

Remarks by

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Messe Frankfurt GmbH Executive Board

on the occasion of the Corporate Press Conference
on 22 June 2017

Check against delivery

Wolfgang Marzin

The 777th year in our company's history started extremely well. We are in the middle of a strong financial year with a very full international event calendar. In terms of figures, Messe Frankfurt's 2017 calendar year will have the equivalent of around 750 actual event days. Adding set-up and dismantling days, this will amount to over 2,300 operational days by the end of the year, corresponding to more than six calendar years. In practical terms, this means that our customers visit events held under the Messe Frankfurt umbrella on every day of the year at one or even several of some 50 locations. I believe that these figures will give you a good feel for the sheer scale of our overall portfolio. That concludes the brief preview of 2017.

Let us now look back on the 2016 financial year. Messe Frankfurt continued its solid growth, taking up seamlessly where it left off in the excellent 2015. With around €646.7 million in sales, the company once again matched top levels of the previous record year 2015 (*€647.8 million*). The Group also set a new record in EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation) with €124.5 million (*2015: €109.3 million*). With €73.6 million, we increased our pre-tax earnings by €17.2 million – up by roughly a third on the previous top year 2015 (*€56.4 million*). Annual net income amounted to €49.8 million (*2015: €38.2 million*), which was also the highest ever in the company's history.

2016 saw a total of 417 events take place under the Messe Frankfurt umbrella, attracting some 4.2 million visitors, over 3.5 million of which to its trade fairs and exhibitions.

I would like to take this opportunity – on my own behalf and on behalf of my colleagues on the Executive Board – to thank all of our 2,307 Group employees for the part they played in these successful results.

Messe Frankfurt's declared goal is to sustainably underpin its position as the world's top organiser of trade fairs and congresses and to further solidify this position by means of long-term investments and innovations. In this way, we will remain attractive to our customers in the face of international competition. Our financial strength gives us the freedom that we need to further the strategic development of

the Group. Key success factors include a high readiness for change and flexibility in dealing with global market developments. As directly evaluable forms of market interaction, Messe Frankfurt flagship events perform an anchoring function for their respective sectors in spite of – and also because of – the uncertain nature of some international economic situations. We will continue our growth consistently in the 2017 financial year. If things continue in this positive vein, we may well see an increase in sales to well over €650 million together with another positive result.

Detlef Braun

Messe Frankfurt benefits greatly from its enviable position on the global market. We are a professional market partner for our sectors. And once again, we have a very dynamic event business. With a high proportion of market leaders among their customer bases and a diverse range of innovations, Messe Frankfurt's flagship events provide our customers with the ideal platform for showcasing their products. The 2016 Annual Report, which is being released today and which you have in front of you, demonstrates the unique diversity, the wealth of ideas and the sheer innovation of products at our events – factors that are of central importance to us. Messe Frankfurt is well positioned and well networked in all countries around the globe, without exception. The international component at our Frankfurt-based trade fairs is also growing in the current financial year, reaching higher levels than ever before. Our customers come to Frankfurt from no fewer than 178 countries. This boosts the export opportunities at our events and, in equal measure, the socio-economic effects at our Frankfurt base.

A prime example of this is Messe Frankfurt's textile expertise. Over the past ten years, we have expanded this portfolio from 20 to more than 50 events, thereby creating momentum for the entire textile value chain. Heimtextil – the heart of the interiors sector – has grown again for the seventh time in a row and remains the undisputed international meeting point for its sector, with an increased exhibitor and visitor count and high product quality. The innovative pairing of Techtextil and Texprocess is developing in leaps and bounds, attracting more exhibitors and visitors than ever before. Our trade fairs in Berlin have also enjoyed growth: with its new location in the Funkhaus Berlin, the Ethical Fashion Show – together with the

Greenshowroom – will have increased space and, in turn, further scope for development.

Significant market concentrations, consolidations and digital challenges are manifesting themselves more and more clearly as driving forces for sustainable structural changes in industry and trade. At present, this is occurring above all in the consumer goods and musical instrument sectors and in the areas of mobility and logistics. I am confident that these wide-ranging developments will have a greater effect on the trade fair sector in the next three years than any that we have experienced in the past three decades. As trade fair organisers, we are committed to our customers and are responsible for modifying our events in such a way that they meet the specific needs of sectors, both tangible and digital. At the end of the day, it is still a question of bringing supply and demand together by intelligent means. Around 90 percent of our customers are small and medium-sized companies. We see our core task as suggesting individual solutions for our customers and providing them with practical support with a view to ensuring their success. This ultimately also means re-examining how we understand our own role. We act as a marketing partner to our customers. This places high demands on our creativity.

By reworking the timing, structure and content of Musikmesse and Tendance, we initiated a relaunch of both events. By offering new content, workshops and seminars, we provide our customers with specific assistance in seeking out new commercial perspectives. When it comes to the global consumer goods industry, Frankfurt remains the largest networking and order platform. With an increase in exhibitor and visitor numbers and an even greater international component, our consumer goods fairs have demonstrated their strength once again. In two days' time, Tendance will be opening its doors with a new orientation. I can promise you that its new look and feel will surpass anything that the event has offered before. Our primary objective is to use this new concept to identify innovative opportunities for retailers to secure themselves a competitive future and, in this connection, to generate growth for the most time-honoured trade fair at our Frankfurt base. To this end, we have invested extensively in the event. Last year saw us take the first key step in developing the new concept. We will present an event that is more than a trading platform, a stage for presenting new products and a networking hub.

Tendence is developing into an exceptional marketing support tool for the retail sector. By concentrating on new exhibitors and increasing existing and new product areas – such as Seasonal Decoration, Home Textiles, International Sourcing and Outdoors – we are tapping into new growth opportunities. With its late June slot, we are placing the event in pole position – even ahead of the regional trade fairs. And last but not least: This means that Tendence will establish itself as the sector meeting place for all high-volume and international retail forms. Presenting the collections for the coming spring and summer season is an absolute must for all international and high-volume buyer groups. One highlight within this new concept is “Tendence.Impulse”. The new format extends dealers’ online trade fair visit to 365 days a year, for example with its own events and business activities. In this way, we are enhancing the competitiveness of retailers, allowing them to cope with the latest challenges relating to customer loyalty and pioneering technology. One positive side-effect: This new concept allowed us to win back key players from the areas of kitchen/tableware: For instance, KAHLA /Thüringen Porzellan GmbH, Robbe Berking GmbH & Co. KG and ELO-Stahlwaren K. Grünwald & Sohn GmbH & Co KG can all be found at Tendence again in 2017. Our strategy is bearing fruit: The number of exhibitors has increased by some 20 percent to 1,125 companies and gross exhibition space now totals 92,000 square metres – an increase of around 10,000 square metres or 12 percent compared with the previous event.

Hardly any other B2B event wields the same emotional power as a trade fair. Although the world around us is becoming increasingly digital, fast-moving and individual – and also because of this very fact – expressive interaction formats are the medium of choice for creating new incentives and kindling synergies: synergies between industry and trade and between industry and end consumers. The Musikmesse Festival takes the positive spirit of music to the city as an art form, cultural asset and life attitude. The urban light laboratory Luminale, which takes place parallel to Light + Building, is the perfect link between the lighting industry, lighting planners and the general public and, with its new concept, is unique among lighting festivals. Last year, we introduced a new event format for the automotive sector with the South African Festival of Motoring, which we plan to develop further and to roll out in other countries. In addition, we provide the automotive sector with a series of stimulating and cutting-edge conferences, such as the Connected Mobility roadshow

in Austin or the Future Mobility conference in Dubai. We are not alone in designing new event platforms.

However, and I want to emphasise this here in the clearest possible terms: The undisputed focus of Messe Frankfurt's core business remains, as ever, on facilitating business encounters, face-to-face and on location. As first-class dialogue and networking platforms and the venues of choice for interdisciplinary interaction, our flagship events are "the place to be". We see no sense in replacing a classic trade fair with some other event that itself can be replaced before long. However, we are open to new approaches and will pursue them as well.

From our headquarters out into the world. As mentioned at the outset, 2017 marks 777 years of trade fairs taking place in Frankfurt. However, it also marks 30 years of foreign trade fairs. Back in 1987, Messe Frankfurt was a first mover with Interstoff Hong Kong. And as before, we are expanding our international textile portfolio continually. In cooperation with Africa Sourcing & Fashion Week, we are moving into one of Africa's largest textile markets. Techtextil Russia will be taking place as part of Russian Textile Week. And we are delighted to have been awarded the contract for High Tex from Germany as part of Techtextil North America 2018.

We are also investing greatly in the thriving field of Mobility & Logistics, both in Frankfurt and throughout the world. At our Frankfurt base, preparations are in full swing for the first ever Hypermotion, which is to take place between 20 and 22 November. The clear focus of this event is on digitisation and decarbonisation in the logistics and mobility sector. In Vietnam, the premiere of Automechanika Ho Chi Minh City went very well indeed. And in spite of the difficult economic climate, Motobike Istanbul was attended by over 103,000 visitors in February. Similarly, Automechanika Istanbul reported new records in early April, including excellent visitor figures from Europe. One new event that was successful from the word go is Automechanika in Birmingham, which has gone from strength to strength and featured over 800 exhibitors when it took place for the second time just a few days ago. Last but not least, we will be placing another Automechanika in Riyadh – the third such event in the Middle East after Dubai and Jeddah. In future, Jeddah and Riyadh will play host to this event in alternate years.

Uwe Behm

Today, there is hardly any user industry – from the automotive and medical technology sectors to producers of sports articles, consumer goods and jewellery – that do not make use of additive manufacturing innovations. And there is hardly any branch of technology that is growing as exponentially as additive manufacturing. As an important source of momentum and innovation within the sector, Formnext powered by TCT established itself right away as a veritable Who's Who of international sector players. We are not only going to add additional areas of the process chain to the portfolio but also plan a further exhibition level with Hall 3 when the event is held for the third time in November.

The success of our customers is important to us, be it at our Group events or those of our guest organisers. Around 260 guest events are held every year on our exhibition grounds, an important commercial factor for the city of Frankfurt. Our position in the congresses and conferences business field remains excellent. 2017 is set to be another very dynamic congress year, with a high concentration of events of different sizes, types and complexity. For instance, we are looking forward to Deutscher Marketing Tag (DMT), a German marketing event that will be held in Kap Europa in November and is expected to be attended by some 1,500 marketing decision-makers. Not to mention the fact that the event will further bolster Frankfurt's image as a strong creative hub. Through its close interaction with customers, Messe Frankfurt – in its role as host – can respond flexibly and individually to the needs of the market. This refers to our range of services and consultation as well as the locations on our exhibition grounds.

When the new Hall 12 is completed in August 2018, we will have an additional 33,600 square metres on two levels, which will meet the needs that currently exist. To increase flexibility, it will be possible to divide up the space in order to allow different sized areas for individual event formats. Work on Hall 12 is going according to plan, with everything on time and on budget. The building shell will be completed at the end of August and the section of the Via Mobile moving walkway between Hall 8 and Hall 12, which is approximately 150 metres long, will follow by the autumn. This will go into operation at the same time as Hall 12. The hall's façade will be completed by the end of the year, at which point work on the interior can begin.

Hall 12 will be built using state-of-the-art materials and in line with the very latest standards. This means that energy consumption will be at least 45 percent below the current German Energy-Saving Ordinance. Another photovoltaic system – our third one so far – will be going into operation on the roof of the hall. Over the course of the year, this will cover the needs of around 400 households or around eight percent of the exhibition grounds' own energy requirements. In this way, Messe Frankfurt is also underlining its commitment to sustainable event management. At the company's Frankfurt base, 64 percent of our organisers in the congresses and conferences business field alone already use green power from renewable sources. As part of long-term energy monitoring, our goal is to bring about a ten percent reduction in base load energy consumption – i.e. consumption outside event times – by 2020, compared with the 2014 figure.

We have already invested almost one billion euros as part of our long-term master plan for modernising our exhibition grounds. Most of this sum was invested over the past ten years. Once Hall 12 has been completed in autumn 2018, we will begin work on two further halls. Hall 6 is scheduled for complete renovation in 2018/2019, while Hall 5 is to be dismantled following the 2019 Frankfurt Book Fair. Even though both halls currently function well, they no longer meet modern-day requirements. Architectural office Gruber + Kleine-Kraneburg has developed a very effective solution for Hall 5, both with regard to connecting the adjacent buildings and with its design proposals for the foyer and façade.

Wolfgang Marzin

Messe Frankfurt is highly successful in its business fields worldwide. Every year, we achieve a healthy return, which in turn gives us scope for financing our own investments, such as our multi-million building projects at our Frankfurt base and the further development of our portfolio. In 2016 alone, we financed €101.6 million in investments; in 2017, this figure will be in the region of €150 million. The business fields under the Messe Frankfurt umbrella are well balanced today – Messe Frankfurt is primed for the future.

At the time of writing, our portfolio contains around 65 events from the Technology business field. In other words, a trade fair, congress or other kind of event from our Technology business field takes place somewhere in the world on average every seven days – for us, this is an exceptional growth field in which we will continue to invest. The technical flagship events in our portfolio are ideal platforms both for pioneering innovations and for facilitating international exchanges between experts in different sectors. We are assisting the exchange of knowledge and know-how by means of varied supporting programmes, presentations and best practice examples, special showcases, competitions and panel discussions. These content areas, which have proven their worth for years at our technical events, will continue to increase in importance, not least owing to the growing complexity of intelligent technologies and the increased need for explanation that this entails.

ISH, the world's largest showcase for water and energy usage in buildings, demonstrated its strength once again last March to impressive effect. As a catalyst for and driving force behind efficient and sustainable building technology, it is continuing to expand, with more exhibitors, more visitors and a growing international component. Particularly in light of the ambitious aims of European and German climate and resource protection policies to bring about a massive reduction in CO₂ emissions by 2050, ISH was singled out again this year as being of special importance for the sector, given that boiler rooms will be central to the energy turnaround.

Important groundwork was laid with our new concept for Luminale. The festival in Frankfurt is to become a biennial of lighting and urban design – a unique format that has met with overwhelmingly positive feedback. Luminale will shine a spotlight on the key themes of Light + Building together with social and urban issues as well as presenting innovative solutions for city life. In addition to being the stage for interpreting lighting culture, the city itself is the subject of the festival. As an interface between technology, art and society, the festival will bring forth new ideas for positioning the city as an innovative, creative and multicultural location.

Our widest portfolio in the Technology business field to date is Intelligent Building Technologies. The Building Technologies industry segment covers almost all subject

areas. Integrating formerly separate trades in networked buildings is a major cross-cutting issue for the sector. Whether greater energy efficiency, improved comfort or higher security – in smart buildings, this can only come to pass when the relevant IT systems meet the growing data security demands. Under the title “Security meets Smart Building”, we have established a new platform with the Intersec Forum – a platform that zones in on these developments and where questions are discussed with experts. The debut event at last year’s Light + Building and the follow-up event at the ISH in March went extremely well and are a sound basis for further establishing the Intersec Forum as an annual conference format. Fusing security technology systems with other building technology areas by means of increasing digitisation brings about lasting changes to building management processes. With the special showcase “Secure! Connected Security in Buildings”, we will shine a spotlight on interfaces between trades at Light + Building 2018, while also providing a highly attractive trade fair home to brand-new exhibitors from the field of security technology. With a current total of eleven events, Messe Frankfurt is the world’s leading organiser of trade fairs and congresses in the international growth segment of civil security. At our Frankfurt base, we will continue to expand our activities in the field of security – with respect to products, exhibitor numbers and exhibition space.

For three decades, Messe Frankfurt has been serving the needs of its customers around the world, far beyond its Frankfurt base. With a present total of 28 subsidiaries, we are ideally positioned at around 50 locations, on five continents and in all relevant markets around the globe. As well as this, we have a powerful network of sales partners who are responsible for virtually all countries throughout the world. Particularly in times of rapid change and uncertainty, our flagship events serve as communication and trading platforms, helping to improve understanding and overcome borders. Anyone who knows us will confirm that we are never content to rest on our laurels – quite the opposite, in fact: We are working on expanding our portfolio, including in a number of often challenging markets. As a rule, we seek out developments with a sustainable and long-term impact.

At present, there are ten new events lined up for 2017. For example, this includes our activities for the security sector in the Adriatic region, an as yet small but increasingly important market. The “Adria Security Summit powered by Intersec” is a regional conference featuring high-calibre players and an accompanying trade exhibition.

Since 2015, this has been held in various locations in the Balkan region, with this year's event taking place in the Croatian city of Šibenik between 13 and 15 September.

Tradition and modernity are two opposites that have always complemented each other very well, including in our company and at our events, when “on location” meets “online” and crucial added value is developed for our customers. Our business requires us to have solutions at the ready for ever-changing challenges. Messe Frankfurt remains one of the leading companies in the global trade fair business. From this strong position, we can continue to invest in developing our Group in the long term and in those precise areas where the needs of our customers exist. At this early stage, I would like to announce that we will be publishing a study of the German research institute IFO on the socio-economic effects of Messe Frankfurt. The study is currently being prepared and at the end of the year we will present the findings on the positive economic effects of events held in the Frankfurt exhibition grounds on the city, region and federal state.

Our business fields have developed very well in the first six months of the current year. All indicators suggest that our successful growth will continue in 2017. Messe Frankfurt has five business fields and core areas of competence and we have made enormous progress in all areas and will continue to invest and to set our sights on further growth. We may well see an increase in sales of well over €650 million together with another positive result – which will allow us to remain profitable in the long term. Which in turn means that, as before, we will be in a position to finance all of our planned investments ourselves.