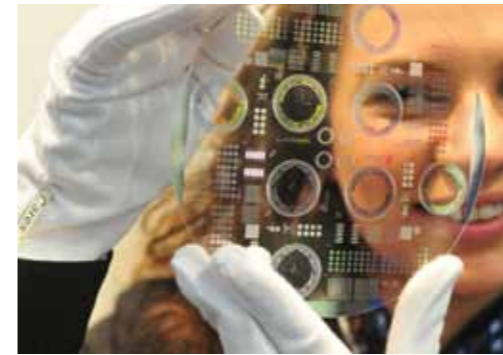


[www.itb-berlin.com](http://www.itb-berlin.com)

In March 2010 ITB Berlin consolidated its position as the worldwide market leader. As the only worldwide travel trade fair, ITB Berlin confirmed its standing with an increased number of exhibitors and as an ongoing attraction for trade visitors and the general public. Taking place for the 44th time, ITB Berlin re-emphasized its position as a leading trade show by attracting increasing numbers of decision-makers. Just under 11,200 exhibiting companies from 187 countries presented the full range offered by the international travel industry. ITB Berlin plays a major role in defining the shape of the travel sector and provides an important impetus for this steadily expanding market. Exhibitors' sales totalling some 5 billion euros and an exhibitor satisfaction level of 92 per cent are proof that this is the ideal venue, the meeting place for supply and demand. Despite its size ITB Berlin has retained a clearly defined structure. It also attracts worldwide media attention. It provides exhibitors with comprehensive assistance with all their marketing issues.

At ITB 2010 the focus was on the partner country, Turkey. The attendance by trade visitors of around 111,000 matched last year's levels. Over 68,000 members of the public made use of the wide range of information offered by everyone in this field, tour operators to niche providers of highly specialized travel.

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[www.laser-optics-berlin.com](http://www.laser-optics-berlin.com)

Laser Optics Berlin – International Trade Fair and Congress for Optical and Laser Technologies – is a biennial event which has been taking place on the Berlin Exhibition Grounds since 2008. Attendance has risen by around ten per cent to just under 2,900. Many of the just under 140 exhibitors from 14 countries reported successful negotiations and are optimistic about follow-up business. There was also a positive response on the part of the participants in the congress and the forums. With a 20 per cent rise in the number of foreign exhibitors Laser Optics Berlin has consolidated its position as a major meeting place for the representatives of optical technology in northern Europe. In addition to the trade fair and the congress, the technical forums form the third main component of this event. This year ten specialist events took place during Laser Optics. They included a focus workshop on microsystems technology, a number of technology forums, international industry meetings and advanced training events.

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[www.conhit.com](http://www.conhit.com)

The organizers of the industrial fair for healthcare IT products and services, the German Association of the Healthcare IT Industry (VHiTG) e.V. and Messe Berlin GmbH, were very satisfied with the outcome of conhit 2010. For three days approximately 3,500 trade visitors and the exhibitors at conhit took advantage of the industry trade fair, congress, academy and networking events to obtain information about the subject of healthcare IT. With 18 per cent more trade visitors and exhibitor numbers rising from 172 to 210, this event displayed a clear upward trend. There was also a significant increase in the numbers of contracts signed. Compared with the previous year trade visitors were even more positive in their assessments of conhit. Over 90 per cent would recommend the event to others and some 88 per cent plan to attend again in 2011. This year trade visitors were again generally very positive about their commercial success at this event.

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**Laser Optics Berlin –  
International Trade Fair  
and Convention for Optical  
& Laser Technologies  
22.03.–24.03.2010**



**conhit**

**conhit – Connecting  
Healthcare IT  
20.04.–22.04.2010**



[www.ila-berlin.com](http://www.ila-berlin.com)

The International Aerospace Exhibition confirmed its importance as a business platform even more convincingly and presented the experts and general public alike with a hi-tech sector that is among the key technologies of the 21st century. With the largest number of participants in its 100-year history, from 8 to 13 June approximately 1,200 exhibitors from 47 countries presented an impressive display of their products and services from all areas of the aerospace industry at the ILA, which recorded an attendance of around 235,000. Compared with the previous ILA the number of trade visitors increased to 125,000. Contracts and business agreements with a total value of more than 14 billion euros were signed during the event. With over 8,000 industry representatives at the 100 accompanying conferences, seminars and workshops the ILA 2010 underlined its pre-eminent worldwide position as a combination of trade fair and convention. The presence of more than 130 high-ranking delegations from all over the world ensured that the ILA 2010 served as a highly effective meeting place for business and science, politics and the military. Just under 300 aircraft, considerably more than at any of the world's other air shows, were on display on the ground and in the air.

Among the aircraft making their world, European or ILA debut were the new A400M military transport, the CH-53GA (German Advanced) transport helicopter with the latest avionics systems, and the DLR-H2 Antares, the world's first manned aircraft, powered by fuel cells, that flies without producing any CO2. Coverage of the activities taking place at the Berlin Air Show, in words, pictures and sound, was provided by 4,100 media representatives from 70 countries, ensuring worldwide publicity for this event.

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[www.itprofits.com](http://www.itprofits.com)

IT Profits, from 9 to 10 June, was thronged by visitors and reported excellent business discussions. Just under 170 providers of solutions for IT, the web and mobile business were represented at this two-day business event in order to supply information about the latest trends and products in these fields. The main focus was on cloud services, social media, online marketing and mobile business. There was a particularly good response to the day devoted to the theme of online profits, which attracted 1,500 advance applications and its papers were very well attended. In their practically-based papers a number of prominent speakers presented actual solutions of particular benefit to small and medium-sized businesses. The main emphasis in the 100 papers at IT Profits 2010 was on the transfer of expertise and opportunities for discussions with the experts.

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[www.linuxtag.org](http://www.linuxtag.org)

From 9 to 12 June LinuxTag 2010 attracted more than 11,600 participants from the community and from companies. An overview of the capabilities and current state of development in the areas of free software and operating systems was provided by the 43 companies and 75 free projects. Open source was the dominant aspect of the discussions about current trends in the world of IT. Subjects included the mobile radiotelephony market and cellphones based on open source, navigation systems and the so-called embedded sector, in which specialized computers are used to control installations and machinery by means of wireless communication systems. Open source is very much in evidence nowadays in the infrastructural components used in data centres for monitoring, virtualization and above all for cloud computing. In the more than 300 papers that were delivered at the international specialist convention the prominent keynote speakers from the international open source sector made it clear that LinuxTag is also the leading convention for this whole area. Highlights included the keynote speeches by the Ubuntu sponsor Marc Shuttleworth, the head of open source for Google, Chris DiBona, James Utzschneider from Microsoft and Larry Augustin from SugarCRM. With its Business and Administration Congress, LinuxTag is committed to promoting the use of open source by the administration and authorities of the German capital.

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**IFA 2010 – CONSUMER  
ELECTRONICS UNLIMITED**  
03.09.–08.09.2010



[www.ifa-berlin.com](http://www.ifa-berlin.com)

In the run-up to the 50th IFA there were some very promising signs: a double-digit increase in the rented display area to some 134,400 square metres (+11%) and over 1.430 exhibitors were the best figures ever in the history of this event. Attendance at the 50th IFA was equally impressive: 235,000 visitors (+5%), including 125,000 trade visitors (+8%) ensured that, from 3 to 8 September 2010, the IFA was once again the world's largest and most important trade show for consumer electronics and electrical household appliances.

At 3.5 billion euros (+9 %) the volume of orders placed by the trade exceeded the previous year's results.

The IFA offered numerous innovative products, with interest focussing in particular on three-dimensional televisions. Other main themes at the 50th IFA included: the merging of television and the internet, HDTV, home networking and all the various facets of mobile media use.

Energy efficiency and the conservation of resources are important considerations in consumer electronics and in the home appliance sector too.

The IFA continues to be the high point of the year for anyone who not only uses consumer electronics, information and communication technology and household appliances, but also wants to experience them. Each year the IFA's typical combination of innovations, stars, entertainment and information continues to exert a fascination on the public.

In the run-up to the 50th IFA there were some very promising signs: a double-digit



[www.popkomm.com](http://www.popkomm.com)

Over two days some 7,500 participants visited the B2B area at Popkomm in search of business opportunities and to sign contracts, to discuss ways of meeting the challenges facing the industry, and to discover good music.

During the two days of the Popkomm Showcase Festival 60 solo artists and bands representing a wide variety of styles performed at 14 locations at the legendary Berlin-Tempelhof airport and in the lively, neighbouring district of Kreuzberg. This year's Popkomm also included a new feature, Jazzkomm, a showcase and business platform for musicians and "jazzpreneurs". This section also included a total of 50 showcases, presented by 40 bands from 15 countries, a separate conference, screenings of a small number of films, and an exhibitors' lounge.

Popkomm opened with the presentation of the New Music Award 2010 to the band Kraftklub from Saxony. This award, which is funded by eight ARD youth radio programmes, is also accompanied by a voucher with a value of 10,000 euros for the purchase of musical equipment. Coverage of the event was provided by the more than 800 journalists from 21 countries who were accredited at Popkomm.



**Popkomm –  
The International  
Music Business Market**  
08.09.–10.09.2010



**ASIA FRUIT LOGISTICA  
HONGKONG – International  
Trade Fair for Fruit and  
Vegetable Marketing in Asia  
08.09.–10.09.2010**



[www.asiafruitlogistica.com](http://www.asiafruitlogistica.com)

A sharp rise in the number of trade visitors has underlined the standing of ASIA FRUIT LOGISTICA 2010 as the continent's leading trade fair for the fruit and vegetable sector. This three-day event at the Hong Kong Convention & Exhibition Centre attracted 4,100 industry representatives from 60 countries and has expanded by 209 per cent since last year. From 8 to 10 September a total of 310 exhibitors from 30 countries presented the products and services offered by the international fruit and vegetable

trade (+34%). Companies and organizations from all over Asia were represented, including the largest-ever participation by exhibitors from China, South Korea and Japan, as well as from other parts of the world, such as Argentina, Australia, Chile, France, Italy, New Zealand, the Netherlands, Peru, South Africa and the USA. Taking place parallel with the fair, the Asiafruit Congress, the most important conference in this field in Asia, attracted some 500 delegates from 35 countries. This event was organized by Asiafruit Magazine.



**MeLa – Exhibition for  
Agriculture and Food,  
Fisheries, Forests,  
Hunting and Horticulture  
in Mühlenteez  
16.09.–19.09.2010**



[www.mela-messe.de](http://www.mela-messe.de)

Marking its 20th anniversary, the Exhibition for Agriculture and Food, Fisheries, Forests, Hunting and Horticulture (MeLa) in Mühlenteez reported a record number of participants. From 16 to 19 September some 1,100 exhibitors from eleven countries (Belgium, Latvia, the Netherlands, Denmark, Poland, Sweden, the Czech Republic, Hungary, Austria and Scotland) presented their products here.

During the four days 68,900 visitors were registered at the 17 hectare exhibition site. All the major manufacturers of machinery were represented at Mühlenteez, an example of the transfer of technology at the highest level. Many visitors came to see the livestock shows, the forestry workers' championships, the tractor drivers' competitions and many other highlights of the programme.



[www.innotrans.com](http://www.innotrans.com)

This year the world's leading trade fair for rail transport technology exerted an even greater attraction than ever before. InnoTrans recorded an attendance of approximately 106,700 from 110 countries, a 20 per cent improvement over InnoTrans 2008. With an increase of 330 in the number of exhibitors to a total of 2,300 and a 20 per cent larger display area InnoTrans 2010 achieved a significant expansion in all main areas. More than half of all the exhibitors and visitors at the industry's leading trade

show came from abroad. After four days of intensive business activity, contracts worth millions of euros, the hand-over of numerous trains and an excellent response to the InnoTrans Convention, the Speakers' Corner and the Career Point, trade visitors and exhibitors alike expressed their extreme satisfaction with InnoTrans 2010. Approximately 97 per cent of visitors who were questioned were positive in their assessments, five per cent more than at the event held two years previously. 96 per cent would recommend InnoTrans to their colleagues or business associates, and more than 95 per cent are planning to attend the next InnoTrans. The results of this survey are superior to the already excellent figures recorded at InnoTrans 2008.

In terms of the status and professional competence of its trade visitors the fair also revealed a further improvement over previous years: almost half of this year's trade visitors hold senior executive positions within their respective companies.



**InnoTrans –  
International Trade Fair  
for Transport Technology  
21.09.–24.09.2010**



**YOU – Europe’s leading  
Youth Fair  
music – sports – lifestyle –  
education  
01.10.–03.10.2010**



[www.you.de](http://www.you.de)

Europe’s largest youth trade fair, YOU, was held from 1 to 3 October 2010 at the former Berlin-Tempelhof airport for the first time. In accordance with the slogan adopted for YOU, “Get involved, hands on, try it”, the 260 exhibitors and their partners occupied an area of 40,000 square metres to stage the most varied display in the history of this event, for the tens of thousands of young people and other interested persons.

The participants included such leading brands as Sprite, Krüger, Staedtler, Nintendo and Vodafone as well as Germany’s largest video platform, MyVideo, and the music stage sponsor zaOaza.

For the first time many outdoor activities were available on the covered airport apron. With the initiative “respect YOUr culture” under the patronage of Prof. Dr. Maria Böhmer, the German government’s Representative for Migration, Refugees and Integration, this event encouraged young people to address the subjects of xenophobia and integration. Concerts were held on all three days, featuring up-and-coming musicians as well as major stars. A parallel event, “Vocational Training Days” provided visitors with extensive information about training and employment. YOU 2010 was attended by tens of thousands of young people and a record number of school classes, along with their teachers.



[www.belekro.com](http://www.belekro.com)

The success of belekro and its positive future prospects were confirmed by the 270 exhibitors from ten countries as well as the 15,000 people who attended this event. For three days the latest products and services were presented here, along with the latest trends in electrical engineering, electronics and lighting. Energy efficiency, lighting, LEDs and electro-mobility are all forward-looking topics that dominated this year’s event.

The exhibition was closely linked with an outstanding technical supporting programme: the Lighting Dialogue, with 40 participating companies, the ehome technical programme, dealing with the subject of the networked home, the Photovoltaic Dialogue and the ep Forum. A new feature this year was the one-day technical forum on the subject of Street Lighting, which attracted 104 participants. Trade visitors described the papers, panels and workshops as extremely interesting and an invaluable way of expanding their knowledge of these topics.

The achievements of belekro as a platform for promoting professional competence and expertise underline the success of this concept. Moreover belekro has consolidated its position as the leading trade fair for the economic region of Berlin-Brandenburg and the states of eastern Germany.



**belekro – Trade Fair  
for Electrical Engineering,  
Electronics and Lighting  
06.10.–08.10.2010**

# art forum berlin

Die Internationale  
Kunstmesse

art forum berlin –  
The International Art Show  
07. 10. – 10. 10. 2010



[www.art-forum-berlin.com](http://www.art-forum-berlin.com)

The 15th art forum berlin concluded on 10 October 2010. Between 7 and 10 October the International Art Fair was attended by 40,000 collectors, museum directors, curators and art enthusiasts from all over the world, and 1,300 media representatives from 36 countries reported on the exciting items on display. The participating gallery owners, art connoisseurs and media representatives agreed that 2010 was a good year for the International Art Fair. The 100 exhibiting galleries from 18 countries presented the work of over 2,000 artists. Paintings, sculpture, photography, installations, video works, drawings, graphics and multiples: all artistic media were represented. Seventeen of the galleries provided a closer look at aspects of a particular work by individual artists. Among the projects or groups of works on show were those by Keren Cytter, Douglas Gordon, Imi Knoebel, Annika Larsson, Isa Melsheimer, Mathilde Rosier, Vincent Tavenne and Martin Walde. A number of different stands also focused on theme-based presentations. The 26 galleries found this new concept very effective and were extremely satisfied with the keen interest shown in their artists by collectors, curators and the media.



[www.izb-online.com](http://www.izb-online.com)

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IZB –  
The International  
Suppliers' Fair,  
Wolfsburg  
06. 10. – 08. 10. 2010

The International Suppliers' Fair (IZB) took place for the sixth time from 6 to 8 October 2010 in Wolfsburg. With some 730 exhibitors from 24 countries and 48,000 visitors the IZB is now well established as Europe's leading trade fair for suppliers to the automobile industry. The International Suppliers' Fair is held every two years, alternating with the IAA Frankfurt. The IZB is organized by Wolfsburg AG, which has been staging this event in cooperation with Messe Berlin since 2008.



[www.gesundes-leben-bb.com](http://www.gesundes-leben-bb.com)

Some 5,000 visitors were registered at "Gesundes Leben" when this health fair for Berlin and Brandenburg made its debut from 8 to 10 October in Halls 21a and 21b on the Berlin Exhibition Grounds, providing a wide range of information about healthy living.

The 124 exhibitors occupied 5,000 square metres of hall space to display a wide range of products and services on the subjects of "Prevention and Rehabilitation", "Healthy Eating, Sport and Fitness" and "Wellness & Beauty". Experts representing all aspects of health used the four activity areas to offer advice on how to remain fit and healthy into advanced old age.



[www.itb-asia.com](http://www.itb-asia.com)

The third ITB Asia attracted an attendance in excess of 6,600, a 7.4 per cent increase over the previous year. In addition to the many, diverse experts' forums, Messe Berlin (Singapore) describes outbound demand in Asia and the enhanced quality of the 580 invited buyers as the main factors driving the expansion of this event. A total of 720 exhibitors from 60 countries staged their displays on the Suntech exhibition grounds in Singapore. Egypt was the first partner country to make use of ITB Asia to launch its intensified commercial activities on the Asian travel market.

ITB Asia 2010 was a dynamic event and, with its experts' forums, on the final day many exhibitors were encouraged to make their reservations for next year. Web in Travel (WIT), the conference element of ITB Asia, adopted a new format: approximately 400 participants in ITB Asia attended the two WIT Clinics in order to obtain advice from IT experts from the travel industry on how to benefit financially from their websites and how to make more effective use of social media.



Gesundes Leben! –  
Health Fair  
Berlin Brandenburg  
08. 10. – 10. 10. 2010



ITB Asia, Singapur –  
The Trade Show for the  
Asian Travel Market  
20. 10. – 22. 10. 2010



**IMPORT SHOP BERLIN**

**IMPORT SHOP BERLIN –  
A WORLD FULL OF BEAUTY  
10. 11.–14. 11. 2010**



[www.importshop-berlin.com](http://www.importshop-berlin.com)

factors was the presence of new and highly attractive items in all areas of the exhibition, and this was certainly the case, for example, among the more strongly represented designer fashion items.



**Boot und Fun Berlin 2010  
24. 11.–28. 11. 2010**



[www.bootundfun.de](http://www.bootundfun.de)

sections, such as electric boats and pontoon boats, and the International Conference on the Future of Boating Tourism. This year almost 650 exhibitors displayed their products and services on the Berlin Exhibition Grounds. Boot und Fun Berlin presented more than 800 boats and yachts, some of them making their world debut or their first appearance in Germany. At just under 66,000 attendance remained at the high level of last year. Compared with 2009 the fair reported growing interest in its first visitors' day, the preview day and the GALA Boats Night.

There was considerable satisfaction with the results at the conclusion of the Import Shop Berlin 2010. More than 43,000 visitors had come to inspect the high quality products of the 580 exhibitors from 54 countries, and in many cases they made purchases at the fair. Nine out of every ten visitors took purchases home with them, spending an average of 135 euros. This represented total sales of 5.5 million euros for the exhibitors, approximately half a million euros more than in the previous year. One of the contributing

Satisfied exhibitors, a number of outstanding product premieres, and attractions such as Hildegard Knef's holiday boat created an excellent atmosphere at this year's boat and leisure event Boot und Fun Berlin, which ended on 28 November. One of Germany's leading trade fairs for water sports and tourism activities on inland and coastal waters presented a comprehensive display of products during its five day run. There was a particularly good response to the subjects dealt with by the new specialist



[www.hippologica.de](http://www.hippologica.de)

publicize their products and services. 81 per cent of the visitors plan to attend the HIPPOLOGICA again next year and 82 per cent own their own horse or share the use of a horse. There was an excellent response to the Veterinarians' Meeting at the HIPPOLOGICA Berlin, which attracted an unprecedented total of 150 participants. It has been held in conjunction with the HIPPO-LOGICA since 1993 and there is no comparable event at any German trade fair in the opinion of its initiator, Dr. Johannes Kördel. Over 100 riders and 145 horses representing 18 different breeds took part in the tournaments and shows at HIPPOLOGICA.

HIPPOLOGICA Berlin 2010 provided a popular attraction for its visitors, exhibitors and also for the participants in the equestrian sports competitions. There was great satisfaction at the end of this four-day fair, which attracted some 20,000 visitors, experts and members of the public, to the Berlin Exhibition Grounds. 17 per cent of the exhibitors are involved in horse breeding, while 37 per cent were displaying items and equipment for equestrian sports. Approximately 150 exhibitors came to



**HIPPOLOGICA Berlin –  
International Equestrian  
Sport Exhibition  
09. 12.–12. 12. 2010**

## Consolidated balance sheet for Messe Berlin GmbH

	2010 T€	2009 T€
Net earnings for the period (including minority shareholders' share of earnings) before extraordinary items	6,306	54
Write-downs on fixed asset items	11,502	3,371
Increase (prev. yr. decrease) in reserves	8,357	-4,747
Other earnings that do not affect the balance sheet	-289	-289
Loss (prev. yr. profit) from disposal of fixed asset items	319	-6
Increase (prev. yr. decrease) in inventories, receivables and other assets that are not classified under investment or financing activities	-8,350	11,399
Increase (prev. yr. decrease) in payables and other liabilities which are not classified as investment or financing activities	12,656	-9,489
<b>Cash flow from current business activity</b>	<b>30,501</b>	<b>293</b>
Amounts paid in from disposal of fixed assets	430	19
Amounts paid out for investments in fixed assets	-5,634	-1,156
Amounts paid out for investments in intangible assets	-1,029	-333
Amounts paid out for investments in financial assets	-55	-2,367
Amounts paid in from sale of shares in consolidated companies, less liquid funds	1,079	0
Amounts paid out for acquisition of consolidated companies, less liquid funds	-504	0
<b>Cash flow from investment activity</b>	<b>-5,713</b>	<b>-3,837</b>
Amounts paid out to redeem financial credit	0	-9
<b>Cash flow from financing activity</b>	<b>0</b>	<b>-9</b>
Change in financial resources	24,788	-3,553
Change in financial resources due to consolidation	129	-203
Financial resources at the start of the period	55,344	59,100
<b>Financial resources at the end of the period</b>	<b>80,261</b>	<b>55,344</b>



# Situation Report 2010

## Group and Messe Berlin GmbH

### Preliminary remarks

Messe Berlin – the company

### Background economic conditions

The German trade fair market – Recovery after the economic crisis

### Business progress

Messe Berlin's business activity looks set for growth  
ILA will continue at its new venue at Selchow in 2012  
Acquisition of a further 50% stake in Capital Facility GmbH & Co. KG  
Acquisition of a 51% stake in the K.I.T. Group GmbH  
Decisions made about the ICC and the Deutschlandhalle

### The situation of the company and of the group

Profits situation of Messe Berlin GmbH and of the group  
Successful expansion of the company's own events  
Foreign business maintains its upward trend  
Convention business strongly placed  
Guest events remain stable under difficult economic conditions  
Continued positive development by service subsidiaries and other subsidiaries  
Expenditure on the Berlin Exhibition Grounds  
Other special influencing factors  
Financial situation  
Staff

### Risk management

Risk policy  
Typical risks  
Renovation of the ICC

### Future prospects, opportunities and risks associated with future expansion

Expected business progress  
Restructuring of Capital Facility GmbH & Co. KG  
Acquisition of a further 50% stake in Popkomm GmbH  
Expansion of the grounds on the Deutschlandhalle site

### Messe Berlin – the company

In terms of its turnover Messe Berlin is one of the world's leading trade fair companies. Its main shareholder is the Land Berlin (99.7%), from whom Messe Berlin leases the Exhibition Grounds at the Funkturm, covering approx. 160,000 square metres, and the International Congress Center Berlin (ICC Berlin).

The Messe Berlin portfolio includes 30 of its own events, which it stages at venues in Berlin and which are distinguished by the diversity of business sectors that they represent, and by their high proportion of foreign exhibitors and visitors. Seven of these in-house events are leading international trade shows.

In addition to its own events Messe Berlin organizes numerous regional consumer exhibitions outside the city, as well as making the Exhibition Grounds available for up to 50 guest events annually. In addition Messe Berlin organizes outstanding international congresses at the ICC Berlin, Europe's largest convention facility. In recent years the ICC Berlin has become the pre-eminent venue for large medical conventions.

In recent years the Berlin Exhibition Grounds and ICC Berlin have recorded an annual average of more than 29,000 exhibitors and approximately 2 million visitors. Events and congresses in Berlin exert a considerable influence on the influx of purchasing power and production effects in the Berlin-Brandenburg region, which vary according to the cycle of events.

With some 70 local offices in more than 100 countries Messe Berlin is active on behalf of its customers all over the world. Messe Berlin and its subsidiaries provide a range of services with an international emphasis, including information and support for their customers, be they exhibitors or trade visitors, beginning with the initial contact and continuing during the event.

Messe Berlin is also represented by various events abroad. Asia Fruit Logistica in Hong Kong and ITB Asia in Singapore provide additional platforms for exhibitors to present their products and services.

Three fully owned subsidiaries of Messe Berlin GmbH are available to provide exhibitors and visitors with a range of additional services. MB Capital Services GmbH plans and implements services at trade shows, conventions and other presentations. The most important of these services are stand construction, the hire of advertising display areas on the Berlin Exhibition Grounds, the sale of admission tickets and the marketing of the Virtual Market Place on behalf of Messe Berlin.

### Preliminary remarks

Capital Catering GmbH operates the catering services on the Exhibition Grounds, at the Funkturm, in the Funkturm Restaurant and in the ICC Berlin. Capital Facility GmbH & Co. KG is primarily responsible for providing technical services, building maintenance and repairs and the upkeep of technical installations in the halls and the congress centre, on behalf of Messe Berlin GmbH.

Messe Berlin also has a number of other subsidiaries that organize events, for example, for agriculture, the automobile supply industry and the leisure sector, as well as congresses.

#### **The German trade fair market – Recovery after the economic crisis**

The German economy grew faster last year than at any time since reunification. According to the Federal Statistics Office the gross national product (GNP) rose by 3.6% compared with 2009, the year of the financial crisis, having declined by 4.7% during the previous year. The recession at the time was the worst in Germany's post-war history.

Encouraged by the economic upturn, at the end of October the German government revised its growth forecasts for 2010 by more than double, from 1.4 to 3.4%.

The Association of the German Trade Fair Industry (AUMA) reports that the conditions for Germany's trade fair sector have substantially improved since the crisis of 2009. Trade fairs are being boosted by the clearly positive mood in the economic sector, especially in the investment goods industry, and by sharp increases in orders, especially from abroad.

In 2010 some 174,000 exhibitors participated in 159 national trade fairs, a figure matching the levels of 2009. While participation from abroad, on average, has undergone a significant recovery, (+2% compared with -5% in the previous year), there has been a further slight decline among domestic exhibitors.

In 2010 some 6.9 mi. square metres of stand area were occupied, which is 3% less than at the preceding events. This is apparently the result of the decision taken by exhibiting companies in 2009 to achieve savings, which also had its impact in the 2010 financial year.

During the first half of the year declines were apparent in the investment goods sector in particular, as a delayed effect of the financial crisis.

#### **Messe Berlin's business activity looks set for growth**

With a busy year of events Messe Berlin has more than maintained its strong position in Germany. Messe Berlin recorded a group turnover (Messe Berlin GmbH) of approximately EUR 217 mi. (EUR 168 mi.) and an annual net profit of EUR 4.8 mi. (EUR 5.5 mi.), making this one of the most successful year's trading in its history.

In their statements exhibitors and trade visitors alike emphasized the international character of Berlin as a trade fair venue, the presence of leading decision-makers and the high level of decision-making authority among the industry representatives. Especially during periods of economic difficulty the leading trade fairs have proved their effectiveness as decisive marketing platforms for all those involved in the global added value chain, and have given a fresh impetus to the various business sectors. Compared with 2009 improved figures were recorded in the following areas: the rented display area increased by some 10%, the number of exhibitors rose by around 17% and attendances improved by some 18%.

#### **ILA will continue at its new venue at Selchow in 2012**

The new framework agreement for the ILA was signed on 30 November by the partners in this event. It included a statement by the authorities of the Land Berlin and the Land Brandenburg, the airport operator Flughafen Berlin-Schönefeld GmbH, the German Aerospace Industries Association (BDLI) und Messe Berlin GmbH, confirming the intention to stage the ILA at its new location in Selchow in Berlin/ Brandenburg every two years from 2012 onwards. This led to the establishment of a new company, Messeimmobilien Selchow GmbH, on 10 November 2010, with ZukunftsAgentur Brandenburg GmbH and Messe Berlin GmbH each holding a 50% stake. Its purpose is to create and operate a new exhibition site immediately adjacent to the new main airport, BBI. Beginning in 2012 the ILA Berlin Air Show and other events will be taking place there. The newly formed company will be investing 27 million euros in the development of this new site. The planning work for creating the necessary infrastructure has already begun. A starting capital of EUR 10 mi. has been made available, EUR 6 mi. of this sum being provided in 2010.

#### **Acquisition of a further 50% stake in Capital Facility GmbH & Co. KG**

With effect from 1 January 2010 Messe Berlin acquired a further 50% of the limited partner's interest in Capital Facility GmbH & Co. KG and a further 50% of the share in the general partner Capital Facility Beteiligungsgesellschaft mbH, thereby increasing its stake to 100%. Capital Facility GmbH & Co. KG (CFG) is responsible for buildings and site management for the properties leased by Messe Berlin and also provides a number of event-related services.

#### **Business progress**

#### **Background economic conditions**

#### Acquisition of a 51% stake in the K.I.T. Group GmbH

With effect from 1 January 2010 Messe Berlin acquired a 51% stake in the K.I.T. Group. This company organizes events worldwide, with a particular emphasis on medical congresses.

#### Decisions made about the ICC and the Deutschlandhalle

Responding to reports produced by outside experts, the Berlin Senate has decided that no congresses should be held in the ICC during the renovation period, which is planned to begin in 2014. This reverses the ruling of May 2008 that congresses should continue to take place in the ICC while the renovation work is being carried out.

On 1 November 2010 the Senate Department for Urban Development accepted the appeal by Messe Berlin against preventing the demolition of the Deutschlandhalle on the grounds that it should be a listed building, and has revoked the listed building status for the Deutschlandhalle. Consequently Messe Berlin may now implement the decision by the Senate approving the demolition of the Deutschlandhalle. In December 2010 architects were invited to submit plans for a new hall on the site of the Deutschlandhalle.

#### Profits situation of Messe Berlin GmbH and of the group

Taking into consideration the cycles of the various trade fairs (ILA and InnoTrans are held every two years, and last took place in 2010) the Messe Berlin GmbH group of companies can look back on a highly positive situation in the past financial year. The annual pre-tax results by the group, amounting to some EUR 7.3 mi., exceeded the target figure (EUR 3.0 mi.) by some EUR 4.3 mi. With a figure of approximately EUR 217.4 mi. turnover by the group exceeded the target by around 2%.

**The situation  
of the company  
and of the group**

Messe Berlin Group	2010	2009	Changes compared with previous year	
	mi.€	mi.€	mi.€	%
Turnover proceeds	217.4	157.5	59.9	38
Change in inventory of incomplete services	-0.2	0.0	-0.2	-
Other operational income	6.9	6.5	0.4	6
Material costs	-137.0	-106.5	-30.5	29
Personnel costs	-39.2	-34.3	-4.9	14
Other operational expenditure	-29.0	-20.1	-8.9	44
Income from investments	1.8	0.3	1.5	>100
<b>EBITDA</b>	<b>20.7</b>	<b>3.4</b>	<b>17.3</b>	<b>&gt;100</b>
Write-downs on assets	-11.5	-3.4	-8.1	>100
Interest earnings	-0.4	0.2	-0.6	-300
Extraordinary earnings	-1.0	0.0	-1.0	-
Taxes	-2.5	-0.2	-2.3	>100
Minority share of earnings	-0.5	0.0	-0.5	-
<b>Annual results</b>	<b>4.8</b>	<b>0.0</b>	<b>4.8</b>	<b>&gt;100</b>
EBITDA as % of turnover	9.5%	2.1%		

The turnover of Messe Berlin GmbH, amounting to EUR 168.3 mi., was 9.9% above forecast.

Messe Berlin GmbH	2010	2009	Changes compared with previous year	
	mi.€	mi.€	mi.€	%
Turnover proceeds	168.3	127.3	41.0	32
Other operational earnings	7.3	9.1	-1.8	-20
Material costs	-114.4	-91.7	-22.7	25
Personnel costs	-24.6	-25.0	0.4	-2
Other operational expenditure	-27.5	-19.8	-7.7	39
Earnings from investments	8.0	5.4	2.6	48
<b>EBITDA</b>	<b>17.2</b>	<b>5.3</b>	<b>11.9</b>	<b>&gt;100</b>
Write-downs on assets	-9.5	-3.1	-6.4	>100
Interest earnings	-0.2	0.2	-0.4	-200
Extraordinary earnings	0.0	-1.0	1.0	-100
Taxes	-1.9	-0.1	-1.8	>100
<b>Annual results</b>	<b>5.5</b>	<b>1.3</b>	<b>4.3</b>	<b>&gt;100</b>
EBITDA as % of turnover	13.5%	4.2%		

#### Successful expansion of the company's own events

New best performance levels were achieved by the group's own events. Since they last took place, in 2010 several of the leading international events have reported an increase in their rented stand area. The International Green Week Berlin, FRUIT LOGISTICA and ITB Berlin – The World's Leading Travel Trade Show – achieved increased attendances compared with the equivalent events held in the previous year. Particular mention should also be made of IFA Consumer Electronics Unlimited and InnoTrans, which underwent remarkable rates of

expansion since they were last held, both in terms of the rented stand areas and visitor numbers, and which provided a successful platform for the trade, consumers and industry. The integration of the congress activities of K.I.T. Group GmbH within Messe Berlin also contributed to the increased turnover.

#### Foreign business maintains its upward trend

Following its debut in Bangkok, in 2010 the venue for the third ASIA FRUIT LOGISTICA was Hong Kong. The standing of ASIA FRUIT LOGISTICA as the leading trade fair for the fresh produce sector throughout Asia was underlined by the sharp rise in the rented stand area. Asia is also the world's largest producer and consumer of fresh fruit and vegetables. This trade fair is also the only event for the fruit and vegetable sector that covers the whole of Asia, and is not confined to specific parts of the market on that continent.

The strong demand for travel emanating from the Chinese population meant that the global travel industry gave a vital impetus to ITB Asia, which took place for the third time in Singapore from 20 to 22 October 2010. The ITB Asia 2010 improved its profile as one of the region's leading tourism trade fairs, with an attendance in excess of 6,000 and over 700 exhibitors, and provided evidence of its enhanced appeal for suppliers, professionals and experts in the worldwide travel sector.

#### Convention business strongly placed

The Congress Division of Messe Berlin can look back on a successful year's business in 2010. The International Congress Center Berlin (ICC Berlin), Palais am Funkturm and the exhibition halls hosted a total of 530 meetings and entertainment events with a total attendance of some 240,000. An above-average proportion of out-of-town congress attendees were registered. Approximately 71 per cent (around 150,000 conference attendees) came from outside the city, providing Berlin with additional purchasing power estimated at EUR 125 mi. Based on the figures for the international conferences held in the ICC Berlin the International Congress and Convention Association (ICCA) currently places Berlin fourth in the world rankings of the leading congress destinations.

#### Guest events remain stable under difficult economic conditions

Despite the economic difficulties facing trade fairs and events and increased competition on the German trade fair market and in Berlin, the Guest Events Division has maintained its position. The increasing number of foreign guest events is a welcome development. In 2010 there were a total of 39 guest events on an overall rented area of some 388,000 sq. metres, with total attendance of approx. 226,000 and around 4,500 exhibitors.

In addition the Guest Events Division lent its support to nine exhibitions that accompanied congresses and were held either in the ICC Berlin or on the Exhibition Grounds.

#### Continued positive development by service subsidiaries and other subsidiaries

The ongoing development of trade fairs and congresses has had a positive impact on the subsidiaries MB Capital Services GmbH (CSG) and Capital Catering GmbH (CCG). Compared with the plans for the financial year 2010 both companies have substantially increased their turnover due to the remarkable success of major events such as the International Green Week Berlin, FRUIT LOGISTICA, ITB Berlin, IFA Consumer Electronics Unlimited and InnoTrans. Capital Facility GmbH & Co. KG and K.I.T. Group GmbH both achieved very positive results in 2010.

#### Expenditure on the Berlin Exhibition Grounds

As in previous years the costs of ongoing property maintenance and repairs had a significant impact on the results of Messe Berlin GmbH.

Messe Berlin Group	Actual 2010		
	Group total	of which real property	of which trade fairs and events
	mi.€	mi.€	mi.€
Turnover proceeds	217.4	19.0	198.4
Directly allocable expenditure	-147.6	-42.0	-105.6
<b>Contribution margin</b>	<b>69.8</b>	<b>-23.0</b>	<b>92.8</b>
Personnel costs	-35.3	-12.0	-23.3
Other expenditure and income	-27.2	-10.3	-16.9
<b>Earnings before tax (EBT)</b>	<b>7.3</b>	<b>-45.3</b>	<b>52.6</b>

#### Other special influencing factors

Within the group goodwill write-downs reduced the results of Capital Facility GmbH & Co. KG and K.I.T. Group GmbH by EUR 7.3 mi. For the first time the two companies were fully consolidated during the financial year. Write-downs on the holding in Capital Facility GmbH & Co. KG reduced the annual results of Messe Berlin GmbH by EUR 4.9 mi.

Moreover, in the case of Capital Facility GmbH & Co. KG the impact of the application for the first time of the German Accounting Law Modernization Act (BilMoG) reduced the group results by TEUR 976.

#### Financial situation

The positive results for the year and the acquisition of the assets of the new subsidiaries have boosted the group balance sheet total by EUR 34.0 mi. (30.9%) compared with the previous year. Long term assets continue to be fully covered by equity capital.

Messe Berlin Group	2010	2009	Changes compared with previous year	
	mi.€	mi.€	mi.€	%
Long term assets	39.4	40.0	-0.6	-1.5
Short term assets	104.5	69.9	34.6	49.5
<b>Assets</b>	<b>143.9</b>	<b>109.9</b>	<b>34.0</b>	<b>30.9</b>
Equity capital	45.8	39.3	6.5	16.5
Long term outside capital	18.5	15.7	2.8	17.8
Short term outside capital	79.6	54.9	24.7	45.0
<b>Liabilities</b>	<b>143.9</b>	<b>109.9</b>	<b>34.0</b>	<b>30.9</b>

<b>Consolidated cash flow statement (summary)</b>	2010	2009
	mi.€	mi.€
Cash flow from ongoing business activity	30.5	0.3
Cash flow from investment activity	-5.7	-3.9
Cash flow from financing activity	0.0	0.0
Change in financial resources as cash item	24.8	-3.6
Change in financial resources due to consolidation	0.1	-0.2
Financial resources as of 1 January	55.3	59.1
Financial resources as of 31.12.	80.2	55.3

<b>Messe Berlin GmbH •Cash flow statement (summary)</b>	2010	2009
	mi.€	mi.€
Cash flow from ongoing business activity	21.0	2.4
Cash flow from investment activity	-11.2	-4.2
Cash flow from financing activity	0.0	0.0
Change in financial resources as cash item	9.8	-1.8
Financial resources as of 1 January	50.0	51.8
Financial resources as of 31.12.	59.8	50.0

Cash flow from ongoing business activity is mainly the result of positive annual results (EUR 4.8 mi), corrected to reflect the depreciation in financial assets that does not affect the balance sheet (EUR 7.4 mi), and the increase in short term capital from outside sources.

The cash flow from investment activities mainly results from investments in fixed assets and non-material fixed assets totalling approx. EUR 6.6 mi. The impact of the acquisition of the new subsidiaries and shareholdings only amounts to EUR 0.5 mi. due to the inclusion of liquid assets. Receipt of purchase price payments in association with the sale of 50% of the stake in E.G.E. GmbH increased the cash flow from investment activities by EUR 1.1 mi.

On 31 December 2010 the financial resources consisted almost entirely of assets in the form of cash and bank balances. TEUR 29 is accounted for by short term securities included in the liquid assets of Capital Facility GmbH & Co. KG.

Financial management is mainly concerned with safeguarding liquidity. When investing liquid assets the aim is to achieve a suitable return while at the same time taking into consideration aspects such as security and flexibility. As a rule Messe Berlin GmbH makes its investments in the form of day-to-day or time deposits.

#### Staff

During the year covered by this report Messe Berlin GmbH employed an average workforce of 348 (previous year: 349), group total 669 (previous year: 476). The group provided training places for 24 trainees.

	<b>Messe Berlin Group</b>		<b>Messe Berlin GmbH</b>	
	2010	2009	2010	2009
	Numbers	Numbers	Numbers	Numbers
Employees	669	488	348	349
Trainees	24	23	15	17
<b>Total</b>	<b>693</b>	<b>511</b>	<b>363</b>	<b>366</b>

#### Risk policy

The risk policy adopted by Messe Berlin is dominated by its efforts to maintain sustainable growth while at the same time avoiding undue risks. In order to identify, assess and document risks within the group Messe Berlin GmbH applies a standardized risk management system which is regularly reviewed to determine its appropriateness and its effectiveness. The basic principles of the risk management system are laid down in an organizational directive. All main risks are classified at divisional and subsidiary level. The findings obtained during the classification process form the basis for estimating current and future risk situations within the group. Risk management is an ongoing process. In addition to regular monthly reports, accompanied by a permanent, year end extrapolation at all levels within the group, a half-yearly group risk report is submitted to the management and the supervisory board for certain individual risks, depending on their severity. The development of risks within the group of companies is monitored using early warning indicators. Economic fluctuations are shown as risk factors affecting the business development.

In the course of the annual economic planning process the various opportunities and risks associated with all future business activities are assessed and any changes in the market or in the competitive situation are taken into consideration.

#### Risk management

Entrepreneurial risks incurred when expanding business activities and in the course of new projects are only entered into if it is certain that they can be adequately controlled.

#### Typical risks

The typical risks faced by a trade fair company include exhibitor and visitor numbers that fail to meet expectations, pricing pressure at guest events and the loss of trade fairs to other venues.

#### Renovation of the ICC

The Land Berlin is the owner of the ICC site and the buildings. Acting on behalf of that authority, on 14 December 2010 the Berlin Senate ruled that the ICC should be closed during renovation. However, the construction of a new hall on the site of the Deutschlandhalle provides sufficient planning security for Messe Berlin to continue staging congresses. This ensures that it will be possible to hold large congresses on the Exhibition Grounds at the Funkturm throughout the period that the renovation work is being carried out on the ICC. Moreover, at the present time no substantial risks are apparent that could present long term dangers for Messe Berlin GmbH or the group.

#### Expected business progress

According to a representative survey conducted by TNS Emnid, over the next two years 27% of German exhibitors will increase their trade fair budgets, while only 16% are planning a slight reduction. The increased budgets will be concentrated among the larger firms. One third of all the companies with a turnover in excess of EUR 50 mi. intend to spend more on trade fairs, compared with only a quarter of smaller businesses. In their planning an increased budget for trade fairs is envisaged by more exhibitors of investment goods (32%) than by those exhibiting consumer goods (2%). In terms of the budget allocation, 50% are planning larger stand areas, 42% want to invest more in stand construction and 26% are planning additional participation in trade fairs.

AUMA reports no change in the sensitivity to the cost of trade fairs. In this respect exhibitors are paying even greater attention to improving the efficiency of their participation. This is a situation in which Messe Berlin, with its leading international events, is well placed. With fewer scheduled events taking place in 2011 Messe Berlin expects group results of EUR -2 mi. (Messe GmbH EUR -6 mi.). As a result of the cycle of scheduled events the group turnover of some EUR 175 mi. (Messe GmbH EUR 124 mi.) is expected to be significantly below that of the previous year but, when measured against the last comparable year, 2009, the group as a whole can expect to achieve an increase of 11%. Due to the way that the fairs have been scheduled there will be more events in 2012, and this is expected to result in a positive tendency.

The programme of trade fairs in Berlin will be augmented by a new event: from 25 to 27 March the capital will host the cycling trade fair, VELOBerlin, for the first time.

#### Restructuring of Capital Facility GmbH & Co. KG

After acquiring a 100% stake in CFG a number of restructuring measures will be taking place during the financial year 2011 in the areas of facility management, event management and customer services, with the aim of more effectively exploiting synergies with Messe Berlin and its subsidiaries and of making cooperative efforts more efficient. This will involve the restructuring and reallocation of organizational units.

#### Acquisition of a further 50% stake in Popkomm GmbH

With the expiry of the basic agreement with Viva Media AG and Viva Media Enterprises GmbH, in 2011 Messe Berlin plans to increase its stake in Popkomm GmbH by 50% to 100%.

#### Expansion of the grounds on the Deutschlandhalle site

In coordination with the local authorities, Messe Berlin is planning to demolish the Deutschlandhalle in 2011. This will be accompanied by an architectural competition to design a new exhibition hall, in close consultation with the relevant department of the Berlin Senate. Plans for the new, two-storey hall envisage an area of up to 20,000 sq. metres with the aim of eliminating the capacity limitations currently affecting the leading international fairs. The intention is to link the new building with Halls 2 and 7 and, in addition, to provide a temporary venue for congresses while the ICC is undergoing renovation. The total investment costs, including the cost of demolishing the Deutschlandhalle, will be approximately EUR 72 mi. The renovation of the ICC Berlin and the plans for the new exhibition hall will continue to be among the main themes during the 2011 financial year. Attention will also focus on the construction work for the new venue in Selchow in preparation for the ILA 2012. At the conclusion of the financial year no other significant issues remain outstanding.

Berlin, 28 February 2011

Raimund Hosch

Dr. Christian Göke

# Consolidated and annual financial statements 2010

## Consolidated income statement Messe Berlin GmbH to 31 December 2010

Assets	31. 12. 2010		31. 12. 2009	
	T€	T€	T€	T€
<b>A. Fixed assets</b>				
I. Intangible assets				
1. Rights and licences acquired by payment	1,077		566	
2. Goodwill	116		205	
3. Payments made on account	58	1,251	335	1,106
II. Tangible assets				
1. Buildings on externally-owned sites	29,136		30,292	
2. Technical installations and machinery	2,332		2,524	
3. Operating and business equipment	6,422		3,605	
4. Payments on account for installations under construction	180	38,070	5	36,426
III. Financial assets				
1. Shares in affiliated companies	39		12	
2. Shareholdings	26		115	
3. Securities included in the assets	42		0	
4. Payments made on account	0	107	2,367	2,494
		<b>39,428</b>		<b>40,026</b>
<b>B. Liquid assets</b>				
I. Inventories				
1. Raw, auxiliary and operating materials	214		236	
2. Incomplete services	681		0	
3. Goods	166		163	
4. Payments made on account	475	1,536	0	399
II. Accounts receivable and other assets				
1. Receivables from deliveries and services	14,977		8,869	
2. Receivables due from shareholders	1,558		0	
3. Receivables due from companies with which a participating interest exists	136		318	
4. Other assets	5,843	22,514	3,988	13,175
III. Other securities		29		0
IV. Cash holdings, credit institution balances		80,232		55,344
		<b>104,311</b>		<b>68,918</b>
<b>C. Accruals and deferrals</b>		<b>189</b>		<b>976</b>
		<b>143,928</b>		<b>109,920</b>

Liabilities	31. 12. 2010		31. 12. 2009	
	T€	T€	T€	T€
<b>A. Equity capital</b>				
I. Subscribed capital	20,708		20,708	
II. Capital reserves	12,578		12,578	
III. Other earnings reserves	109		109	
IV. Group profits	10,759		5,920	
V. Adjustment items for shares held by other shareholders	1,665		-34	
	<b>45,819</b>		<b>39,281</b>	
<b>B. Balance from consolidated financial statements</b>		<b>130</b>		<b>0</b>
<b>C. Special items for contributions to assets</b>		<b>4,835</b>		<b>5,124</b>
<b>D. Reserves</b>				
1. Reserves for pensions	13,755		10,570	
2. Tax reserves	2,804		1,153	
3. Other reserves	33,197		24,397	
	<b>49,756</b>		<b>36,120</b>	
<b>E. Accounts payable</b>				
1. Advances received for orders	23,859		18,123	
2. Accounts payable from deliveries and services	6,408		4,683	
3. Accounts payable to affiliated companies	42		0	
4. Accounts payable to companies in which a participating interest exists	1,950		1,712	
5. Other accounts payable (of which, from taxes T€ 5,095; prev. year T€ 2,373) (of which, within scope of social security T€ 24; prev. year T€ 24)	8,729		4,867	
	<b>40,988</b>		<b>29,385</b>	
<b>F. Accruals and deferrals</b>		<b>2,400</b>		<b>10</b>
		<b>143,928</b>		<b>109,920</b>



**Group profit  
and loss account  
Messe Berlin GmbH  
for the period from 1, January  
to 31. December 2010**

	T€	2010 T€	T€	2009 T€
1. Turnover proceeds	217,422		157,457	
2. Reduction in incomplete services	-219		0	
3. Other operating revenues (of which, income from currency conversion T€ 105; prev. yr. T€ 5)	6,939	224,142	6,509	163,966
4. Material costs				
a) Costs of raw, auxiliary and operating materials and goods purchased	-12,954		-13,134	
b) Costs of buying in services	-124,039	-136,993	-93,380	-106,514
5. Personnel costs				
a) Wages and salaries	-32,256		-27,152	
b) Social security contributions and costs for old age pensions and assistance (of which, for old age pensions T€ 1,741; prev. year T€ 2,852)	-6,969	-39,225	-7,118	-34,270
6. Write-downs for intangible assets and tangible assets		-11,502		-3,371
7. Other operating costs (of which, costs of currency conversion T€ 42; prev. yr. T€ 18)		-29,014		-20,065
8. Income from shares in associated companies		1,847		305
9. Income from profit transfer agreements		2		2
10. Other interest and similar income (of which, from affiliated companies T€ 79; prev. year T€ 120) (of which, income from discounting provisions T€ 0; prev. yr. T€ 0)		495		856
11. Interest and similar costs (of which, costs of discounting provisions T€ 915; prev. yr. T€ 668)		-931		-674
<b>12. Earnings from standard business activities</b>		<b>8,821</b>		<b>235</b>
13. Extraordinary costs		-976		0
14. Taxes on income and earnings		-2,502		-163
15. Other taxes		-13		-18
<b>16. Annual net income for group</b>		<b>5,330</b>		<b>54</b>
17. Other shareholders' share of profits		-491		-27
<b>18. Group profits</b>		<b>4,839</b>		<b>27</b>
19. Profit brought forward from previous year		5,920		5,893
<b>20. Group net profits</b>		<b>10,759</b>		<b>5,920</b>

Equity schedule for the  
financial year 2010

	Subscribed capital	Capital reserves	Group equity produced	Equity capital of parent company	Minority equity capital	Group equity capital
	T€	T€	T€	T€	T€	T€
1.1.2010	20,708	12,578	6,002	39,288	-58	39,230
<b>Group annual net surplus</b>	-	-	<b>27</b>	<b>27</b>	<b>27</b>	<b>54</b>
31.12.2010	20,708	12,578	6,029	39,315	-34	39,281
Change in consolidated entity					1,208	1,208
<b>Group annual net surplus</b>	-	-	<b>4,839</b>	<b>4,839</b>	<b>491</b>	<b>5,330</b>
31 Dezember 2010	20,708	12,578	10,868	44,154	1,665	45,819

# Appendix 2010

## Group and Messe Berlin GmbH

<b>General details</b>	<ol style="list-style-type: none"><li>1. Preliminary remarks</li><li>2. Consolidated entity</li><li>3. Consolidation principles</li><li>4. Balance sheet and assessment principles</li></ol>
<b>Explanations about the balance sheets</b>	<ol style="list-style-type: none"><li>5. Fixed assets</li><li>6. Accounts receivable and other assets</li><li>7. Active accruals and deferrals</li><li>8. Equity capital</li><li>9. Special items for investment subsidies</li><li>10. Reserves</li><li>11. Liabilities</li><li>12. Deferred taxes</li><li>13. Business not included in the balance sheet, contingencies and other financial liabilities</li><li>14. Business conducted with affiliated companies and persons</li></ol>
<b>Explanations about profit and loss statement</b>	<ol style="list-style-type: none"><li>15. Turnover proceeds</li><li>16. Other operating revenues</li><li>17. Staff</li><li>18. Depreciations</li><li>19. Extraordinary income</li></ol>
<b>Explanations about the statement of changes in the financial position</b>	<ol style="list-style-type: none"><li>20. Composition of the financial capital</li></ol>
<b>Other explanations</b>	<ol style="list-style-type: none"><li>21. Disclosure</li><li>22. Management and supervisory board</li><li>23. Total auditor's fee</li></ol>
<b>Appendices</b>	Appendix 1: Breakdown of share ownership Appendix 2: Group fixed assets schedule Appendix 3: Fixed assets schedule

### 1. Preliminary remarks

To simplify the report the appendix and group appendix of Messe Berlin GmbH have been combined. If not stated otherwise, the explanations apply to both financial statements.

The financial statements have been prepared in accordance with commercial law as it applies to large incorporated companies, and with the supplementary regulations of the law regulating limited liability companies, as well as taking into consideration the principles of correct book-keeping and group accounting. The profit and loss accounts have been prepared using the aggregate cost method.

Since the financial year 2009 Messe Berlin and those of its subsidiaries included in the group financial statement as of 31 December 2009 have applied the rules of the Accounting Law Modernization Act (BilMoG) in accordance with Item 66 Section 3 Line 6 EGHGB.

In the year under review those subsidiaries being included in the group financial statement for the first time are also applying the rules of the Accounting Law Modernization Act for the first time. §§ 252 Section. 1 Nr. 6, 265 Section 1 and 284 Section 2 No. 3 HGB does not apply to changes resulting from the initial application of the BilMoG in the existing presentation and in the accounting methods used until now. In accordance with Item 67 Section 8 Line 2 1. Clause EGHGB, no adjustment of the previous year's figures (2009) as a result of the first application of the BilMoG has been made.

Messe Berlin operates its own energy supply network on the Exhibition Grounds, meeting the overriding commercial purposes of its trade fairs, exhibitions and other events, as well as its own requirements. Messe Berlin complies with the requirements as a network operator for a specific property as defined by § 110 EnWG and, during the year under review, is therefore exempt from the obligations regarding accounting and internal book-keeping in accordance with § 10 EnWG. However, there is legal uncertainty due to reservations in European law regarding the privileges granted to networks for specific properties and their compatibility with energy directives under European law.

### 2. Consolidated entity

The Messe Berlin GmbH consolidated entity encompasses thirteen domestic and one foreign company (previous year: nine domestic and one foreign company). The companies included are shown in the breakdown of share ownership(Enclosure 1).

All affiliated companies with the exception of Popkomm GmbH, Capital Facility Beteiligungsgesellschaft mbH and Berlin Fashion Week GmbH i.L. are included in the full

### General details

consolidation. Berlin Fashion Week GmbH, currently in the process of liquidation, was deconsolidated on 1 January 2010.

No deconsolidation results were recorded. All those companies not included in the group statement, in accordance with § 296 Section 2 HGB, are of lesser importance with regard to the provision of details about the assets, financial position and earnings as a means of reflecting the actual situation of the group.

Capital Facility GmbH & Co. KG (consolidated in the previous year as an associate company), K.I.T. Group GmbH, Festival Technical Event Management GmbH and K.I.T. Congress Incentives GmbH Dresden were included in the group statement for the first time.

Messe Immobilien Selchow GmbH is consolidated on a pro rata basis for the first time.

As a result of the change in consolidated entity only a limited comparison with the previous year is possible. We draw attention to Enclosure 4 to the Appendix, which contains individual details about the included companies.

### **3. Consolidation principles**

The balance sheet date for all the companies included in the group statement is 31 December 2010. The initial consolidation must take place at the time when the subsidiary is under the control of the parent company.

For companies first consolidated before 1 January 2009 the book value method is retained for the capital consolidation (§ 301 Section 1 P. 2 No. 1 a. F. HGB). For companies included in the group statement during the year under review the capital consolidation is carried out in accordance with the new assessment method. This involves offsetting the stated amounts of the shares held by the respective parent company against the time values of the subsidiary company's assets and liabilities, which are to be included in the group statement. The difference remaining after offsetting, if it comprises assets, is shown as goodwill, and is written off over the anticipated period of use or at the value to be adjusted on the balance sheet date. Negative goodwill is recognized as income in a scheduled procedure provided that expected losses or expenditure do not mitigate against liquidation.

As defined by § 310 HGB, joint undertakings are included in the group statement in accordance with their share of the capital. Shares of equity capital and of the earnings of subsidiaries accruing outside the group are shown as the shares of other partners.

With the exception of equity capital, a statement in a foreign currency is converted into euros at the exchange rate in force on the reference date of the statement. The foreign company's equity capital is converted at the historic rate (time of acquisition or of first inclusion in the group financial statement). The profit and loss account items are converted into euros at the mean exchange rate. This has not produced any conversion differences requiring to be shown separately as defined by § 308a p. 3 HGB.

Expenditure and earnings from a reciprocal exchange of services, as well as receivables and liabilities between consolidated companies, are eliminated. To this extent interim results are largely subtracted out.

### **4. Balance sheet and assessment principles**

In accordance with the principles applied to the parent company's annual financial statement, all assets and debts included in the group financial statement are shown on the balance sheet and assessed in a uniform way. Assets and liabilities shown in foreign currencies are converted at the mean exchange rate in effect on the reference date of the financial statement. In conformity with § 256a HGB, for a residual time to maturity of one year or less, § 253 Section 1 p. 1 HGB and § 252 Section 1 No. 4 HGB does not apply.

Intangible assets acquired by payment and tangible assets are capitalized at the initial cost or, if a long term reduction in value is anticipated, at an adjusted, lower value at the reference date of the financial statement. Scheduled write-downs are made in accordance with the anticipated period of use. Additions are written down pro rata temporis.

A fixed value is set for small catering items. The principles defined by § 6 Section 2 EStG or § 6 Section 2a EStG are applied to small-value items. Accordingly, finite movables with an initial cost not exceeding EUR 150 are written down in full in the year of acquisition. Low-value items with an initial cost of between EUR 150 and EUR 1,000 are included together as a compound item and written down over a period of five years.

Financial assets are capitalized at their initial cost or at a lower adjusted value.

Inventories are shown on the balance sheet at their initial cost, taking into consideration the lowest value principle. Up-front costs for individual, future events that can be quantified on the reference date of the financial statement are shown as incomplete services. Direct, allocatable individual costs of an event (individual material costs, individual production costs) and appropriate shares of combined production costs are capitalized.

The following are not capitalized: general, manufacturer-related and non-manufacturer-related administrative costs, expenditure on the businesses social facilities, voluntary social benefits, benefits for occupational pensions, marketing costs, costs of research and development and interest on outside capital.

Suitable deductions apply to meet all recognizable risks affecting receivables at the nominal value and other assets. A lump sum adjustment of value is used to take into account the general risk of disruption contained in the receivables from deliveries and services.

Securities are capitalized at their initial cost or at a lower adjusted value.

Bank balances and cash holdings are shown on the balance sheet with the nominal amount, foreign exchange holdings and mean foreign exchange rate on the reference date of the financial statement or with the lower, historic initial costs. In conformity with § 256a HGB, for a residual time to maturity of one year or less, § 253 Section 1 p. 1 HGB and § 252 Section 1 No. 4 HGB 1 P. 1 HGB and § 252 Section 1 No. 4 HGB do not apply.

In accordance with the right of choice granted under § 274 Section 1 HGB, deferred tax assets are fundamentally not applied. This also applies to deferred tax assets in the group financial statement.

Public sector investment subsidies, which are provided for the purpose of acquiring tangible assets, are taken into consideration by the creation of a special debit item for investment subsidies. The special items are written off as recognized income over the period of use of the subsidized assets.

Taxation reserves and other reserves are set with their settlement amount and provide an appropriate amount of cover for all identifiable risks and obligations. Future price and cost increases are taken into consideration provided that sufficient, objective indications of such increases exist. In accordance with § 253 Section 2 Line 1 HGBP, reserves with residual times to maturity of more than one year are subject to interest for the time remaining until maturity at the average market rate of interest of the past seven financial years.

In accordance with § 253 Section 2 HGB, reserves for pensions and to cover part time allowances for older employees are determined using actuarial principles and by means of the projected-unit credit method (PUC method). The actuarial tables 2005 G from Klaus Heubeck are used as the biometric basis for the calculations.

The discounting rate that is used, in accordance with § 253 Section 2 Line 2 HGB, is 5.15% p. a. (previous year 5.25%) for pension reserves, 4.07% p. a. (previous year 4.15%, CFG 5.5%) for reserves for covering part time allowances for older employees. In addition projected wage increases of 3% p. a. (previous year 3%), (to meet obligations for pensions and part time allowances for older employees) and a projected pension increase of 2% (previous year 2%), (to meet pension obligations) are taken into consideration.

During the year under review, for the first time obligations arising from long term deposits (accounts for hours worked) were obtained using the recognized principles of actuarial theory by means of the PUC method. The calculation was based on an interest rate of 5.15% p.a., determined in accordance with § 253 Section 2 p. 2 HGB, and a projected prospective entitlement of 3.00%. In accordance with § 246 Section 2 p. 2 HGB, the asset items comprising re-insurance serving solely to meet long term personnel obligations are offset against the corresponding debit items.

Liabilities are shown individually with their settlement amount. Liabilities in foreign currencies are converted at the exchange rate in force on the day on which they are recognized or at the higher mean exchange rate in force on the balance sheet date. In conformity with § 256a HGB, for a residual time to maturity of one year or less, § 253 Section 1 p. 1 HGB and § 252 Section 1 No. 4 HGB do not apply.

## 5. Fixed assets

Trends in the individual items of the assets of the group and of Messe Berlin GmbH are shown in the respective attached schedules (Enclosures 2 and 3).

The remaining 50% share in Capital Facility GmbH & Co. KG was acquired with retroactive effect from 1 January 2010. Messe Berlin GmbH now holds 100% of the shares in this partnership. With the exception of the book value of the limited liability capital the shares have been written down in full. 51% of K.I.T Group GmbH was also acquired on 1 January 2010. The goodwill resulting from the initial consolidation was written down in full in the group.

Messeimmobilien Selchow GmbH was established in November 2010. ZukunftsAgentur Brandenburg GmbH and Messe Berlin GmbH each have a 50% stake in this company. In addition to paying into the original share capital, on 31 December 2010 Messe Berlin GmbH paid a capital reserve of TEUR 1,100 into Messeimmobilien Selchow GmbH.

## Explanations about the balance sheets

Payment of the remainder (EUR 3.9 mi.) was made in January 2011. As a precaution the share in Messeimmobilien Selchow GmbH was written down by TEUR 870 to TEUR 243 on 31 December 2010.

In addition, during the year under review, Messe Berlin GmbH invested TEUR 393 (group TEUR 5,964) in intangible assets and TEUR 1,877 (group TEUR 5,634) in tangible assets. Of this sum TEUR 577 was used for reconstruction work. MB Capital Services GmbH spent TEUR 2,788 on marquees, which are intended to be made available for hire.

#### **6. Accounts receivable and other assets**

Claims against affiliate companies of Messe Berlin result mainly from the profit and loss transfer of subsidiaries.

The other assets of Messe Berlin GmbH and of the group amounting to TEUR 5,182 and TEUR 5,843 consist predominantly of advances made (TEUR 2,082) and claims made against tax offices (TEUR 1,204).

The receivables and other assets of Messe Berlin GmbH all have a residual time to maturity of less than one year.

Within the group receivables from deliveries and services amounting to TEUR 46 and other assets with a value of TEUR 42 with a residual time to maturity of more than one year are shown.

#### **7. Active accruals and deferrals**

The active accruals and deferrals in the group (TEUR 189) solely comprise of payments for expenses for a specific period following the balance sheet date.

#### **8. Equity capital**

A breakdown of the equity capital, including the shares of outside partners, is shown in the group equity schedule.

The shares of other partners (TEUR 1,665) refer to the original share capital and the share of the profits held by minority partners in E.G.E. GmbH (TEUR 1,156), K.I.T. Group GmbH and its subsidiaries (TEUR 500) as well as Global Produce Event GmbH (TEUR 9).

A negative goodwill amounting to TEUR 130 arose from the initial capital consolidation of the subsidiaries of K.I.T. Group GmbH. The goodwill is recognized as income over a period of five years.

#### **9. Special items for investment subsidies**

Public financial assistance as part of the regional economic development scheme for investment projects is shown under special items and the full amount (TEUR 4,835) relates to Messe Berlin GmbH. The special item is liquidated linearly over the period of use of the investment. The income from the liquidation during the year under review amounted to TEUR 289.

#### **10. Reserves**

The pension reserves of TEUR 13,755 shown on the balance sheet refer to obligations incurred by Messe Berlin GmbH and Capital Facility GmbH & Co. KG as a result of individual and collective wage agreements and employment agreements. The assessment of the pension obligations has been obtained using the projected-unit credit method (PUC method). Unlike the previous year (5.25, CFG 6.0%) an interest rate of 5.15% was used as the basis for calculation. In addition a projected wage increase of 3% and a projected pension rate of 2% p. a. were taken into consideration. Interest components from pensions amounting to TEUR 539 for the unconsolidated financial statement and TEUR 911 for the group were shown as interest expenditures in the profit and loss statement.

The main items shown in the provisions for taxation are the corporation tax and trade tax assessments for the year under review (TEUR 2,502 for the group; TEUR 1,920 in the case of Messe Berlin). Provision was made for TEUR 118 in the group for foreign tax on earnings.

The other provisions take into account all identifiable risks and undefined obligations. The main provisions for the group and for Messe Berlin GmbH are intended to cover maintenance work (TEUR 15,615 group and Messe Berlin GmbH), outstanding suppliers' invoices (TEUR 3,695 and TEUR 2,867) and holiday and leisure time due (TEUR 2,133 and TEUR 1,836) as well as provisions to cover part time allowances for older employees (TEUR 1,277 and TEUR 1,222).

Assets from re-insurance, to a value of TEUR 4,229 in the group financial statement and TEUR 4,129 in the parent company's financial statement, are offset against the corresponding debt items for long term personnel obligations.

## 11. Liabilities

With the exception of TEUR 23 (previous year TEUR 87) in the advances received, the liabilities of Messe Berlin GmbH all have a residual time to maturity of less than one year.

Of the group liabilities TEUR 75 (previous year TEUR 1,603) has a residual time to maturity of between one and five years (advances received: TEUR 60; other liabilities: TEUR 15).

All other group liabilities have a residual time to maturity of less than one year.

## 12. Deferred taxes

For Messe Berlin GmbH the deferred taxes on the differences in the tax balance sheet assessments comprise the following:

	Group		Messe Berlin GmbH	
	Deferred tax assets <sup>1,2</sup>	Deferred tax liabilities <sup>1,2</sup>	Deferred tax assets <sup>1,2</sup>	Deferred tax liabilities <sup>1,2</sup>
	T€	T€	T€	T€
Long term assets	628		622	
Short term assets	1,246		1,246	
Long term debts	741		472	
Short term debts	909		885	
Losses carried forward	871		233	
<b>Sub-total</b>	<b>4,395</b>	<b>0</b>	<b>3,458</b>	<b>0</b>
Balancing	0		0	
<b>Total</b>	<b>4,395</b>	<b>0</b>	<b>3,458</b>	<b>0</b>

<sup>1</sup> Deferred tax assets and liabilities, in each case prior to balancing

<sup>2</sup> Taxation rates: corporation tax/solidarity tax: 15.83%, trade tax: 14.35%

In making the calculation only losses carried forward, for which there is sufficient certainty that they can be utilized, are taken into consideration (forecast period 5 years). Timing differences amounting to EUR 12.6 mi. and taxation losses carried forward amounting to approx. EUR 70 mi. exist between the book values in the commercial balance sheet and the tax balance sheet.

Within the group timing differences amounting to EUR 13.5 mi. exist between the tax balance sheet and the commercial balance sheet. A deferred tax liability surplus of EUR 0.4 mi. exists solely as a result of consolidation measures.

Capitalization of the asset surplus in both and individual and group financial statements is dispensed with.(§ 274 Section 1 HGB, § 300 Section 2 Line 2 HGB).

## 13. Business not included in the balance sheet, contingencies and other financial liabilities

As a result of rental, tenancy and leasing agreements Messe Berlin GmbH incurs financial obligations amounting to approximately EUR 2.5 mi., of which approx. EUR 1.9 mi. is to affiliated companies. From liabilities for orders placed Messe Berlin incurs financial obligations amounting to approx. EUR 3.4 mi. The group also has obligations of a similar amount.

Utilizing the right of choice in accordance with Item 28 Section 1 Line 2 EGHGB, indirect pension obligations are not shown on the balance sheet.

Those employees of Messe Berlin who receive their remuneration in accordance with TVÖD are provided with insurance cover by the Federal and State Pension Institution (VBL). The purpose of the VBL is to provide employees of the participating employers with an additional old-age pension through an insurance scheme operated under private law. The VBL is financed with contributions under the partial reserve pay-as-you-go system and additionally, from January 2004, for VBL Ost through the capital cover system.

In the year under review the contribution rate for the VBL amounted to 7.86%, of which Messe Berlin provides 6.45%. For the 440 insured this resulted in a contribution of TEUR 957. The employees' own contribution amounts to 1.41% of their income.

In addition a capitalization payment amounting to (initially) 1.93% of the compulsory complementary pension sum is paid. The actual percentage rate will be determined in the autumn of 2011 following a more precise statement of all contributions and insurance benefits. For 2009 it amounted to 1.8614%.

The contribution rates in 2011 remain unchanged for employers and employees.

The volume of investment required for the renovation of the ICC, the demolition of the Deutschlandhalle and the construction of the new exhibition hall amounts to some approximately EUR 72 mi.

No other significant transactions that were not recorded on the balance sheet were undertaken during the financial year.

#### 14. Business conducted with affiliated companies and persons

The main business transacted in 2010 with affiliated companies and persons comprise the following:

Affiliated companies	Type of business	2010 mi.€
Service subsidiaries CCG, CSG, CFG	Event-related services by service subsidiaries for Messe Berlin GmbH group	24.8
	Rentals and other services from Messe Berlin GmbH for service subsidiaries	6.6
Land Berlin (partner)	Reimbursement of costs in connection with the maintenance of the Exhibition Grounds and the staging of an event	18.8
<b>Total</b>		<b>50.2</b>

#### 15. Turnover proceeds

The turnover proceeds comprise the following:

	Group		Messe Berlin GmbH	
	2010 T€	2009 T€	2010 T€	2009 T€
Own events	102,748	71,170	92,042	64,374
Guest events, congresses, events	36,305	19,623	20,913	20,285
Services	33,903	27,015	19,741	13,612
Catering services	9,031	10,957	–	–
Portfolio and facility services	18,918	19,537	22,019	22,356
Other turnover proceeds	16,517	9,155	13,536	6,659
<b>Total</b>	<b>217,422</b>	<b>157,457</b>	<b>168,251</b>	<b>127,286</b>

Of the turnover from portfolio and facility services EUR 14 mi. (previous year: EUR 14 mi) is apportioned to the payment by the Land Berlin for maintenance and repairs, and a further EUR 1.8 mi. (previous year EUR 3.5 mi.) for necessary short term maintenance work in the ICC.

Within the group the following turnovers were generated abroad:

	2010 T€	2009 T€
Own events	2,722	2,098
Congresses and events	5,086	–
Services	1,127	1,852
Other turnover proceeds	529	574
<b>Total</b>	<b>9,464</b>	<b>4,524</b>

**Explanations about  
profit and loss statement**



## 16. Other operating revenues

Other operating income is made up as follows:

	Group		Messe Berlin GmbH	
	2010	2009	2010	2009
	T€	T€	T€	T€
Earnings from liquidation of provisions (not specific to accounting period)	3,448	3,603	2,884	3,359
Earnings from liquidation of value adjustments on receivables (not specific to accounting period)	803	760	508	288
Earnings from liquidation of special items for contributions	289	289	289	289
Earnings from disposal of fixed assets and write-ups to financial assets	399	9	397	9
Remaining operative earnings	2,000	1,848	3,358	5,175
<b>Total</b>	<b>6,939</b>	<b>6,509</b>	<b>7,436</b>	<b>9,120</b>

## 17. Staff

On average during the financial year the group employed 669 staff and 24 trainees. Additional auxiliary staff were recruited as required.

	Group		Messe Berlin GmbH	
	2010	2009	2010	2009
Employees	669	488	348	349
Trainees	24	23	15	17
<b>Total</b>	<b>693</b>	<b>511</b>	<b>363</b>	<b>366</b>

## 18. Write-downs

During the year under review scheduled write-downs on intangible assets and tangible assets amounting to TEUR 3,168 (group TEUR 4,111) were applied. In addition there were goodwill write-downs totalling TEUR 7,391. Within Messe Berlin GmbH there were write-downs of shares in affiliated companies and interests amounting to TEUR 6,308.

## 19. Extraordinary profit/loss item

The extraordinary expenditure of TEUR 976 as shown in the group profit and loss account resulted from the initial application of the BilMoG with reference to the valuation of pension provisions for Capital Facility GmbH & Co. KG, Berlin. Availing itself of the right of choice as stated in Item 67 Section 1 Line 1 EGHGB, CFG acquired one fifteenth of the necessary allocation amount. In the course of initial consolidation and the change-over to the uniform accounting and assessment methods within the group, in 2010 the entire remaining shortfall of EUR 976 was transferred to the group results.

## 20. Composition of the financial capital

The financial resources comprise liquid assets (TEUR 80,232) and securities (TEUR 29).

The interest income and interest payable amounting to TEUR 495 and TEUR 929 (previous year TEUR 856 and TEUR 672) shown in the group profit and loss account are included as a cash item, with the exception of TEUR 0 and TEUR 915 (previous year TEUR 0 and TEUR 659). Of the tax expenses amounting to TEUR 2,502 (previous year TEUR 163 and TEUR 672) shown in the group profit and loss account, TEUR 117 (previous year TEUR 35) is included as a cash item.

## 21. Disclosure

The annual and group financial statement prepared by Messe Berlin has been submitted to the operator of the electronic Bundesanzeiger (Federal Gazette) and has been announced in the Bundesanzeiger.

[Explanations about  
statement of changes  
in the financial position](#)

[Other explanations](#)

## 22. Management and Supervisory Board

During the financial year Messe Berlin GmbH comprised the following organs:

### Management:

Raimund Hosch, Kleinmachnow  
MBA, Chief Executive Officer

Dr. Christian Göke, Berlin  
Attorney

### Supervisory Board:

Hans-Joachim Kamp  
MBA, Chairman of the Supervisory Board  
Philips Deutschland GmbH, Hamburg  
Chairman

Harald Wolf  
Mayor and Senator for Economics,  
Technology and Women's Issues, Berlin  
First Deputy Chairman

Thomas Jaegler  
Sous-Chef Capital Catering GmbH, Berlin  
Employees' representative  
Second Deputy Chairman

Jean-Claude Baumgarten  
President & CEO  
World Travel & Tourism Council, London/U.K.

Ute Biernat  
Chief Executive Officer  
GRUNDY Light Entertainment, Cologne

Ulrike Brabant  
Head of Customer Services Department  
MB Capital Services GmbH, Berlin  
Employees' representative

Jan Eder  
Chief Executive Officer  
Berlin Chamber of Industry and Commerce, Berlin

Ellen Funk  
Purchasing & Organization Division  
Head of Business Support Department  
Messe Berlin GmbH, Berlin  
Employees' representative

Dr. Beatrice Kramm  
Managing Partner  
Polyphon Film- und Fernsehgesellschaft mbH, Hamburg/Berlin

Catherine Mühlemann  
Member of the Board of Directors, Media Entrepreneur, Lecturer  
Partner, Andmann Media Holding  
Andmann Media Holding, Baar, Switzerland

Stephan Ruppel  
Competence Centre Congresses & Guest Events  
Departmental Manager, Marketing & Sales  
Messe Berlin GmbH, Berlin  
Employees' representative

Gerd Sonnleitner  
President  
German Farmers' Union – DBV, Berlin

Iris Spranger  
State Secretary  
Senate Department for Finance, Berlin

Ulrich Tepel  
Services & Engineering Division  
Departmental Manager, Technical Event Management for Trade Fairs  
Messe Berlin GmbH, Berlin  
Employees' representative

Wolf-Dieter Wolf  
Managing Partner  
Grundkonzept GmbH, Berlin

The earnings of the active members of the management are made up as follows:

	Raimund Hosch	Dr. Christian Göke
	T€	T€
Fixed amount	256	205
Emoluments	153*	123
<b>Total</b>	<b>409</b>	<b>328</b>

\* of this sum TEUR 150 is paid into a pension scheme.

During the year under review the members of the Supervisory Board received remuneration amounting to TEUR 83.

As an unlisted company Messe Berlin GmbH applies the Berlin Corporate Governance Code in accordance with § 161 AktG. The declaration by the management and supervisory board of conformity with the German Corporate Governance Code was submitted to a vote by the supervisory board on 1 December 2010 and received its approval. The declaration of conformity has been made available on the company's website.

### 23. Total auditor's fee

For 2010, the year under review, a total fee of TEUR 214 was agreed for the group with the auditor, of which TEUR 121 was accounted for by the auditing of the final accounts, and TEUR 93 by other examination and confirmation services.

Berlin, 28 February 2011

Raimund Hosch

Dr. Christian Göke

**Appendix 1: Breakdown of share ownership**

Messe Berlin GmbH, Berlin holds the following direct or indirect stakes in affiliated companies and interests

	Share of nominal capital %	Equity capital T€	Earnings T€
<b>Affiliated companies</b>			
Capital Catering GmbH, Berlin <sup>1</sup>	100	60	0
MB Capital Services GmbH, Berlin <sup>1</sup>	100	400	0
CSG-Team GmbH, Berlin	100	114	10
Capital Facility Beteiligungsgesellschaft mbH, Berlin <sup>4</sup>	100	29	0
Capital Facility GmbH & Co. KG, Berlin <sup>2, 5</sup>	100	150	0
Berlin Fashion Week GmbH, Berlin i.L. <sup>4</sup>	100	-3,836	-39
MAW Messe-, Ausstellungs- und Dienstleistungsgesellschaft Wolfsburg mbH, Wolfsburg <sup>1</sup>	100	26	0
Messewelten GmbH, Berlin <sup>1</sup>	100	-221	0
Messe Berlin (Singapore) PTE. LTD., Singapore	100	232	285
E.G.E. European Green Exhibitions GmbH, Berlin <sup>9</sup>	50	1,156	111
MAZ Messe- und Ausstellungszentrum Mühlengeez GmbH, Mühlengeez <sup>1</sup>	100	28	0
Global Produce Events GmbH, Berlin	70	31	144
Popkomm GmbH, Berlin <sup>1, 3, 4</sup>	50	26	0
K.I.T. Group GmbH, Berlin <sup>2, 6</sup>	51	796	764
Festival Technical Event Management GmbH, Berlin <sup>2, 6</sup>	50.1	208	78
K.I.T. Congress Incentives GmbH Dresden, Dresden <sup>2, 6</sup>	55.08	70	10
<b>Shareholdings</b>			
Messeimmobilien Selchow GmbH, Selchow <sup>2, 7, 8</sup>	50	6,046	-78

<sup>1</sup> A domination agreement and a profit and loss transfer agreement exists with the respective parent company

<sup>2</sup> Included in the consolidated entity for the first time

<sup>3</sup> Earnings distribution differs from equity participation

<sup>4</sup> Of lesser importance, therefore not included in the group financial statement, in accordance with § 296 Section 2 HGB

<sup>5</sup> Equity assessment up to 31.07.2010; fully consolidated from 01.08.2010

<sup>6</sup> Initial consolidation on 01.01.2010

<sup>7</sup> Consolidated on a pro rata basis

<sup>8</sup> Initial consolidation on 10.11.2010

<sup>9</sup> Dominant influence in accordance with § 290 (1) compared with (2) No. 2 HGB

Appendix 2: Development of the group's assets for the financial year 2010

Group fixed assets schedule

	Initial cost					Write-downs					Book values	
	Initial costs	Additions	Adjusting entries	Disposals	Initial costs	Write-downs	Additions from initial consolidation	Additions	Disposals	Write-downs	Book value	Book value
	01.01.2010 T€	T€	T€	T€	31.12.2010 T€	01.01.2010 T€	consolidation T€	T€	T€	31.12.2010 T€	31.12.2010 T€	31.12.2009 T€
<b>I. Intangible assets</b>												
Rights and licences acquired by payment	10,396	1,029	277	-16	11,686	9,830	361	431	-13	10,609	1,077	566
Goodwill	1,530	4,935	2,367	-7,302	1,530	1,325	-	7,391	-7,302	1,414	116	205
Payments made on account	335	-	-277	-	58	-	-	-	-	-	58	335
	<b>12,261</b>	<b>5,964</b>	<b>2,367</b>	<b>-7,318</b>	<b>13,274</b>	<b>11,155</b>	<b>361</b>	<b>7,822</b>	<b>-7,315</b>	<b>12,023</b>	<b>1,251</b>	<b>1,106</b>
<b>II. Tangible assets</b>												
Buildings on externally owned sites	43,515	606	-	-	44,121	13,223	-	1,762	-	14,985	29,136	30,292
Technical installations and machinery	3,137	1	-	-2	3,136	613	-	193	-2	804	2,332	2,524
Operating and business equipment	18,479	4,834	18	-599	22,732	14,874	269	1,725	-558	16,310	6,422	3,605
Payments on account and installations under construction	5	193	-18	-	180	-	-	-	-	-	180	5
	<b>65,136</b>	<b>5,634</b>	<b>-</b>	<b>-601</b>	<b>70,169</b>	<b>28,710</b>	<b>269</b>	<b>3,680</b>	<b>-560</b>	<b>32,099</b>	<b>38,070</b>	<b>36,426</b>
<b>III. Financial assets</b>												
Shares in affiliated companies	12	13	14	-	39	-	-	-	-	-	39	12
Shareholdings	115	-	-14	-75	26	-	-	-	-	-	26	115
Securities included in the assets	-	42	-	-	42	-	-	-	-	-	42	-
Payments made on account	2,367	-	-2,367	-	-	-	-	-	-	-	-	2,367
	<b>2,494</b>	<b>55</b>	<b>-2,367</b>	<b>-75</b>	<b>107</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107</b>	<b>2,494</b>
	<b>79,891</b>	<b>11,653</b>	<b>-</b>	<b>-7,994</b>	<b>83,550</b>	<b>39,865</b>	<b>630</b>	<b>11,502</b>	<b>-7,875</b>	<b>44,122</b>	<b>39,428</b>	<b>40,026</b>

Appendix 3: Development of assets for the financial year 2010

Fixed assets schedule

	Initial cost					Write-downs					Book values	
	Initial costs	Additions	Adjusting entries	Disposals	Initial costs	Write-downs	Additions from initial consolidation	Additions	Disposals	Write-downs	Book value	Book value
	01.01.2010 T€	T€	T€	T€	31.12.2010 T€	01.01.2010 T€	T€	T€	T€	31.12.2010 T€	31.12.2009 T€	T€
<b>I. Intangible assets</b>												
Rights and licences acquired by payment	9,301	393	277	-13	9,958	9,071	222	-13	-	9,280	678	230
Payments made on account	334	-	-277	-	57	-	-	-	-	-	57	334
	<b>9,635</b>	<b>393</b>	<b>-</b>	<b>-13</b>	<b>10,015</b>	<b>9,071</b>	<b>222</b>	<b>-13</b>	<b>-</b>	<b>9,280</b>	<b>735</b>	<b>564</b>
<b>II. Tangible assets</b>												
Buildings on externally owned sites	43,452	577	-	-	44,029	13,198	1,744	-	-	14,942	29,087	30,254
Technical installations and machinery	3,137	1	-	-2	3,136	613	193	-2	-	804	2,332	2,524
Payments made on account	18,143	1,238	-	-553	18,828	14,648	1,009	-529	-	15,128	3,700	3,495
Payments made on account and installations under construction	5	61	-	-	66	-	-	-	-	-	66	5
	<b>64,737</b>	<b>1,877</b>	<b>-</b>	<b>-555</b>	<b>66,059</b>	<b>28,459</b>	<b>2,946</b>	<b>-531</b>	<b>-</b>	<b>30,874</b>	<b>35,185</b>	<b>36,278</b>
<b>III. Financial assets</b>												
Shares in affiliated companies	3,621	5,039	2,442	-1,100	10,002	296	5,438	-	-49	5,685	4,317	3,325
Loans to affiliated companies	712	21	-	-	733	246	-	-	-246	-	733	466
Shareholdings	100	5,013	-75	-	5,038	-	870	-	-	870	4,168	100
Payments made on account	2,367	-	-2,367	-	-	-	-	-	-	-	-	2,367
	<b>6,800</b>	<b>10,073</b>	<b>-</b>	<b>-1,100</b>	<b>15,773</b>	<b>542</b>	<b>6,308</b>	<b>-</b>	<b>-295</b>	<b>6,555</b>	<b>9,218</b>	<b>6,258</b>
	<b>81,172</b>	<b>12,343</b>	<b>-</b>	<b>-1,668</b>	<b>91,847</b>	<b>38,072</b>	<b>9,476</b>	<b>-544</b>	<b>-295</b>	<b>46,709</b>	<b>45,138</b>	<b>43,100</b>

Messe Berlin GmbH  
balance sheet  
to 31 December 2010

Assets	31.12.2010		31.12.2009	
	T€	T€	T€	T€
<b>A. Fixed assets</b>				
I. Intangible assets				
1. Rights and licences acquired by payment	678		230	
2. Payments made on account	57	735	334	564
II. Tangible assets				
1. Buildings on externally-owned sites	29,087		30,254	
2. Technical installations and machinery	2,332		2,524	
3. Operating and business equipment	3,700		3,495	
4. Payments on account and installations under construction	66	35,185	5	36,278
III. Financial assets				
1. Shares in affiliated companies	4,317		3,325	
2. Loans to affiliated companies	733		466	
3. Shareholdings	4,168		100	
4. Payments made on account	0	9,218	2,367	6,258
		<b>45,138</b>		<b>43,100</b>
<b>B. Liquid assets</b>				
I. Inventories				
Raw, auxiliary and operating materials		36		38
II. Accounts receivable and other assets				
1. Receivables from deliveries and services	12,166		7,360	
2. Receivables due from affiliated companies	6,509		3,823	
3. Receivables due from shareholders	1,558		0	
4. Accounts payable to companies in which a participating interest exists	271		317	
5. Other assets	5,182	25,686	3,706	15,206
III. Cash holdings, credit institution balances and cheques		59,806		50,017
		<b>85,528</b>		<b>65,261</b>
<b>C. Accruals and deferrals</b>		<b>0</b>		<b>6</b>
		<b>130,666</b>		<b>108,367</b>

Liabilities	31.12.2010		31.12.2009	
	T€	T€	T€	T€
<b>A. Equity capital</b>				
I. Subscribed capital	20,708		20,708	
II. Capital reserves	12,578		12,578	
III. Earnings reserves	109		109	
IV. Accumulated profits	7,738		6,454	
V. Annual surplus	5,490		1,285	
		<b>46,623</b>		<b>41,134</b>
<b>B. Special items for contributions</b>		<b>4,835</b>		<b>5,124</b>
<b>C. Provisions</b>				
1. Provisions for pensions	10,182		10,570	
2. Provisions for tax	1,893		1,065	
3. Other provisions	30,298		22,867	
		<b>42,373</b>		<b>34,502</b>
<b>D. Accounts payable</b>				
1. Advances received for orders	19,083		17,482	
2. Accounts payable from deliveries and services	3,561		4,017	
3. Accounts payable to affiliated companies	807		185	
4. Accounts payable to companies in which a participating interest exists	3,900		1,498	
5. Other accounts payable (of which, from taxes T€ 4,028; prev. year T€ 2,288)	7,084		4,415	
		<b>34,435</b>		<b>27,597</b>
<b>E. Accruals and deferrals</b>		<b>2,400</b>		<b>10</b>
		<b>130,666</b>		<b>108,367</b>

**Profit and loss statement**  
**Messe Berlin GmbH**  
**for the period from 1 January**  
**to 31 December 2010**

	2010		2009	
	T€	T€	T€	T€
1. Turnover proceeds		168,251		127,286
2. Other operating revenues (of which, income from currency conversion T€ 101; prev. yr. T€ 3)		7,436		9,120
3. Material costs				
a) Costs of raw, auxiliary and operating materials	-8,597		-8,961	
b) Costs of buying in services	-105,821	-114,418	-82,701	-91,662
4. Personnel costs				
a) Wages and salaries	-19,730		-19,232	
b) Social security contributions and costs of pensions and benefits (of which, for old age pensions T€ 1,634; prev. year T€ 2,805)	-4,903	-24,633	-5,746	-24,978
5. Write-downs for intangible assets and tangible assets		-3,168		-2,897
6. Other operating costs (of which, costs of currency conversion T€ 27; prev. yr. T€ 14)		-27,517		-19,842
7. Income from share-holdings		2,615		305
8. Income from profit transfer agreements		5,393		5,108
9. Earnings from loans from financial assets (of which, from affiliated companies T€ 22; prev. year T€ 46)		22		46
10. Other interest and similar income (of which, from affiliated companies T€ 79; prev. year T€ 120) (of which, income from discounting provisions T€ 0; prev. yr. T€ 0)		453		910
11. Write-downs on financial assets		-6,308		-235
12. Expenditure from absorption losses		-44		0
13. Interest and similar expenditures (of which, costs of discounting provisions T€ 659; prev. yr. T€ 668)		-661		-684
<b>14. Earnings from standard business activities</b>		<b>7,421</b>		<b>2,477</b>
15. Extraordinary expenditures		0		-1,058
16. Taxes on income and earnings		-1,920		-116
17. Other taxes		-11		-18
<b>18. Annual surplus</b>		<b>5,490</b>		<b>1,285</b>



# Audit certificate

We have examined the annual financial statement – consisting of the balance sheet, profit and loss account and appendix, of Messe Berlin GmbH and the group, with the inclusion of the book-keeping of Messe Berlin GmbH, Berlin, together with the group financial statement prepared by the company – consisting of the balance sheet, profit and loss account and appendix of Messe Berlin GmbH and of the group, the cash flow statement and statement of shareholders' equity – and their report on the state of the company and of the group for the financial year from 1 January to 31 December 2010. The preparation of these documents in accordance with the regulations of German commercial law is the responsibility of the company's management. Our task, on the basis of our examination that we have carried out, is to evaluate the annual financial statement, including the book-keeping and the group annual financial statement and its report on the state of the company and the group.

We have examined the annual and group financial statement in accordance with § 317 HGB, having due regard to the German principles of correct financial auditing as laid down by the auditing institute IDW - Institut der Wirtschaftsprüfer. These specify that the audit should be planned and carried out in such a way as to identify with sufficient certainty any inaccuracies and irregularities that would have a significant impact on the situation as shown in the annual financial statement and the group annual statement and in the report on the state of the company and the group, with regard to assets, finances and revenues, taking into consideration the principles of correct book-keeping. In determining the actions to be carried out in the audit attention is paid to knowledge about the commercial activities and about the economic and legal situation of the company and the group, as well as the expectations of any possible errors. Within the scope of the audit an appraisal is made, predominantly on the basis of random tests, of the accounting-related internal control systems and of the evidence underlying the statements in the book-keeping, in the annual financial statement and group financial statement, and in the report on the state of the company and the group. The examination encompassed an appraisal of the annual financial statements of the companies included in the group financial statement, the differentiation of the consolidated entity, the principles applied to accounting and consolidation and significant assessments by the legally appointed representatives, as well as an evaluation of the overall presentation of the annual financial statement and group financial statement and of the report about the state of the company and the group. In our opinion our examination provides a sufficiently secure basis for our appraisal.

Our examination has not raised any objections.

In our assessment, on the basis of the findings revealed by the examination, the annual financial statement and the group financial statement comply with statutory regulations and, observing the principles of correct book-keeping, they provide a picture of the situation regarding assets, finances and revenues of the company and the group that reflects the actual circumstances. The report on the situation of the company and the group is consistent with the annual financial statement and the group financial statement, overall it provides an accurate picture of the state of the company and of the group, and accurately presents the opportunities and risks of future development.

Berlin, 1 March 2011

KPMG AG  
Accountancy company



Dr. Großmann  
Auditor



Brüggen  
Auditor

# Corporate governance report for the financial year 2010

As an unlisted company Messe Berlin GmbH applies the Berlin Corporate Governance Code ("Kodex") on the basis of the participation guidelines issued by the Land Berlin, which the Senate Department for Finance requires Messe Berlin, as a company of which more than 50 per cent is owned by the Land Berlin, to observe.

In the corresponding application of § 161 AktG, the management and supervisory board of Messe Berlin GmbH state that, as shown below and with the exception of the divergences that are also shown, Messe Berlin GmbH has and will continue to comply with the recommendations of the Berlin Corporate Governance Code in the version dated 17 February 2009. If any of the following statements apply both to the statement period 2010 and to future statement periods, these are shown in the present.

## 1. Collaboration between the management and the supervisory board

The management and supervisory board work closely in an atmosphere of trust for the benefit of the company. Details of all company affairs and knowledge about the company are revealed by the management as part of its reporting obligations. Management and supervisory board personnel have an obligation to maintain secrecy.

As a matter of principle the management always participates in the meetings of the supervisory board.

Strategic corporate planning is coordinated with the supervisory board. The management regularly reports on the progress achieved in implementing these plans.

In addition to the provisions in the company agreement concerning the obligation to provide information and maintain secrecy, the supervisory board has imposed rules of procedure to be observed by the management, regulating the rights of consent of the supervisory board. The management is required to acquaint the supervisory board about all business of fundamental importance and to obtain the latter's approval in all matters that require such approval.

The management meets its obligations, regularly and in written form, to provide information and maintain secrecy for all issues concerning planning, business development, the risk situation, risk management and compliance that are relevant to the company; the time available for sending documents for scheduled meetings and decision-making is adequate. Target/performance comparisons are undertaken. Any divergence from the plan are shown in a plausible and understandable way and any necessary counter-measures that are proposed are in an implementable form.

In meeting their obligations the management and the supervisory board complies with correct business management practice; they observe the duty of care required for the correct and conscientious performance of the tasks of management and supervisory board. D&O insurance cover without an excess has been arranged for the management and supervisory board.

Each year in the business report the Management and Supervisory Board submit a report on the corporate governance of the company (corporate governance report), which is included on the Messe Berlin GmbH website. This also includes explanations about any divergences from the recommendations of the Berlin Corporate Governance Code.

## 2. Management

The management bears responsibility for managing the company and works exclusively on behalf of the company's interests and to increase the long term value of the company. No activities that are detrimental to the company are carried out. The Management ensures that statutory regulations and the company's own internal directives are observed. The Management works towards their observance by the companies within the group (compliance). The company has at its disposal an effective system of risk management and risk monitoring.

The management of the company comprises two management executives. The rules of procedure regulate the tasks of the management, the responsibility of individual managers for specific departments (in connection with the organizational plan), the tasks reserved for the management as a whole and the majority of votes required for management decisions. Mr Hosch is chairman of the board of management (CEO).

The managers' remuneration comprises a fixed amount and also a variable remuneration. The variable remuneration is made on the basis of an agreement on objectives, which is agreed with the chairman of the supervisory board and based on a ruling by the Personnel and Presidial Committee. It consists of a profit-sharing arrangement based on the target result and on other structural objectives. The target agreement includes specifications intended to provide long term incentives, and a ceiling is set on the amount involved.

The remuneration of the managers is shown in an appendix to the annual financial statement. The annual financial statement is available on the Messe Berlin GmbH website as part of the business report.

Due to the preservation of vested rights the agreements with the managers have not been designed in such a way that payments to the managers in the event of premature termination of their management activities without good reason, and including fringe benefits, do not exceed the value of two years' remuneration (severance package cap) and do not provide remuneration for a period exceeding the remaining term of the agreement.

### 3. Supervisory Board

The supervisory board discharges its duties to the management in accordance with the terms of the company agreement and the procedural rules. It is involved in decisions of fundamental importance for the company and has not hitherto seen any need for additional regulation. The frequency of meetings and time allotments corresponds to the requirements of the company. Procedural rules have been laid down for the supervisory board. No other business is bound by its approval.

The chairman of the supervisory board coordinates the work within the board, oversees its meetings and represents the interests of the supervisory board externally. There is regular contact between the chairman of the supervisory board and the management, when regular consultations take place about strategy, business development and risk management. The chairman of the board of management (CEO) advises the chairman of the supervisory board without delay about any importance event which are of fundamental important in assessing the situation and ongoing development and also for the management of the company. For his part, when necessary the chairman of the supervisory board briefs the board. During the financial year 2010 he convened an extraordinary meeting of the supervisory board on 8 June 2010.

The supervisory board also includes a personnel and presidial committee. The chairman of this committee is also the chairman of the supervisory board. The signing and termination of employment and pension contracts and the authority to determine emoluments for the managers are assigned to the personnel and presidial committee of the supervisory board for consultation and decision-making.

Furthermore the personnel and presidial committee is authorized to conduct legal transactions of any kind with members of the supervisory board and members of the management. The chairman of the committee informs the plenary assembly of the supervisory board about the content and outcome of the consultations.

With its resolution of 2 July 2009 the supervisory board has continued to assign to the personnel and presidial committee the tasks and authority to act as an audit committee until the until the end of the current term of office.

The personnel and presidial committee therefore also deals with issues involving accounting, and with risk management and compliance, the necessary independence of the auditor, the award of the auditing contract to the auditor, defining the priorities of the audit and the agreement about fees.

The supervisory board has not assigned any further decision-making competences to any committees.

The supervisory board has not specified an age limit for the managers. It is not the practice for a manager to take over the chairmanship of the supervisory board or one of its committees.

In submitting proposals for the membership of the supervisory board it is important to ensure at all times that the members of the board have the knowledge, skills and professional experience required in order to correctly perform their tasks. The supervisory board shall comprise what it considers to be a sufficient number of independent members. No member of the board holds the maximum number of 5 or 10 supervisory board mandates.

The election of employees' representatives is conducted in accordance with the rules laid down in DrittelbG. The shareholders' representatives are not elected individually by the meeting of shareholders.

The remuneration received by members of the supervisory board is determined in accordance with a resolution by the shareholders' meeting and takes into account the responsibility and scope of activities of the members of the board, the economic situation and the success of the company, as well as the views of the chairman and deputy chairman. The remuneration consists of a fixed sum. Remuneration based on results or special services is not provided. The total remuneration is shown on the appendix to the annual financial statement. The individual remuneration paid to each member is not shown.

In 2010 one member of the supervisory board attended fewer than half of the meetings held by the board.

The Supervisory Board regularly examines the efficiency of its activities. It has established that no events can be identified that have restricted its efficiency.

#### 4. Conflicts of Interest

The members of the supervisory board observe the rules of restraint on competition. They neither solicit benefits or advantages from third parties nor do they accept them for themselves or for others. They do not grant unjustified advantages to third parties. The management is not aware of any cases in which advantages have been accepted or granted by employees of the company.

Members of the management as well as of the supervisory board safeguard the interests of the company, do not pursue any personal interests and do not make use of the company's business opportunities for their own benefit.

No member of the management or of the supervisory board was subject to any conflict of interest.

All members of the management or of the supervisory board will immediately disclose to the supervisory board and inform other members of the management about any conflict of interest.

No business transactions have been concluded with the company by members of the management, by persons associated with them, or by persons to whom they are closely associated and consequently have not been submitted to the supervisory board for its approval. No consultancy contract, service contract, work-for-hire contract or other contract between members of the supervisory board and the company has been submitted to the supervisory board for its approval. Should such business arrangements arise, no uniform regulation has been made by the group to disclose or inform the supervisory board, on the basis of statutory regulations.

The supervisory board has not enacted any procedural rules for business with the company with reference to individual cases.

In 2010 the chairman of the board of management (CEO) Mr. Hosch was

- a member of the board of the Association of the German Trade Fair Industry – AUMA;
- a member of the board of the Association of Major German Trade Fairs – GDG;
- a member of the board of directors of the Global Association of the Exhibition Industry – UFI;
- a member of the Economic Advisory Council of the Berlin Regional Sports Federation;
- a member of the directors' council of the General Business Association for Berlin und Brandenburg.

In 2010 the manager (COO) Dr. Göke was

- a member of the supervisory board of Berlin Tourismus Marketing GmbH;
- a member of the supervisory board of Hertha BSC Berlin GmbH & Co. KGaA;
- chairman of the supervisory board of Popkomm GmbH.

The managers did not perform other work outside the company. Details of any outside work shall be submitted to the chairman of the personnel and presidial committee for his approval.

No loans have been granted to members of the management or to members of the supervisory board or to relatives or dependent of the members of these organs.

#### 5. Transparency

No facts concerning the scope of activities of the company have become known that have had a not insignificant impact on its assets and finances or on the course of its business.

To some extent information about the company has also been published on the internet. The current Corporate Governance report is accessible on the company's web site.

#### 6. Accounting

The annual financial statement and the group financial statement have been compiled in accordance with recognized national accounting principles and have been submitted to the shareholders within the intended deadline following the corresponding resolution by the supervisory board.

In addition to the annual financial statement and the group financial statement, the Land Berlin, as main shareholder, and the chairman of the supervisory board will be kept informed during the current financial year by means of quarterly reports in accordance with the specifications laid down by the Subsidiary Controlling Department of the Land Berlin and will discuss the interim reports with the management. Reports to the supervisory board on the financial situation will be submitted at the board's meetings, which are held at least quarterly.

# Report of the Supervisory Board 2010

## 7. Audit of Annual Accounts

The Supervisory Board has received a statement from the auditors confirming that no commercial, financial, personal or other liabilities exist – with regard to the auditors' organs – or with regard to the company/members of its organs. No doubts exist about the independence of the auditor, its organs or the persons in charge of the audit. If any reasons for possible bias exist the auditor is required to notify the chairman of the supervisory board without delay. The auditor has not presented any reasons for bias.

The supervisory board has commissioned the auditor to carry out the audit and has agreed a fee with him.

The auditor has not informed the supervisory board about any findings or occurrences. The auditor is not aware of any facts that would compromise the accuracy of the statement given under the Berlin Corporate Governance Code.

The auditor will take part in the consultations by the Supervisory Board concerning the annual financial statement and the group financial statement and will report on any substantial findings resulting from his investigations.

In the financial year 2010 the supervisory board of Messe Berlin GmbH convened at four regular sessions and one extraordinary meeting. In addition a resolution was introduced in a written circulation procedure. The supervisory board discharged its tasks as stipulated by law and the company articles and supervised the management of the company as well as supporting its management in a consultative capacity. The supervisory board was involved in all decisions that were of fundamental importance for the company. This applies in particular with regard to corporate planning and to the main projects and investments. Matters which, in accordance with the law and the company agreement, require the approval of the supervisory board were submitted for a ruling. This applies in particular to the economic and finance plan.

The chairman of the supervisory board was kept regularly informed by the chairman of the board of management (CEO) about all important business occurrences and about the economic development of the company.

In 2010 the congress business of Messe Berlin and the urgent need for the renovation of the ICC Berlin were again a prominent and constantly recurring theme that remained in the forefront of the discussions. After an external investigation came to the conclusion that the renovation of the ICC while it continued to host events was not possible, the supervisory board examined the question of customer loyalty and the impact on congress business over the next 5 years. With the approval by the Senate Department for Urban Development on 1 November 2010 of the demolition of the Deutschlandhalle and the decision by the Berlin Senate on 14 December 2010 to close the ICC during its renovation and to enable Messe Berlin to construct a new exhibition halls with congress facilities on the site of the Deutschlandhalle, an important milestone was established for the direction to be adopted by the congress business on the one hand, and for the expansion of leading international events on the other.

Another important subject concerned the safeguarding of the ILA Berlin Air Show (ILA) for the Land Berlin / Land Brandenburg. Following the decision by the German Aerospace Industries Association (BDLI) on 31 May 2010 to continue staging the ILA at the same location from 2012 to 2020 on completion of the airport Berlin Brandenburg International BBI, the supervisory board approved the planned implementation concept. This includes in particular the establishment of Messeimmobilien Selchow GmbH – a joint venture between Messe Berlin GmbH and ZukunftsAgentur Brandenburg GmbH – and the investment by that company of some EUR 27 mi. in the basic structure for a new event venue in Selchow, immediately adjacent to BBI. The supervisory board also approved the new framework agreement on the ILA 2012-2020ff, which was signed on 30 November 2010 by the participating parties – BDLI, the Land Berlin and Land Brandenburg, Flughafen Berlin Schönefeld GmbH and Messe Berlin GmbH.

In the course of the discussions about the restructuring of the technical areas within the group of companies the supervisory board approved the take-over by Messe Berlin GmbH of the 50% share of Capital Facility Management GmbH & Co. KG (CFG) that was previously in third party ownership. Independently of the acquisition of this share, in order to strengthen the market position of Messe Berlin and to improve internal processes, efforts are being made to find a better organizational solution for the company's facility management and for the technical services for events. As the supervisory board has also established, this should if possible be developed in a consensus with those persons who are directly involved and in positions of responsibility at Messe Berlin and the subsidiaries CFG and Capital Services GmbH. The supervisory board will be kept informed about the progress of the project.

During 2010 were six meetings of the personnel and presidial committee were held, one of which was an extraordinary meeting. In accordance with a decision by the supervisory board on 2 July 2009, the personnel and presidial committee also deals with issues involving accounting and risk management, the necessary independence of the auditor, the award of the auditing contract to the auditor, defining the priorities of the audit and the agreement about fees.

The annual financial statement and group financial statement provided by the management, together with the situation report and group situation report for the financial year 2010, have been examined by the auditors appointed by the shareholders of Messe Berlin GmbH, KPMG AG Wirtschaftsprüfungsgesellschaft, and have been awarded the unconditional audit certificate.

On the basis of a decision by the supervisory board on 30 September 2004, as an unlisted company Messe Berlin GmbH has voluntarily applied the German Corporate Governance Code – since 2009 the Berlin Corporate Governance Code. The Corporate Governance Report 2010 by the management and the supervisory board is published in the Business Report and on the Messe Berlin web site.

In the meeting held on 4 April 2011 the auditor informed the supervisory board about the contents of the annual financial statement and group financial statement for 2010 and answered all the questions raised by the members.

The supervisory board has examined and approved the annual financial statement and the management's situation report and has also recommended their findings to the shareholders' meeting and in addition has acknowledged the group financial statement and the group situation report. It has acknowledged and approved the findings of the examination conducted by the auditors.

The supervisory board has approved the proposal by the Management to apply the findings.

The supervisory board examined the efficiency of its activities in the year under review.

With effect from 1 January 2010 the shareholders of Messe Berlin GmbH have appointed Ms. Catherine Mühlemann and Mr. Wolf-Dieter Wolf as members of the supervisory board which, in accordance with § 10 Section (1) and (2) of the company agreement of Messe Berlin GmbH, thus has a full membership.

There were no personnel changes to the supervisory board during the period under review.

Berlin, 4 April 2011



Supervisory Board  
Hans-Joachim Kamp  
Chairman

# Imprint

## **Contents and composition**

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