

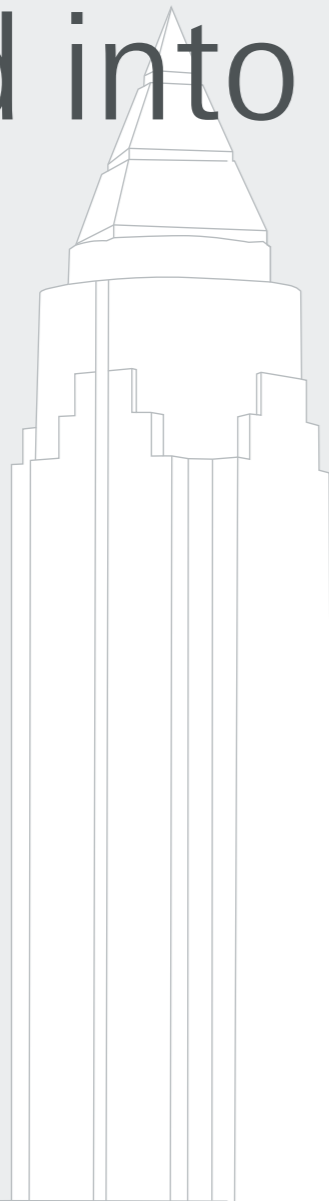
Annual Report

07 *

In|spi|ra|tion

(lat. inspirare “breathe life into”) creative idea, thoughts; stimulation or arousal of the mind, feelings etc. to sudden or unusual activity; often an experience that gives you new ideas for something you do.

Inspirations translated into reality:



→ Heimtextil: Outside In

Bathing in the living room, sleeping in the bathroom: “Outside In” breaks with conventional floor plans for the home and showcases the architectural trend towards a seamless transition between living areas.

→ Heimtextil: Competence Square

Today’s fabrics and textiles can do much more than simply look good. At Heimtextil, “Competence Square” presents fabrics with smart additional functions, such as fabrics with anti-microbe and stain-resistant properties.

→ IFFA: Retail Selling Today

We eat with our eyes. That’s why the IFFA special show “Retail Selling Today” shows how to turn a perfectly presented meat and cold-cuts counter into a shopping experience for consumers.

→ Material Vision: Paper Lab

In Ancient China paper was regarded as a revolution. Today, this material is becoming revolutionary once again: the “paper lab” special exhibition at Material Vision presents paper as a high-tech product and strong building material.

→ ISH: Tiled Stove Worlds

Tiled stoves and fireplaces are among the oldest sources of heating. The “Tiled Stove Worlds” special show at the ISH emphasises how they add value today: by increasing living comfort and at the same time cutting heating costs.

→ Material Vision: Material Day

Intelligence is not only the preserve of living beings. The “Material Day” within the context of Material Vision proves that simple materials can intelligently conduct electricity, light or heat.



At a glance

The Messe Frankfurt corporate group conceives, plans and hosts trade fairs and exhibitions in Germany and abroad. The parent company and its subsidiaries offer a well-coordinated service package for national and international customers, exhibitors and visitors.

Corporate Group

in € m*	2003	2004	2005	2006	2007
Sales	353	364	379	406	424
Personnel expenses	69	70	75	77	84
Depreciation, amortisation and write-downs	47	62	49	53	48
Earnings before taxes on income	23	33	41	48	44
Pre-tax return on sales in %	7	9	11	12	10
Net income for the year	10	19	22	27	28
Cash flow	53	78	67	76	72
Additions to fixed assets	40	34	64	64	105
Equity	315	320	329	340	340
Total assets	706	732	726	800	778
Employees (at 31.12. respectively)	1,213	1,227	1,294	1,394	1,471

* except employees and return on sales

Shareholders: City of Frankfurt (60%), State of Hesse (40%)

Subscribed capital: City of Frankfurt € 108 million, State of Hesse € 72 million

Basic data	2003	2004	2005	2006	2007
Total area (m ²)	475,000	475,000	578,000	578,000	578,000
Available hall space (m ²)	324,225	324,277	321,754	321,754	321,754
Available open space (m ²)	83,163	83,163	83,163	83,698	96,078
Number of halls	10	10	9	9	9
Events in Germany					
Number of trade fairs and exhibitions	52	50	49	46	44
Exhibitors	45,220	42,231	41,311	47,417	41,135
Net area (m ²)	1,616,859	1,417,486	1,504,926	1,548,699	1,514,597
Visitors	2,713,619	1,586,766	2,478,724	1,780,119	2,575,899
Events outside Germany					
Number of trade fairs	60	59	68	64	68
Exhibitors	13,345	15,486	18,850	20,692	22,955
Net area (m ²)	293,572	322,736	412,926	452,022	515,853
Visitors	760,746	750,330	914,733	918,757	981,070
Total					
Number of trade fairs	112	109	117	110	112
Exhibitors	58,565	57,717	60,161	68,109	64,090
Net area (m ²)	1,910,431	1,740,222	1,917,852	2,000,721	2,030,450
Visitors	3,474,365	2,337,096	3,393,457	2,698,876	3,556,969

An inspirational culture

Events organised and hosted by Messe Frankfurt have the capacity to inspire the world because Messe Frankfurt's employees are inquisitive people. The 2007 Annual Report presents the individual sources of their creativity. At the same time, it also demonstrates why these ideas have been so exceptionally successful for so many years.

2007 was the best year to date in Messe Frankfurt's corporate history. Exhibitors the world over took advantage of the opportunity to present their products and services on the company's platforms, many of which have in the meantime become world brands. As many as 11 international trade fairs were held for the first time and met with an enthusiastic response from exhibitors and visitors alike.

The inspiration for continued success is part of Messe Frankfurt's corporate culture: we care about every single exhibitor, every visitor, every square metre. Every employee contributes his or her personal creativity to this process – from electrician to managing director, from routine optimisation proposal to the design of a new entrance area in the western section of the Frankfurt exhibition grounds. Every idea counts. Because ideas are the fabric from which the future is woven.

We make markets. Worldwide.

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International hallmark



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Editorial

Dear Readers,

2007 was a good year for Messe Frankfurt. We say a heartfelt thank you for this. Our thanks go in particular to our more than 64,000 exhibitors and more than four million visitors.

Messe Frankfurt is growing globally. 68 events were organised outside Germany in 2007. They were attended by almost one million people. At over € 423 million, we achieved a new all-time sales record – not least thanks to our international activities.

Our company organised its first trade fair outside Germany in 1987 – 20 years ago. At the time it was an enterprising idea. This debut in Hong Kong has in the meantime flourished into a memorable success story. As a true global player in the trade fair sector, we organised 11 new trade fairs around the globe in 2007 alone, thus opening up even more opportunities for businesses to present their products on the world market.

Along the way, we have been accompanied by many customers who are still at our side today. And every year, new ones join them. All of them through the power of their inspirations turn our trade fairs into the top-quality events they are known as around the world. Our trade fairs are places where the latest products can be seen, where exciting meetings take place and where by the end of the show a wealth of impressions will leave your head spinning with new ideas. In short, this is where mutual inspiration takes place. Between you as a visitor, exhibitor or organiser, and us as your marketing partner.

In all that we do our goal is to make our customers even more satisfied. Their business success is our top priority; all our investments in new services, new trade fair concepts and new international events are made with this in mind. At our Frankfurt home venue we are currently building the new Hall 11 and modernising our other halls. Over the past 100 years, our exhibition site has developed into a lively urban exhibition architecture. As the first building to form part of today's trade fair complex the tradition-rich Festhalle will celebrate its 100th anniversary in 2009.

Trade fairs live from the interaction between people. For us and for all of our employees, taking pleasure in communicating is therefore important – and this also encompasses lifelong learning. Since the world around us is changing at an ever faster pace, we offer our employees a wide range of continuous education and qualification possibilities. And they reward us with their creative ideas.

In our opinion, inspiration, creativity and originality are a basis of good entrepreneurship. We therefore have the greatest respect for the intellectual property of our exhibitors. Protecting this is the aim of our “Messe Frankfurt against Copying” initiative, which we launched in 2006. This has enjoyed enormous international success and has resulted in a perceptible reduction in cases of product piracy at our trade fairs in Frankfurt. We are now gradually introducing this initiative at selected trade fairs outside Germany.

The trade fair sector remains exciting. We promise you: we will continue to invest our full inspirational and creative potential in an endeavour to create the best marketing platforms for our customers.



Michael von Zitzewitz



Dr Michael Peters



Detlef Braun



Uwe Behm

A people business

At the end of 2007, the Messe Frankfurt group employed 1,471 people worldwide, 77 more than in the previous year. The number of employees in Germany rose by 42 to 1,075 and at the foreign subsidiaries by 35, bringing the number to 396.

Continuous education – a professional life long

At Messe Frankfurt, investments in the training and education of junior staff have always played a key role: in 2007 we trained a total of 43 young people, 33 of these in Frankfurt, three at Mesago Messe Frankfurt and Messe Frankfurt Ausstellungen respectively and four at Messe Frankfurt Italia.

Our markets are changing constantly and at an ever more rapid pace. To ensure that we are always one decisive step ahead of the game, Messe Frankfurt's staff need to continuously broaden their horizon and improve their qualifications. Career training has particularly high priority at Messe Frankfurt. The "Fit for Fair" and "Fit for Management" (for executives) training programmes have been fixed features for a number of years. We are continuously optimising these programmes and aim to further intensify them through close cooperation between Human Resources Development and the Akademie Messe Frankfurt training academy. The Akademie Messe Frankfurt has been successfully offering seminars, training courses and continuous education events for exhibitors for over 20 years. The future cooperation will provide employees and executive staff with an even wider range of seminars than in the past, complemented by interesting, hands-on training opportunities. New continuous education themes proposed by members of staff will also be included in the programme.

The trade fair sector, more than almost any other branch of industry, is a people business. Trade fairs in the first instance bring people into contact with each other and only in the second instance products with their buyers. Apart from professional qualifications, people who work for an exhibition corporation must above all take pleasure in communicating and be highly motivated. Trade fair employees must be creative, open for new ideas and inspirations.





Advancement training programmes for junior executives and management

In early 2007 we launched a pilot project aimed at the systematic advancement of “talent potential”. 28 employees are taking part in this two-year programme. Among other things, the programme covers the seminar modules Project Management, Facilitation, Change Management, Business Administration, International Markets as well as Sales and Customer Orientation. Parallel to the seminars, the participants work on selected projects related to day-to-day event management. Group work and team development training further reinforce the networking of this “talent potential” within the company.

In mid-2007 a two-year management promotion pilot project drew to a close in which 16 directors had participated. The scheme aimed to hone their leadership and management skills as well as increase their networking throughout the company and prepare them for further-reaching tasks.



International human resources management

Within the scope of international human resources management, Messe Frankfurt further intensified its group-wide exchange programme. When subsidiaries experience temporary or medium-term staff shortages, we assign suitable candidates from Frankfurt to help them out. In 2007, 12 exhibition staff members from Frankfurt – including five BA students and trainees – fulfilled up to six-month work assignments abroad. In addition, there were also two long-term deployments. Three members of staff are currently on management assignments abroad.

In future, staff in the subsidiaries will also be encouraged to come to Frankfurt to familiarise themselves with established structures and operating procedures at the parent company and later implement these in their respective entities. In 2007, three staff members (two from Russia, one from Shanghai) took advantage of this opportunity.

Such short-term staff exchanges in both directions not only promote knowledge transfer within the group. They also enable our staff to appreciate the work and needs of customers and colleagues in other regions and like this strengthen intra-company cooperation and integration across the group. Which ultimately in turn benefits our customers.

Health management

As well as qualifying measures and continuous education, the health and well-being of our employees are of primary concern to us. With this in mind, we set up an active health management scheme three years ago which encompasses targeted health promotion and addiction prevention measures. By providing our staff with information, advice and assistance we create the prerequisites for a healthy workplace and help our employees to stay fit. Under the heading “Messe Vital”, staff are offered a diversified range of activities from endurance and running training, nutritional advice, quit-smoking courses and seminars on health themes, through to autogenic training. Messe Frankfurt also supports staff participation in the nationwide “cycle to work” campaign and is currently promoting ten company sports groups from football, through volleyball, to yoga.

“A few lines are often enough to transport you into another world. Literature helps me to escape from the humdrum of everyday life. And make room for new ideas.”

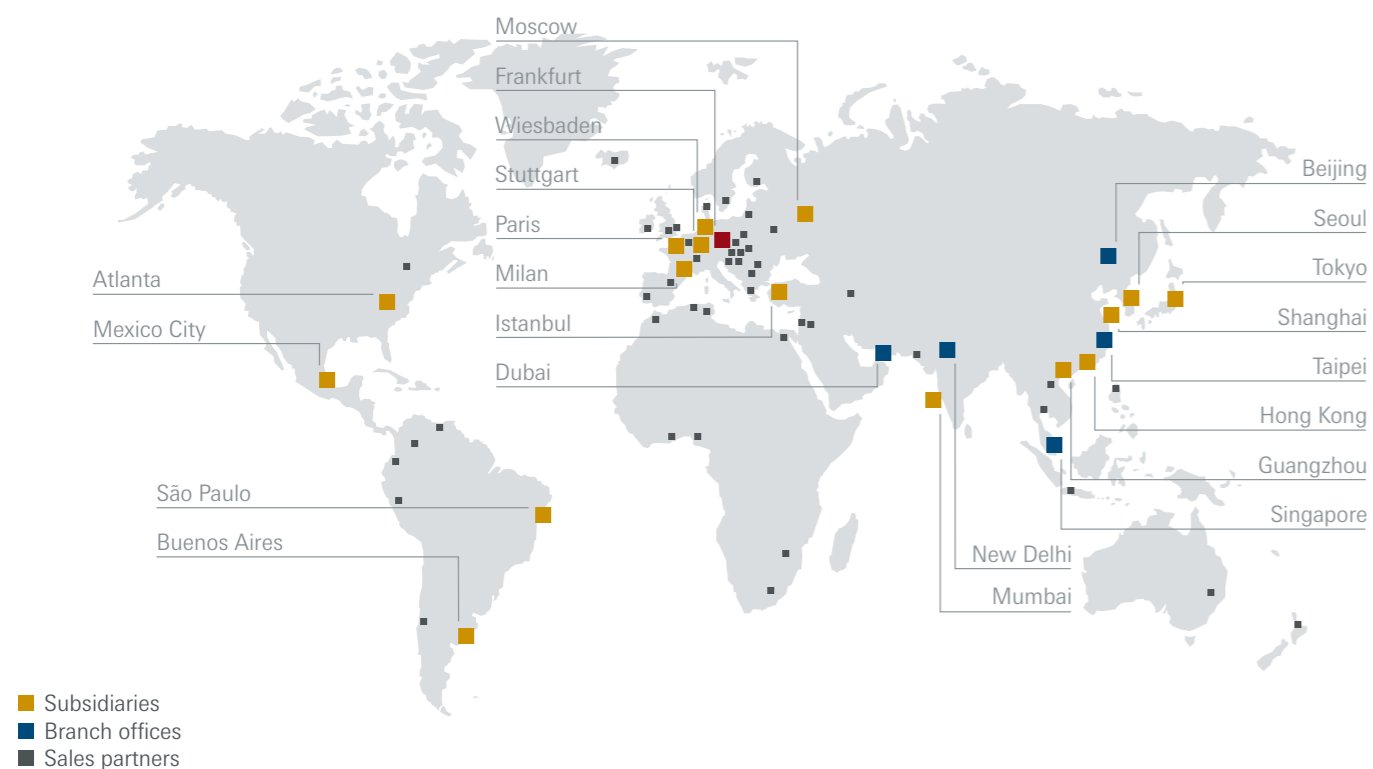
Nadine Philipp, Marketing Communication



International hallmark

Messe Frankfurt continued on its path of stable, sustainable and profitable growth in 2007. For the first time, we were able to welcome more than four million visitors at our events around the globe. Outside Germany in particular, the group recorded a further increase in sales and added new trade fairs to its portfolio. At the Frankfurt home venue, the successful flagship fairs were strengthened and further enhanced.

Messe Frankfurt business locations



Originality and flexibility have made the Messe Frankfurt group one of Europe's most successful and highest-sales exhibition corporations. Foresighted planning, paired with just the right dash of inspiration, have created a portfolio of unique showcase events. Our trade fairs lead the world in the consumer goods, textiles, architecture, technology and design as well as automotive technology sectors. Messe Frankfurt's events for the first time inspired more than four million visitors worldwide in 2007: business people, buyers, retailers and many more. The trade fairs, congresses and other events more than met the expectations of the over 64,000 exhibitors. At the home venue in Frankfurt am Main the whole world meets. 36 trade fairs were held in Frankfurt in 2007 with an attendance of over 38,000 exhibitors and some 2.5 million visitors. Added to these were 247 congresses, concerts and other cultural, business and sporting events which attracted over 480,000 visitors.

Accelerated growth outside Germany

The level of internationality among the exhibitors at Messe Frankfurt's own events once again rose to meanwhile 66 per cent. 38 per cent of our visitors came from outside Germany. This positioned the Frankfurt trade fair venue significantly above the average for German exhibition sites: according to the Association of the German Trade Fair Industry (AUMA), the average share of foreign participants lies at 54 per cent for exhibitors and 23 per cent for visitors.

Internationality is a hallmark of Messe Frankfurt. With 16 subsidiaries around the world, our company is a true global player in the international exhibition sector. Growth in the number of foreign trade fairs once again accelerated in 2007. The number of exhibitors at the 68 events rose to around 23,000, the net leased area to over 515,000 square metres and the number of visitors to over 981,000.

The driving force behind our company's ongoing development are the wishes and needs of our customers. To enable us to optimally fulfil these, Messe Frankfurt is reliant on growing revenues and a strong position on the trade fair market. Our company again recorded steady growth in 2007. Sales rose to over € 423 million and the company posted profits of € 27.6 million. The contribution of foreign sales once again increased in the reporting period and accounted for around € 94 million. Thanks to the group's positive profit situation, Messe Frankfurt is able to continue on its sustainable growth path and invest in the development of promising fields of business.

Unique services

Our trade fair-, congress- and event-related services provide our customers with all they need to ensure their business success. Exhibitors and visitors will experience an agreeable atmosphere. For exhibitors we offer a wide range of services, including stand construction from first idea through to fully equipped exhibition stand. Our advertising services offer a wide variety of advertising measures which companies can draw on for their trade fair presentation. Exhibitors can take advantage of our in-house publishers to produce their trade fair publications. And to ensure every trade fair presence is a guaranteed success, the Akademie Messe Frankfurt among other things offers seminars on systematic trade fair preparation and conception.

Messe Frankfurt launched new themes on the market with its so-called independent brands, for example Senior Lifestyle Asia in 2007. These events can form the core for fairs at external locations and subsequently embark as new brands on a successful journey around the world.



Smooth assembly and dismantling are supported by Messe Frankfurt's new logistics services for all transport and storage requirements on the exhibition site. Central scheduling is organised from the Cargo Center to eliminate empty runs for forklift trucks, reduce idle times for delivering trucks and keep waiting times to a minimum for exhibitors and their stand constructors.

One unique service offered is the "Messe Frankfurt against Copying" initiative. This supports exhibitors in the struggle against product and brand piracy. Since its inception two years ago, figures have shown that the campaign is bearing fruit: at consumer goods fairs in Frankfurt, the number of confiscated products fell in 2007 by up to 90 per cent. At the same time, the respective offices recorded a significant increase in the number of copyright applications and their consistent enforcement. The "Messe Frankfurt against Copying" initiative has in the course of the past year also been introduced at selected Automechanika trade fairs abroad. Due to the positive response, it is planned to step up international promotion of the campaign in 2008, focusing on additional technical fairs and textiles fairs worldwide.

In the business-to-business Productpilot.com online portal, Messe Frankfurt integrates all supplier and product information of exhibitors at the company's own events in Frankfurt on a single platform. This enables buyers to research, gather information and establish contacts at any time and any place and also outside show times. With this synchronisation of online and offline worlds, Messe Frankfurt is the first provider to link up traditional attendance fairs and a strong online presence spanning all events.



Investments for the future

The high standards of our trade fairs put equally high demands on our infrastructure. As a city within the city, the buildings to be found at the Frankfurt exhibition centre represent a historically evolved urban trade fair architecture. Starting with the Festhalle, which celebrates its 100th anniversary in 2009, the exhibition complex features buildings by a number of renowned architects. This tradition of individual design is being continued with the new Hall 11 and the West Entrance Building, which are scheduled to open in time for the International Motor Show (IAA PKW) in 2009.

In order to strengthen the successful flagship fairs at the Frankfurt venue, Messe Frankfurt continuously reviews their concepts and sharpens the product profiles. At the request of exhibitors and visitors, Tendence Autumn + Winter will be held as part of the Decorate Life 2008 collective trade fairs at an earlier date in July, together with Collectione Preview Spring + Summer, The Design Annual as well as Young Living and Outdoor Living – "one date, five shows, 1,000 ideas".

New events abroad have enabled us to forge ahead with the consistent internationalisation of our event operations. This approach has been strengthened by the development of new sales structures to complement the existing network of sales partners. As many as 11 new trade fairs were staged on the world's markets in 2007. Two new events in Canada and in Russia were added to the Automechanika portfolio in 2007. Another has been put on for the first time in Rome in 2008 and in 2009, the first Automechanika South Africa is planned in Johannesburg. This gives Automechanika a global presence with 12 brand events in addition to the leading fair in Frankfurt.

“Nature sets the right pace. When I’m rambling, the most brilliant inspirations come to me when I abandon myself to it and am completely at peace with myself.”

Nina Kemper, Human Resources Development



Trade fairs with a worldwide reputation

The strong brands of Frankfurt's flagship fairs are unrivalled and successful both at the Frankfurt home venue and at trade fair venues all over the world. They offer international marketing platforms for consumer goods, textiles, architecture, technology and design as well as automotive technology.





Consumer goods fairs

At its home venue, Messe Frankfurt organises the world's major consumer goods trade fairs. Here, buyers can expect to find an exhaustive overview of the current global market offer.

ambiente

Ambiente in Frankfurt

Exhibitors: 4,597
Visitors: 145,264
Exhibition area: 196,012

Ambiente worldwide

Exhibitors: 945
Visitors: 43,919
Exhibition area: 19,221

tendence lifestyle

Tendence Lifestyle in Frankfurt

Exhibitors: 3,010
Visitors: 71,741
Exhibition area: 104,892

the design annual

The Design Annual in Frankfurt

Exhibitors: 57
Visitors: 8,562
Exhibition area: 2,262

Drawing around 4,600 exhibitors from 85 different countries, **Ambiente** is the world's biggest consumer goods fair. For buyers in the tableware and kitchenware, home accessories and furnishing as well as gift articles segments, it is the first must-attend date in the exhibition year. The international brand leaders are all to be found, making it a prestigious platform for presenting the latest international trends. More than 145,000 trade visitors made the journey to Frankfurt in 2007 and took this opportunity to appreciate what the global consumer goods industry is currently showcasing.

Preceding Ambiente, the three "world fairs" **Paperworld**, **Christmasworld** and **Beautyworld** kicked off the exhibition year in the consumer goods sector with a total of 3,800 exhibitors. Paperworld is the global industry platform for office supplies and stationery. Christmasworld is the world's leading trade fair for all major festivals throughout the year. And Beautyworld is the first international trend and order venue of the year for the international beauty and cosmetics sector.

At mid-year, **The Design Annual** highlighted the very best in contemporary design for five days from 14 to 17 June under the motto "inside: private identity". The showcase for high-end design even exceeded the previous year's successful première and again demonstrated its almost inexhaustible creative potential. The presence of top companies from diverse sectors of the economy promotes interdisciplinary discourse about design, leads to new perceptions and enables participants to tap into a new clientele.

Immediately following The Design Annual, professional high-volume buyers from the consumer goods sector gathered in Frankfurt am Main at **Collectione** Preview Spring + Summer. They took advantage of this highly specialised consumer goods fair targeting all retail and wholesale segments to place their bulk-volume orders for the spring and summer of the subsequent season.

collectione

Collectione in Frankfurt

Exhibitors: 181
Visitors: 5,018
Exhibition area: 17,074

Customers attending Collectione and The Design Annual will in future only have to note one date in their calendar. The new date for summer 2008 was already on everyone's lips at **Tendence Lifestyle 2007**: the new umbrella brand "**Decorate Life**" will unite five events under one roof from 4 to 8 July: Tendence Autumn + Winter, Collectione Preview Spring + Summer, The Design Annual, Young Living and Outdoor Living. With this new concept, the Frankfurt consumer goods fairs are orienting themselves towards the ordering patterns in the industry and positioning themselves first in the round of global trade fairs. For anyone wanting to present, see and order new products, Decorate Life is an absolute must.

The spectrum of consumer goods fairs made by Messe Frankfurt has long since moved beyond the traditional home venue. The leading consumer goods fairs are in the meantime represented on three continents. As many as 11 events worldwide stand for Messe Frankfurt's quality and expertise. In order to meet the growing demand in China for high-quality foreign brand-name products, **Interior Lifestyle Shanghai** premiered in 2007. In Japan, under the Interior Lifestyle umbrella brand, a consumer goods fair is already held in June in tandem



paperworld

Paperworld in Frankfurt

Exhibitors: 2,423
Visitors: 60,460
Exhibition area: 84,882

Paperworld worldwide

Exhibitors: 993
Visitors: 37,595
Exhibition area: 16,670

christmasworld

Christmasworld in Frankfurt

Exhibitors: 1,027
Visitors: 30,230
Exhibition area: 53,453

beautyworld

Beautyworld in Frankfurt

Exhibitors: 380
Visitors: 10,076
Exhibition area: 8,994

Beautyworld worldwide

Exhibitors: 1,821
Visitors: 117,909
Exhibition area: 32,649

musikmesse

Musikmesse in Frankfurt

Exhibitors: 1,603
Visitors: 78,527
Exhibition area: 57,848

Musikmesse worldwide

Exhibitors: 1,019
Visitors: 37,842
Exhibition area: 28,496

prolight+sound

Prolight + Sound in Frankfurt

Exhibitors: 795
Visitors: 27,447
Exhibition area: 35,221

Prolight + Sound worldwide

Exhibitors: 306
Visitors: 13,625
Exhibition area: 8,752

with the Heimtextil brand, which from 2008 will have an Autumn/Winter counterpart: in November Interior Lifestyle Living will be held parallel to the International Furniture Fair Tokyo (IFFT).

The **Paperworld** brand has been active in China since 2005. Paperworld China has answered the industry demand for a trade fair for stationery and office supplies on the Chinese mainland. The Hong Kong International Stationery Fair has been the trade platform for paper, office supplies and stationery since 1995. It is held parallel to the Hong Kong Toys & Games Fair.

With its targeted orientation towards the regional needs of the markets, **Beautyworld** has expanded successfully internationally. All events are the absolute market leaders in their respective regions.

- Beautyworld Japan, a fixture in Tokyo since 1998, has since 2006 been complemented by Beautyworld Japan West in Osaka.
- In Argentina, Cosmesur Beautyworld Buenos Aires is market leader on the South American continent.
- Beautyworld Middle East/Wellness & Spas Middle East in Dubai, the gateway to the Arabian world, is continuing to expand its status as the biggest international trade fair for the perfumery, cosmetics and drug store industry in the region. In 2007 it doubled visitor numbers compared to the previous year (an increase from 7,525 to 14,684 visitors).
- Beautyworld India in 2008 in Mumbai will help to tap the potential of the growing Indian cosmetics market for international and domestic manufacturers. Demand in India for cosmetics, fragrances and care articles is higher than ever.

The **Internationale Musikmesse** (International Music Fair) and the **Prolight + Sound** parallel event are a one-of-a-kind combined international event. Both trade fairs are firmly established fixtures not only in Frankfurt, but also in China.

Unabated growth and a high level of internationality characterise Musikmesse and Prolight + Sound in Frankfurt am Main. Together, they are the biggest international stage for musical instruments, music software and computer hardware, sheet music and accessories as well as event and communication technology, audiovisual production and entertainment. They have grown continuously for 28 years and in 2007 attracted the highest attendance ever with altogether 106,000 visitors and 2,400 exhibitors. A perfect example of the successful fusion of entertainment and business. Some 250 live concerts, the “Music4Kids” programme for young and aspiring musicians and musical instrument demonstrations make Musikmesse a unique meeting point for the musical instrument industry. Prolight + Sound has continued to make a name for itself with an extensive offering of seminars, product demonstrations and industry forums for experts in the fields of event technology and management.

In China the two events are the number one meeting place in their respective sectors. Music China and the parallel event Prolight + Sound Shanghai offer Chinese exhibitors contacts to enable them to expand within China and provide a platform for international export opportunities.





Textiles fairs

Textiles have always played an important role at the Frankfurt trade fair venue. Even as far back as the Middle Ages home and apparel fabrics were traded here. In the 1960s, the former Spring Fair gave rise to the flagship fairs Heimtextil and Interstoff. In 1987, Interstoff Asia in Hong Kong was Messe Frankfurt's first export, sowing the seed for its subsequent internationalisation. Intertextile Shanghai Apparel Fabrics is today the world's biggest fair for apparel fabrics. Techtextil and Avantex stand for high-tech and avant-garde, showcasing textile materials and "smart" apparel fabrics.

Heimtextil is the showcase international trade fair for home textiles and commercially used textiles, offering a unique range of products and services. It represents a highly diversified market whose main production sites have progressively shifted over the past few years. Now more than ever, it is able to adapt to rapidly changing consumer demand behaviour and complex retailing structures.

Under the motto "Room follows Fantasy", Heimtextil 2007 kicked off the 2007/08 season with its textile living trends. The exhibitors spoke of a highly buoyant atmosphere, triggered by the presence of the major international buyers and decision makers and a significantly higher order volume compared to the previous years. The success of the event is no mere coincidence: Heimtextil is consistently developing its strengths, on the one hand sharpening its profile in the commercially used textiles segment and on the other emphasising its function as industry trend setter.



heimtextil

Heimtextil in Frankfurt

Exhibitors: 2,863
Visitors: 85,824
Exhibition area: 146,298

Heimtextil worldwide

Exhibitors: 1,376
Visitors: 53,320
Exhibition area: 59,224

interstoff.

Interstoff worldwide

Exhibitors: 5,913
Visitors: 150,151
Exhibition area: 103,586

Contract business, i.e. textile furnishings in business premises, represents the main area of growth for home textiles. Heimtextil shows the full depth and breadth of the product mix for the hotel, planning and interior design sector. In 2007 suppliers in this segment were for the first time visually spotlighted under the logo "Contract Creations". The special areas for showcasing premium products from the distinctive Europe/America and Asian regions proved to be a big hit. The Trend Forum provided a unique preview of the design trends of the coming season. Aiming at new target groups of today and tomorrow, for example, families with small children, mobile, trend-oriented singles, patchwork families or the 50+ generation, promises further growth opportunities for future events.

Based on the flagship fair in Frankfurt am Main, the network of Heimtextil trade fairs meanwhile extends via Moscow, Mumbai, Tokyo, Shanghai to Puebla in Mexico. Here Exintex, an event for home and apparel textiles, debuted in 2007. The foreign fairs enable the sector to tap into new markets, identify and exploit trends and acquire new partners – especially for sourcing. They give retailers and buyers access to products from a wide range of product lines and quality classifications. Messe Frankfurt's trade fairs around the world are enjoying increasing popularity – above all in Asia. Since its launch in 2004, Intertextile Shanghai Home Textiles has recorded continuous growth in terms of exhibitor and visitor numbers as well as exhibition space. In 2007, it scored a nine per cent rise in visitor figures to over 31,000. Its position in China's strong textiles market makes it equally interesting for the Chinese and non-Chinese alike; the new focus on design further enhanced the attractiveness and maturity of the event.

Apart from the **Interstoff** umbrella brand, two brands for apparel textiles in particular have stood out in the past few years: **Intertextile** and **Texworld**. In the space of only four years, Intertextile Shanghai Apparel Fabrics has become the leading trade fair worldwide for apparel fabrics: with over 54,000 predominantly Chinese visitors in 2007 it chalked up a new record.



techtexsil avantex

Techttextil in Frankfurt

Exhibitors: 1,107
Visitors: 22,830
Exhibition area: 26,296

Techttextil worldwide

Exhibitors: 215
Visitors: 1,945
Exhibition area: 2,961

For 2008, it is planned to increase the exhibition area by 30 per cent. On a somewhat smaller scale, though no less successful, Intertextile Beijing Apparel Fabrics has become the most important trade fair for apparel fabrics in the north of China. Quite striking in 2007 was the growing interest of Chinese buyers in good design and high-quality apparel fabrics – above all in the mid- to upper-priced products from European manufacturers.

A completely different approach is taken by Texworld, which on two dates in the year presents a highly international selection of apparel fabrics in Paris. It has notched up continuous growth since 2002, when it was added to Messe Frankfurt's portfolio. In 2007, Texworld moved to the Paris le Bourget exhibition centre, which offers more space for continued expansion. Full-package providers, i.e. companies that offer the entire process chain from yarn through to the finished article of clothing, pioneered a new trade fair segment which premiered in September: Texworld Clothing presents prêt-à-porter fashions from Chinese labels on the catwalk. An absolute novelty at a textiles fair is the database-assisted fabric library i-Text[®], initiated by the organisers of Texworld and realised by the European Fashion Institute.

Of the two spin-offs rolled out in 2006 – Texworld India in Mumbai and Texworld USA in New York – above all the American event has fast-tracked to success from the nucleus of the “Lenzing Innovation” platform, necessitating a move to the bigger Jacob K. Javits Center in New York in 2007. The recipe for success: the close cooperation with Austrian yarn manufacturer and Texworld exhibitor Lenzing combined with the tried-and-tested European Texworld concept.

Having run for over 20 years, Interstoff Asia in Hong Kong is the oldest trade fair for apparel fabrics and at the same time Messe Frankfurt's oldest trade fair export. In 2007 the concept was given a new orientation and at the same time adopted a new name: Interstoff Asia Essential. The focus of the well-received new concept is innovative Asian functional and eco-textiles.



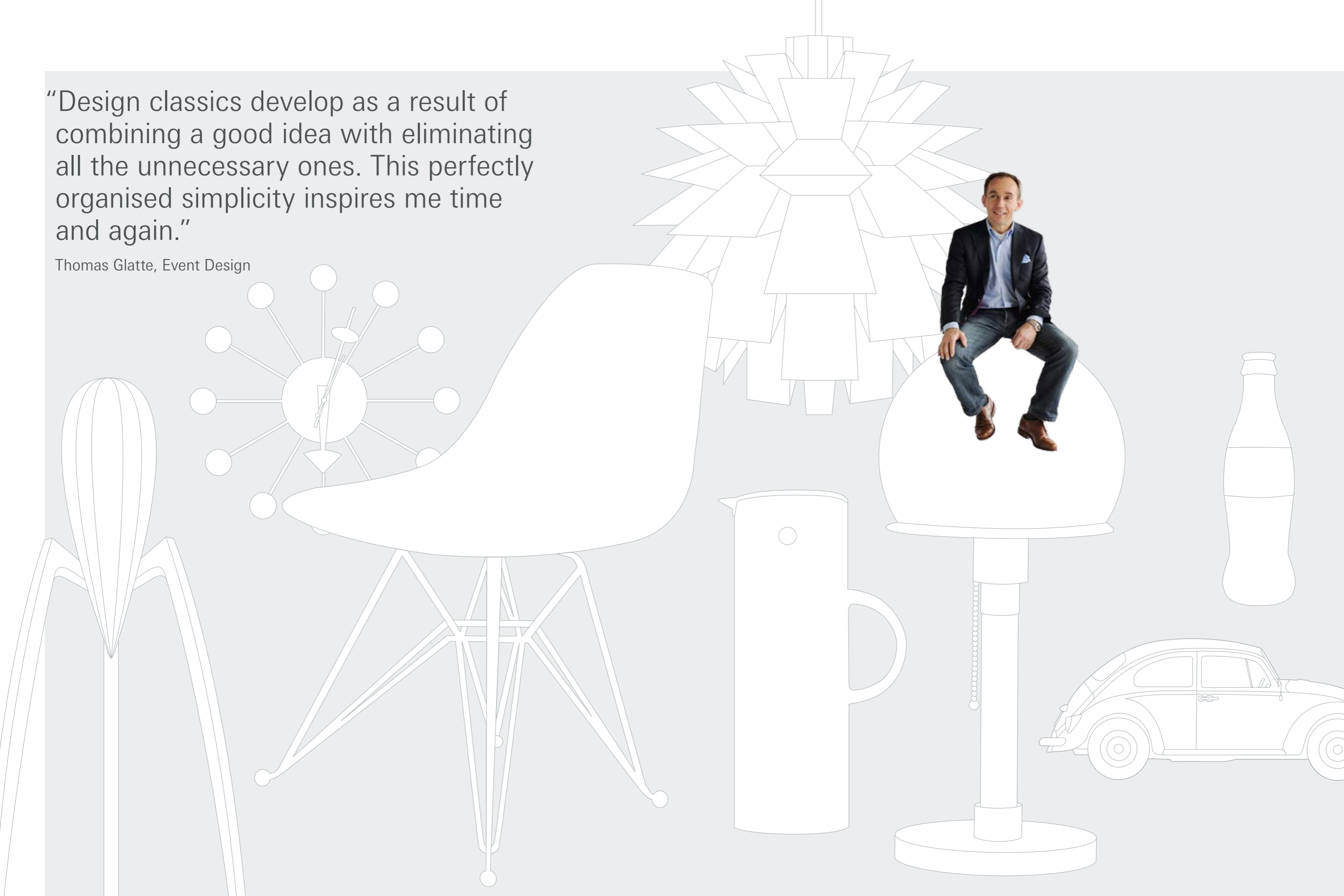
The **Techttextil** and **Avantex** brands stand for the two leading trade events worldwide in the most innovative segment of the textiles industry: technical textiles and high-tech apparel fabrics. Techttextil shows the entire product spectrum of the market for technical textiles and non-wovens in all areas of application – proving in 2007 to be more extensive and differentiated than ever before. The general situation in the sector as a whole was judged in a very positive light, and there was even talk of a quantum leap in industrial applications. Technical textiles are a strong growth market and above all an important export factor for the European economy.

Avantex – International Forum for Innovative Apparel Fabrics – with a symposium and exhibition is held parallel to Techttextil. In 2007 a series of ready-for-production nanotechnology and Bluetooth-based innovations were showcased. The main magnets for visitors were in particular the special show staged by Avantex innovation prize winners and the practically relevant presentation of “smart textiles” for the outdoor, sports, medicine and fashion segments.

In October 2007, Techttextil India opened its doors for the first time – following the Techttextil trade fairs in China, Russia and the USA this is the fourth foreign event staged by this brand. It took place parallel to Heimtextil India and Texworld India in Mumbai. India harbours enormous potential: the government predicts annual market growth of 3.5 per cent and is reckoning in 2008 with a market volume of US \$ 9.15 billion. The German Federal Ministry of Economics and Technology chose Techttextil India as the venue for the “High-Tex from Germany” industrial fair with over 50 exhibitors. The Techttextil Symposium India offered an overview of the global markets, trends, technologies, materials and fields of application. During the conference part, representatives from renowned German textiles research institutes reported on their latest research results and product developments.

“Design classics develop as a result of combining a good idea with eliminating all the unnecessary ones. This perfectly organised simplicity inspires me time and again.”

Thomas Glatte, Event Design





Architecture, technology and design

The Frankfurt flagship fairs for architecture, technology and design present high-end technology in their respective sectors. Proceeding from the Frankfurt home venue, they have been exported as successful marketing platforms to the rest of the world: to the USA, China, Russia, Argentina and the United Arab Emirates.



ISH in Frankfurt

Exhibitors: 2,371
Visitors: 217,663
Exhibition area: 166,004

ISH worldwide

Exhibitors: 115
Visitors: 12,600
Exhibition area: 1,408

light+building

Light + Building worldwide

Exhibitors: 1,910
Visitors: 94,569
Exhibition area: 55,424

Two international showcase fairs turn Frankfurt in alternating years into the number one trade fair venue for architecture, technology and design – the ISH, the world's leading fair for bathroom, building services, energy, air conditioning technology and renewable energies segments, as well as Light + Building, International Trade Fair for Architecture and Technology.

With a record figure of 218,000 trade visitors, the ISH 2007 – the Messe Frankfurt event with the highest attendance figures – chalked up a new all-time high. Against the background of global climate change and dwindling resources, the themes of energy efficiency and renewable energy resources continue to gain in importance at the ISH, where market leaders demonstrate the technological state of the art. Frankfurt is the only venue to provide such a comprehensive overview of energy, building and air conditioning technology. The Bathroom Experience is the world's biggest bathroom show with around 700 exhibitors and 110,000 square metres of exhibition space. This is greatly appreciated by the fairgoers from Germany and abroad, 44 per cent of whom are members of the top management. In 2007, the ISH was even more international, with 1 in 4 visitors in the meantime coming from outside Germany.

In 2008 Light + Building has the leitmotiv of energy efficiency. The more than 2,100 exhibitors include all national and international market leaders, who are keen to show innovations and energy-efficient system solutions from the interdisciplinary fields of lighting, electrical engineering as well as home and building automation. 1,500 companies spotlight the entire spectrum of lighting technology, making Light + Building the world's biggest stage for the lighting industry to combine design and technology. A further 600 manufacturers present technolo-



gies and solutions in the electrical engineering and home and building automation segments. In tandem with Light + Building, ACS – Computer Systems in the AEC Industry – is being held for the second time. In cooperation with the Hesse State Chamber of Architects and Urban Planners (Architekten- und Stadtplanerkammer Hessen), Messe Frankfurt has developed a new concept which combines the exhibition and presentations of the ACS Forum together under one roof in the Congress Center. Light + Building is also for the first time hosting the Fireprotec trade exhibition for preventive fire protection as well as the parallel Baurecht & Brandschutz (Building law & Fire management) Symposium.

Messe Frankfurt's expertise, experience and excellent industry contacts have firmly established the flagship fairs for architecture, technology and design in markets outside Germany.

- In the Middle East, Light Middle East in Dubai showcases the entire spectrum of technical to decorative luminaires as well as intelligent lighting management systems.
- ISH Kitchen + Bath Middle East presents bathroom and kitchen fittings.
- In Argentina, BIEL Light + Building Buenos Aires is the flagship fair for the electrical and lighting technology industry in the South American Mercosur.
- In the United States, ISH North America exhibits the state of the art in heating and building technology and enjoys the backing of the country's major trade associations.
- Asia's biggest lighting fair since 2003 has been the Guangzhou International Lighting Exhibition. This is organised in tandem with Electrical Building Technology Guangzhou. ISH China in Shanghai is Asia's leading event for modern and energy-efficient heating technology.
- In Moscow, Light Russia in September 2008 will for the first time be showing the entire spectrum of decorative luminaires, accessories and lamps – parallel to Heimtextil Russia. Combining these two shows will enable exhibitors to reach a much bigger target group.





materialvision

Material Vision in Frankfurt

Exhibitors: 56
Visitors: 1,314
Exhibition area: 725

In autumn 2007, **Material Vision** – International Trade Fair and Conference – for the third time presented materials for product development, design and architecture. The aim of this event is to accelerate the development of innovative materials into intelligent products and exploit the potential of modern-day materials technology to tap into new markets. The event is organised by Messe Frankfurt with its cooperation partner, Rat für Formgebung (German Design Council).

IFFA

IFFA in Frankfurt

Exhibitors: 908
Visitors: 61,064
Exhibition area: 60,039

IFFA – Leading International Trade Fair for the Meat Processing Industry, Processing, Packaging, Sales – as the showcase fair for the industry in 2007 was the best IFFA for many years: 908 exhibitors, filled order books, a positive economic outlook and a seven per cent rise in visitor figures to over 61,000. Almost every second visitor came from abroad. In addition to the meat processing industry, the butcher's trade forms one of the biggest visitor groups, accounting for 15 per cent of all visitors. IFFA has given new momentum to this dynamically growing market. The most important trade fair in the food sector in South America is the Tecno Fidta – International Food Technology, Additives and Ingredients Exhibition – in Buenos Aires. The last event (in 2006) impressed 15,000 visitors from 16 countries with a wide scope of products and services.



texcare

international

Texcare worldwide

Exhibitors: 135
Visitors: 5,785
Exhibition area: 3,564

Texcare International is the biggest international meeting place for textile care. This is a unique worldwide industry forum for manufacturers from Germany and abroad: companies from all over the world take advantage of Texcare to present their brand new innovations to international trade visitors. The four-yearly rhythm of the event is oriented towards the industry's innovation cycle. Over 200 suppliers have registered for Texcare 2008, including all major international market leaders. In China, Texcare Asia is the leading event in this sector and receives praise from attendees for its international character. This gives them the assurance of meeting leading international manufacturers and being able to present their brand outside China on the world market.

Messe Frankfurt's technical fairs thus form a global network of coordinated events that enjoy the trust of the corporate sector. As partners for international business, they pave the way to the markets of the future.





Automotive technology

Every two years, Automechanika in Frankfurt is one of the world's leading fairs for the automotive industry. The brand is currently represented at 11 other venues besides Frankfurt. In 2009, Automechanika South Africa will add a new one to the list.

Automechanika is the trade fair brand with the most events worldwide. It is the world's biggest trade fair for workshop and services station equipment, automotive parts, accessories and tuning. Every two years, it is the meeting place for the international supplier industry, workshops and dealers. This is where the latest technological developments in the automotive industry are presented with special themes reflecting the hot topics of the day. At Automechanika 2008 the focus is on the climate debate and its impact on the automotive aftermarket: What do the current developments in the area of emission protection and CO2 reduction mean for the automotive parts market?

The Automechanika brand was first established outside Germany 11 years ago with Auto + Automechanika St. Petersburg. In 2007, the second event in Russia, Automechanika Moscow, was launched in the country's capital. The second première in 2007 was Automechanika Canada, which also brought the event to the northern half of the American continent. In Latin America, PAACE Automechanika Mexico and Automechanika Argentina have been the blue chip events in their respective regions for many years already. In Rome, another new

automechanika

Automechanika worldwide

Exhibitors: 4,382
Visitors: 185,985
Exhibition area: 102,550

event serving the entire Mediterranean region opened its doors at the end of January 2008. And 2009 will see yet another new addition: the first Automechanika South Africa, from 18 to 21 March. This brings the number of Automechanika brand events to date to a total of 13 trade fairs: in Russia, Thailand, China, Malaysia, the United Arab Emirates, South Africa, Canada, Mexico, Argentina, Turkey, Italy and the home venue Frankfurt am Main. At all Automechanika trade fairs worldwide, international manufacturers and buyers have the opportunity to come together with national companies and business partners. These fairs especially provide companies in the mid-market corporate sector with a stepping stone to the emerging markets. As long as favourable conditions prevail on the world's markets in this sector, Automechanika will continue to expand in future and develop new trade fairs for the automotive industry.



“My best sources of inspiration are two and five years old, start babbling at six in the morning and don't dry up until it's time for Winnie-the-Pooh to go to bed.”

Andreas Pipperek, Innovation Management





Guest shows and congresses

Guest event organisers at Messe Frankfurt will find all manner and dimensions of premises to suit every conceivable idea and concept. The possibilities for individual space planning at the Frankfurt exhibition centre, combined with service from a single source, make Messe Frankfurt the ideal partner for guest shows, conferences, congresses and special events.

Messe Frankfurt has proved itself a reliable partner for major guest shows thanks to its excellent location paired with modern infrastructure and extensive exhibition services. As a full-service provider, it once again in 2007 contributed to the successful realisation of the concepts of such world-famous brands and crowd-pullers as the **Frankfurt Book Fair**, the **International Motor Show (IAA PKW)**, **EuroMold** and **Airtec**, drawing as many as 15,000 enthusiastic exhibitors and 1.5 million visitors.

The motto "See what's driving the future" attracted more than 971,000 fairgoers to the 62nd International Motor Show Passenger Cars (IAA PKW) at the Frankfurt exhibition centre. As well as numerous world premières in the automotive sector, the show highlighted environmental protection and ecological awareness. This proves that tradition-rich trade fairs in particular generate broad interest in new and innovative themes. At the same time they appreciate Messe Frankfurt as a reliable partner at their side.





Messe Frankfurt also brings its experience and inspirational power to bear in helping new trade fairs to successfully and sustainably position themselves in the market. For example in only five years, **IMEX** has become the leading trade fair for incentive travel, congresses and conferences. In 2007 IMEX notched up the highest figures ever, both on the exhibitor side (3,320) and on the visitor side (8,310). Since its première in 2006, **Airtec** – International Aerospace Supplier Fair – has continued to develop positively and in particular increased the quality of its trade audience. Frankfurt was altogether able to further enhance its position as a guest show venue vis-à-vis the competition. Organisers as well as attendees on the exhibitor and visitor side very positively evaluate the prospects for trade fairs with a national as well as international focus.

Congress Frankfurt is the ideal partner within the exhibition grounds for organisers of congresses and conferences. The wide variety of space-use possibilities permits the development of space concepts tailored individually to the requirements of the respective event. Whether in the Congress Center, the Forum, the Festhalle or one of the exhibition halls: during the past exhibition year, the existing variability made room for 110 congresses and conferences independently of trade fairs, which attracted a total 80,000 attendees. Thanks to the wide variety of different areas, rooms and halls available, at more than half of the congresses Messe Frankfurt was successfully able to integrate accompanying exhibitions and round off conferences with attractive evening events. The conference themes mirror Frankfurt's role as a financial and banking metropolis. Other main focal themes are IT/telecommunications and medicine. The versatile premises within the exhibition grounds also offer the best possible prerequisites for high-ranking companies to hold their annual general meetings. In the completed financial year, for example, Deutsche Bank AG and Stada Arzneimittel AG once again took advantage of this opportunity.

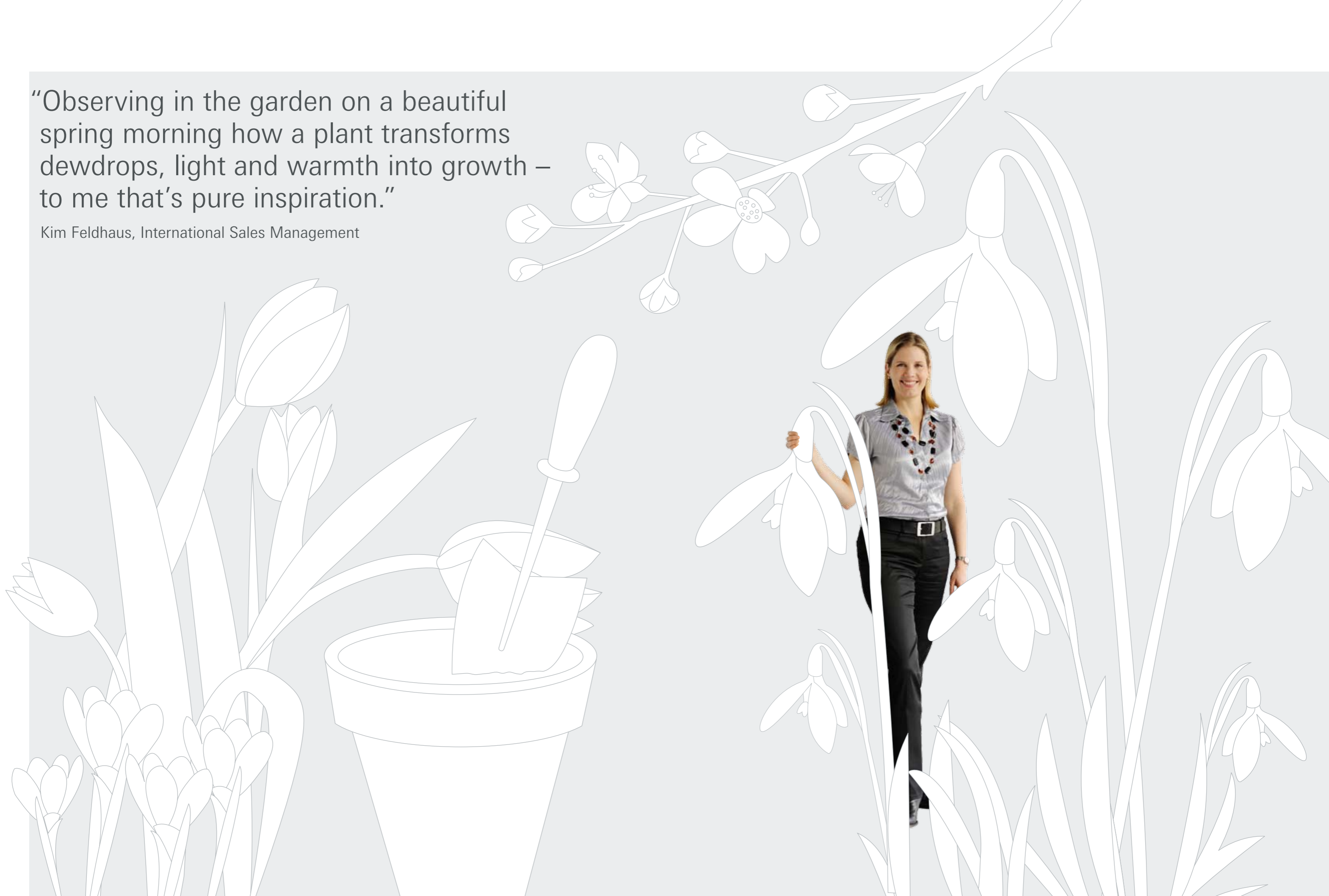
The continued increase in the number of congress enquiries in 2007 points to a growing demand for new congress facilities. To enable it to continue to meet this need in the future and offer guests ample room for their shows and events, Messe Frankfurt will soon be able to provide new congress space: thanks to the construction of the new Hall 11 and in conjunction with the planned Skyline Plaza.

A total of 66 events, including concerts, sporting and showtime events, were hosted across the exhibition complex by the Special Events department in the 2007 financial year. One very special venue offering space for new ideas and fantastic events is the flexible Festhalle Frankfurt, which celebrates its 100th anniversary in 2009. In 2007 some 396,000 guests experienced the unique atmosphere of Messe Frankfurt's oldest hall and enjoyed 21st century events in a historical setting enhanced by state-of-the-art technology. The highlights of the 38 Festhalle events in 2007 included the Dresdner Kleinwort Frankfurt Marathon, the international Festhalle Riding Tournament as well as performances by national and international stars such as Meat Loaf, Joe Cocker, Rod Stewart, Peter Maffay and André Rieu.



“Observing in the garden on a beautiful spring morning how a plant transforms dewdrops, light and warmth into growth – to me that’s pure inspiration.”

Kim Feldhaus, International Sales Management



2007 Group management report of Messe Frankfurt GmbH

I. Report on economic position

General economic trend

The world economy expanded significantly in 2007 and – despite the turbulences on the international financial markets in the second half of the year – grew by around five per cent.¹⁾ World trade – an especially important indicator for the international trade fair industry – rose by 5.4 per cent (after 4.9 per cent in the previous year).

Accelerated above all by domestic demand, the gross domestic products of the Asian emerging economies have recorded substantial growth over the past few years. Asia's share in the world economy has increased considerably as a result. Including Japan, this lies at around 40 per cent in the five-year period from 2001 to 2006. With an unexpectedly high 11 per cent growth, China once again assumed the role of locomotive of the economy in the Asiatic region in 2007.

Although experts estimate that the subprime crisis in the USA probably slowed growth down by around one per cent, nevertheless the US economy grew by 2.2 per cent in the reporting year driven by still strong private consumption and exports.

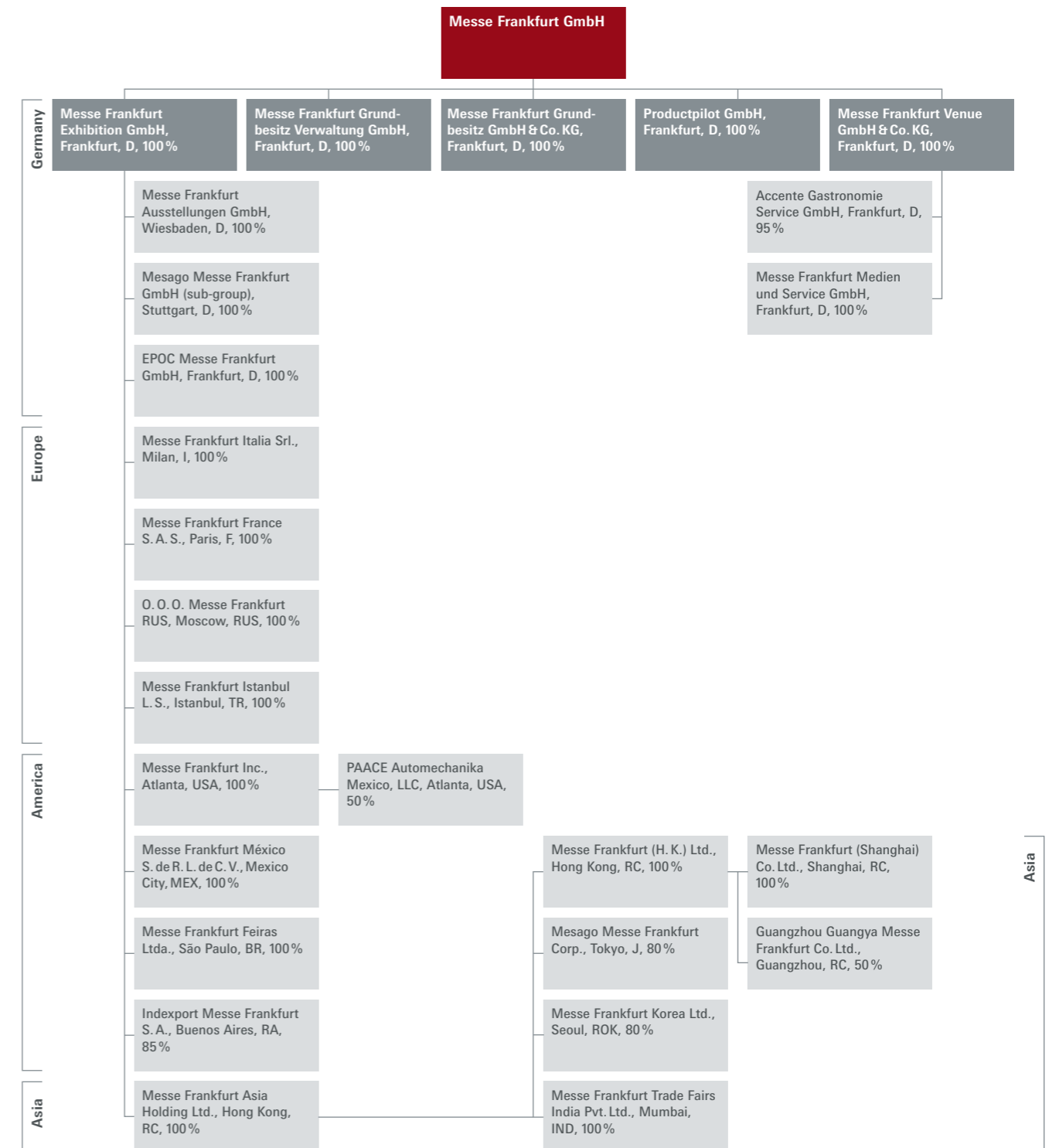
The European Community posted almost three per cent growth in the gross domestic product for the second year in succession. The dynamic growth in Germany, Spain and the UK in particular contributed to this.

In Germany, the cyclical upswing in the economy recorded in the previous year was initially sustained, but lost noticeable momentum towards the end of the year. Real gross domestic product nevertheless rose by 2.5 per cent, a growth which was primarily driven by export trade: German exports went up by eight per cent. After showing a rise of one per cent in the previous year, private consumption, which accounts for 57 per cent of the gross domestic product, once again fell by 0.2 per cent in 2007.

Development of the German and international trade fair sector

Following years of stagnation, the German exhibition sector in 2007 showed the strongest growth rates since the year 2000. All benchmark data – according to preliminary figures published by the Ausstellungs- und Messeausschuss der deutschen Wirtschaft (AUMA) e. V., Berlin (Association of the German Trade Fair industry) – showed stable growth with increases of between 2.5 and 4 per cent. 10.5 million visitors attended the 139 international trade fairs held in Germany in 2007; that is 2.5 per cent more than the previous events. The number of exhibitors rose by 3.5 per cent to 165,000; with those from non-German companies even rising by over five per cent to 90,000. Some 75,000 German companies attended, also representing a rise of 1.5 per cent. The amount of exhibition space booked increased by four per cent to around 6.7 million square metres altogether. The outlook for 2008 and 2009 also gives cause for optimism: according to an AUMA survey, German exhibitors are planning to increase their trade fair expenditure in these two years by six per cent.

Messe Frankfurt corporate group



¹⁾ Source of all economic data: the EEAG Report on the European Economy 2008 and ifo Economic Forecast for 2008, December 2007.

Apart from the EMEA region (Europe, Middle East, Africa), Messe Frankfurt group's German and foreign subsidiaries are active above all in Asia and America. In all these regions, economic experts are increasingly prioritising trade fairs as a marketing instrument. This is reflected in the expansion of exhibition sites. While European exhibition corporations still dominate the global trade fair market with 10.8 million square metres (+44 per cent in the period from 2000 to 2006) of available hall space, exhibition corporations in other world economic regions are catching up. In Asia, for example, the available hall space increased from 2000 to 2006 by as much as 119 per cent to 3.6 million square metres. The rate of increase in North America over the same period was 49 per cent, bringing the amount of available space to almost 3.0 million square metres. In Central and South America, hall capacities grew by 53 per cent to 1.0 million square metres.

Objectives and strategies of the Messe Frankfurt corporate group

The Messe Frankfurt group once again consistently pursued its goal of continuous, profitable and sustained growth in 2007. Economic soundness, foresighted planning and flexibility are the indispensable preconditions for success in the increasingly competitive environment of the German, European and international trade fair sector. Messe Frankfurt continued to follow its four strategic roads to growth – broadening international scope, alliances, innovation and diversification – in the year under review. The following areas of action have been singled out to promote effectiveness and efficiency:

- Customer focus
- Controlled internationalisation
- Best portfolio
- Innovation
- Diversification
- Internet/Virtual marketplaces
- Efficient process organisation

Customer focus – As a constituent part of the “product” trade fair, the customer plays a particularly important role in the trade fair industry. It is therefore inherent to the day-to-day business of any exhibition maker to gauge and assess the wishes of customers, exhibitors and visitors and incorporate these when developing a new concept for an event. Customer satisfaction is generally regarded as the result of a comparison and evaluation process between customers' performance expectations and their perception of performance. This is established first and foremost by questioning exhibitors and visitors at the trade fairs. However, the expectations of former and potential customers are also of interest. The impression customers have of the trade fair, in other words how they evaluate the success of their participation or their visit, as well as their experience with the management processes and the exhibition staff, are the factors that determine customers' satisfaction and, ultimately, their loyalty. And above all loyal customers are what every company needs to ensure sustained success.

With this in mind, Messe Frankfurt Exhibition has since 2001 established a so-called satisfaction index for its own events, which provides an extensive performance evaluation from the customer's perspective. This valuation supplements the predominantly quantitative parameters obtained by evaluating performance with the help of qualitative criteria. The results can be used to derive possibilities for managing necessary concept adaptations. One example of a conceptual change resulting from a customer survey will take effect from 2008: Tendence Lifestyle, the oldest and most tradition-rich trade fair in Frankfurt, will relinquish its original date at the end of August and be brought forward to the early-July date before the holiday season. Under the umbrella name Decorate Life, Tendence will take place together with Collectione, The Design Annual and the two new supply and lifestyle worlds Young Living and Outdoor Living.

Fully in the interests of our innovative customers is the “Messe Frankfurt against Copying” initiative. At all own events organised by Messe Frankfurt Exhibition, experts and exhibition staff advise exhibitors and visitors at a central stand on how they can protect their trademarks and the design of their products against piracy and also enforce this protection. Messe Frankfurt is supported in this effort by the relevant official authorities and private initiatives working in the field of industrial property rights. These include the European Office for Harmonisation in the Internal Market: Trademarks and Designs, the German Patent and Trademark Office, the Industrial Property Rights Department of German Customs, the Enterprise Europe Network as well as the Anti-Product Piracy Campaign Committee of German Industry, and the Plagiarius campaign. With this initiative, Messe Frankfurt triggered comparable campaigns conducted by other exhibition corporations. The encouraging result so far: in 2007, customs officers at Frankfurt trade fairs confiscated over 50 per cent fewer articles than in the year before.

Controlled internationalisation – Broadening the international scope of trade fair operations – a hallmark of Messe Frankfurt – is being accelerated in two directions: on the one hand internationality is being promoted by organising trade fairs outside Germany. On the other hand, Messe Frankfurt is concerting efforts to internationalise its flagship fairs in Frankfurt. The higher the level of internationality of events, the higher their quality. More than 66 per cent of exhibitors and 38 per cent of visitors travelled from outside Germany to the international own events held at the Frankfurt exhibition venue in 2007. These indicators are proof of maximum customer benefit both on the supply and demand side. They underscore the quality of the events, as a high level of internationality stands for maximum market transparency. By way of comparison: the AUMA puts the average rates for Germany as a trade fair venue at 54 per cent for exhibitors and 23 per cent for visitors.

Messe Frankfurt's event operations outside Germany are gaining in importance from year to year. With 68 events, the number of Messe Frankfurt trade fairs abroad in 2007 was as high as in 2005 due to the rotation of events (2006: 64). The more than 22,900 exhibitors attracted nearly a million visitors worldwide. Foreign trade fair operations are predominantly being expanded through the further development of the brand strategy. In the interests of customers – as well as from a strategic point of view – Messe Frankfurt's brand strategy aims to counter the risk of competitors abroad occupying Frankfurt themes and thus possibly encroaching upon the Frankfurt events. The brand events abroad are beneficial for a number of reasons: on the one hand through their clear positioning within the global trade fair competition they protect the Frankfurt flagship shows and brands. On the other hand, through mutual communication, they permit the long-term acquisition of international customers. The brand events abroad permit the sectors and customers that attend the flagship fairs to be supported around the world and the level of internationality to be increased.

Both internationalisation strategies are supported by an international organisation with 16 subsidiaries, five branch offices and 48 sales partners with responsibility for more than 150 countries.

Best portfolio – In the wake of globalisation, the trade fair industry has undergone a significant process of change worldwide over the past few years. Messe Frankfurt has participated in this development, to a large extent been instrumental in bringing it about and benefited from it. The primary corporate objective in this was to grasp market opportunities in order to occupy expanding markets with its own themes and to be present with a wide variety of events. The challenges now lie in reviewing the strategies and concepts so far in place, identifying strengths and further promoting them. Following a phase of growth, Messe Frankfurt must now focus on consolidation and concentration on its core competences in the field of consumer goods, textiles, technology and guest events as well as further developing its established events worldwide.

Innovation – In the trade fair sector, the route to innovation is multidimensional. Trade fairs by definition act as pacesetters for their customers' innovations by offering them an early platform to present future themes, new products, trends and fashions. What's more, Messe Frankfurt itself acts as an innovator, on the one hand by permanently adapting its trade fair concepts to new market developments, and further by highlighting trends at its events through special presentations and publications and honouring pioneering product innovations of its exhibiting customers. On the other hand it is also expanding its own product range. The focus of new product developments was clearly outside Germany. For example, 11 new events were launched worldwide in the reporting year, two in America, four in Europe and five in Asia. The majority of these were so-called brand events, in other words trade fairs that have a comparable nomenclature and comparable standards with a flagship fair usually held in Frankfurt. Examples in this category are the new Automechanika Canada, Ambiente Rossija Spring, Automechanika Moscow, Light Russia and Techtextil India. In addition to these events, Asiamold presented the Asian counterpart to EuroMold, one of the most important guest events in Frankfurt. With Beautyworld Marketplace Matchmaking in Istanbul, a new event format also celebrated its market debut. The Matchmaking events are business contact exchanges with selected visitors. This new communication platform aims to complement the existing offer of trade fairs.

Diversification – The foundation stone for a new business segment was laid in two senses in 2007: the construction of a new Cargo Center at the Frankfurt exhibition site led to a reorganisation of the entire trade fair forwarding logistics. Messe Frankfurt thus now also acts as contractor and direct contact for the logistics services within the exhibition grounds. This service is being offered for the first time for the spring fairs 2008 in Frankfurt.

Internet/Virtual market places – Launched at the beginning of 2006, the Productpilot cross-sectoral buyer and exhibitor portal is being continuously developed and expanded. With the launch of the German-language version, Messe Frankfurt is answering the needs of German users and thus ensuring the more intuitive and convenient use of the business search engine on its home market. Productpilot records a constant flow of visitors, not only during the respective events: the number of registered users on www.productpilot.com rose to 15,000 in 2007 (previous year 12,000). At the same time, Productpilot chalked up more than five million visits to exhibitor websites. Altogether 65 million page views were counted. In the reporting year, this business segment, which was developed by the Messe Frankfurt Medien und Service GmbH subsidiary, was spun off into the independent Productpilot GmbH.

Efficient process organisation – Following the phase of growth, the focus in the reporting year was placed on increasing the effectiveness and efficiency of group operations. The aim was to create greater transparency and reduce complexity by consolidating the strongly expanded group. The first steps in this direction have already been undertaken in the form of a group manual of applicable rules which aims to establish group-wide Messe Frankfurt standards and like this improve cooperation between the group companies. This manual is supported by defining inter- and intra-company processes. The task is to identify and evaluate critical success factors for the processes. This is done through proactive process and project management within the scope of a continuous improvement process.

In order to enhance the effectiveness of operations, sales of the own events organised by Messe Frankfurt Exhibition GmbH and its subsidiaries around the world were reorganised. In this context, contracts with the sales partners and subsidiaries were reviewed and updated. Furthermore, the sales planning process and related process steps were analysed and standardised for all parties concerned. This will in future enable Messe Frankfurt to more precisely define sales targets. The sales partners, on the other hand, can align their resources planning with the group sales targets in a timely manner.

The new sales planning and controlling processes will enable Messe Frankfurt to initiate appropriate steps early on to win new visitors and exhibitors in the event of major deviations.

II. Presentation of development of business

Performance ratios

Trade fairs and exhibitions

Messe Frankfurt group's core business is on the one hand the hosting of trade fairs and exhibitions in its core areas of competence consumer goods, textiles and technology fairs. These are organised by Messe Frankfurt Exhibition. Furthermore, through its Messe Frankfurt Venue subsidiary, the group also markets exhibition space to trade fair organisers and provides the related infrastructure and services.

Overall activities of Messe Frankfurt in 2007

	Number	Exhibitors	Net area* (in '000 m ²)	Visitors (in '000)
Trade fairs and exhibitions				
– at the Frankfurt venue	36	38,038	1,422	2,475
– at other venues in Germany	8	3,097	93	101
Total Germany	44	41,135	1,515	2,576
Other countries	68	22,955	516	981
Total trade fairs and exhibitions	112	64,090	2,031	3,557
Other events	247			482
Total activities	359	64,090	2,031	4,039

* including special show space

The focus of the events held at the Frankfurt venue are the international flagship shows. They bring together the relevant international supply and the respective demand in continental Europe. By virtue of their size and internationality, some of these shows even have a stand-alone position or only very few competing events.

The operations of the foreign subsidiaries are based on three pillars: hosting own trade fairs, marketing trade fair participations of Messe Frankfurt Exhibition worldwide and marketing customer services within the framework of so-called turn-key business (leasing of complete stands and other services). The own events are for the most part brand trade fairs. These are oriented towards a flagship fair in terms of name, nomenclature and services. Since unlike in Germany, international trade fair markets are not concentrated around just a few major exhibition centres, the flagship fair standard as it is realised in Frankfurt cannot be translated to the overseas regions. Due to the different outreach of the shows in terms of exhibitors and visitors, it is very difficult to clearly delimit the relevant trade fair market. That is why the trade fair industry does not produce any fixed definitions of the achieved market share.

The Messe Frankfurt group staged 112 trade fairs and exhibitions worldwide in the reporting year. Altogether, around 64,100 exhibitors and 3.6 million visitors were counted; the total net leased area was more than 2.03 million square metres. These were complemented by 247 congresses, conventions and other events at the Frankfurt venue which attracted around 481,900 visitors. Thus, all Messe Frankfurt group events taken together drew 4.04 million visitors in 2007.

The group's exhibition centre in Frankfurt was the venue for 36 trade fairs altogether, including 16 events organised by Messe Frankfurt Exhibition GmbH and a total of four by the two German event subsidiaries Mesago Messe Frankfurt GmbH, Stuttgart (1) and Messe Frankfurt Ausstellungen GmbH, Wiesbaden (3). The 20 own group events in Frankfurt recorded around 22,600 exhibitors and around 919,500 visitors. Around 995,900 square metres of exhibition space was booked.

The guest events business segment of Messe Frankfurt Venue counted some 15,500 exhibitors at the 16 trade fairs, who presented their product ranges on 426,000 square metres, as well as more than 1.5 million visitors. The major guest events in 2007 included the biennial International Motor Show Passenger Cars (IAA PKW) as well as annual events Book Fair, EuroMold, IMEX and Airtec. Following the successfully concluded contract renewals with AICHEM and the Book Fair in the previous year, the skeleton agreement with Demat GmbH for EuroMold, the fourth largest guest show, was extended in 2007 for a further five years. Furthermore, the cooperation with Demat was placed on an even broader footing: together with the guest organiser, Messe Frankfurt puts on a foreign trade fair, Asiamold in Guangzhou.

A total of 12 trade fairs were organised in 2007 by Mesago Messe Frankfurt GmbH and its subsidiaries as well as Messe Frankfurt Ausstellungen GmbH, four at the Frankfurt venue and the remainder at other trade fair venues in Germany. Altogether 2,751 exhibitors and around 85,900 visitors were counted at the six trade fairs staged by Mesago Messe Frankfurt; 82,700 square metres of space was leased. The corresponding figures for the six trade fairs organised by Messe Frankfurt Ausstellungen GmbH were 1,249 exhibitors, around 72,100 visitors and 30,000 square metres. Thus a total of 28 own group events were held in Germany in 2007 with 25,660 exhibitors and 1.02 million visitors on more than 1.1 million square metres of exhibition area.

Messe Frankfurt's foreign operations chalked up new records in the reporting year: the number of exhibitors at the 68 events rose by 10.9 per cent to over 22,900. Visitor figures nearly topped the one million mark. Asia remains the regional focus of overseas business with 29 events in the reporting year, 19 of which were held in China alone. Although this is currently the area of strongest growth, Messe Frankfurt is not disregarding the attractive markets of the EMEA (Europe, Middle East, Africa) economic area as well as North and South America either. In the boom region around Dubai alone, ten events were held in 2007. From Canada to Argentina, Messe Frankfurt's subsidiaries organised 19 trade fairs in the year under review.

In addition to these, 16 German pavilions were organised at foreign trade fairs. These involved the planning and realisation of trade fair participations organised on behalf of the Federal Ministry of Economics and Technology. They facilitate entry into the market in the respective country for small and medium-sized enterprises.

Congresses, conventions and Festhalle events

In addition to guest trade fairs and exhibitions, Messe Frankfurt Venue also organises congresses and conventions as well as Festhalle events. In the completed financial year, the Congress Frankfurt department supervised 110 congresses and conferences independently of trade fairs, attracting a total of some 80,000 participants to the Frankfurt exhibition complex. The main focal themes of the congress programme are in the fields of science, medicine, IT and the finance sector. The main events included the Deutscher Schmerztag (German Interdisciplinary Pain Congress), the AGM of Deutsche Bank AG, the SAP Congress for Banks and Euro Finance Week. The "Conventure" department – Messe Frankfurt's professional congress organiser – held six congress events which drew 5,200 visitors.

The tradition-rich and versatile Festhalle festival hall was the principal venue for the 66 cultural, sporting or social events held at the exhibition centre, which welcomed around 396,000 visitors. The highlights in the reporting year included the "Four Seasons", Best of Musical, Tokio Hotel, Meat Loaf, Peter Maffay and Nokia Night of the Proms concerts as well as the equestrian gala Apassionata. The sporting attractions were the Dresdner Kleinwort Frankfurt Marathon with finishing line in the Festhalle and the traditional Festhalle Riding Tournament featuring top international riders.

Infrastructure development – 2010 master plan

Within the scope of the modernisation and extension of the Frankfurt exhibition grounds, the foundation stone for the new Hall 11 was laid on 8 October 2007. By 2009, two buildings are scheduled for completion: the two-storey Hall 11 which will offer around 24,000 square metres of exhibition space as well as the separate West Entrance Terminal. Together, the two buildings will have a gross floor area of some 78,000 square metres. For Messe Frankfurt, the new buildings in the western section of the exhibition complex are not only a core project within the scope of the urban development of the adjacent European Quarter (Europaviertel), but also a fitting counterpart to the eastern part of the exhibition grounds. The investment costs for the biggest building project of the next two years amount to €198 million, which Messe Frankfurt is financing through group funds and bank loans. The complex is being built by the Max Bögl/Lausser consortium according to plans designed by the architectural bureau Hascher Jehle (Berlin).

In November 2007 the new 6,000 square metre Cargo Center was completed, where the logistics for the entire exhibition grounds is concentrated. This logistics centre, which has had an office building added, will enable Messe Frankfurt to expand its services offering to its customers. On the one hand this will in future ease the volume of traffic around the exhibition complex and also make it possible to better coordinate and consolidate forwarders' incoming tours and deliveries. On the other hand, Messe Frankfurt Venue GmbH & Co. KG intends to develop the forwarding activities into a separate business segment of its own.

III. Description of the position of the company

Sales development 2005–2007

	2005 € m	2006 € m	2007 € m	Change compared to 2006 in % ⁴⁾	
				2005 in % ⁴⁾	
Germany					
Messe Frankfurt GmbH, Frankfurt	0.1	0.0	0.2	++	100.0
Messe Frankfurt Exhibition GmbH, Frankfurt	176.6	190.0	193.0	1.6	9.3
Messe Frankfurt Venue GmbH & Co. KG, Frankfurt	69.4	67.6	72.5	7.2	4.5
Messe Frankfurt Ausstellungen GmbH, Wiesbaden	6.1	5.9	4.9	-16.9	-19.7
Mesago Messe Frankfurt GmbH, Stuttgart ¹⁾	16.5	18.6	20.8	11.8	26.1
Messe Frankfurt Medien und Service GmbH, Frankfurt	11.2	15.2	15.7	3.3	40.2
Accente Gastronomie Service GmbH, Frankfurt	20.7	20.8	22.6	8.7	9.2
Total Germany	300.6	318.1	329.7	3.6	9.7
Other countries					
Messe Frankfurt France S. A. S., Paris	11.4	12.3	15.4	25.2	35.1
Messe Frankfurt Italia Srl., Milan	0.8	1.1	0.8	-27.3	0.0
Messe Frankfurt Istanbul L. S., Istanbul	0.8	0.0	0.9	++	12.5
O. O. O. Messe Frankfurt RUS, Moscow	2.5	2.6	3.2	23.1	28.0
EPOC Messe Frankfurt GmbH, Frankfurt/Dubai	9.1	9.8	9.2	-6.1	1.1
Messe Frankfurt Asia Holding Ltd., Hong Kong ²⁾	35.0	43.6	49.0	12.4	40.0
Messe Frankfurt Inc., Atlanta ³⁾	7.6	8.8	5.6	-36.4	-26.3
Messe Frankfurt México S. de R. L. de C. V., Mexico City	4.1	2.9	1.8	-37.9	-56.1
Messe Frankfurt Feiras Ltda., São Paulo	3.6	3.4	3.8	11.8	5.6
Indexport Messe Frankfurt S. A., Buenos Aires	3.2	3.5	4.2	20.0	31.3
Total other countries	78.1	88.0	93.9	6.7	20.2
Group sales	378.7	406.1	423.6	4.3	11.9

1) sub-group

2) sub-group including the subsidiaries: Messe Frankfurt (H. K.) Ltd., Hong Kong; Messe Frankfurt (Shanghai) Co. Ltd., Shanghai; Mesago Messe Frankfurt Corp., Tokyo; Messe Frankfurt Korea Ltd., Seoul; Messe Frankfurt Trade Fairs India Pvt. Ltd., Mumbai

3) including PAACE Automechanika Mexico, LLC, Atlanta

4) deviations of more than 100% are shown with ++ or --

Results of operations

With a new all-time high in 2007 of €423.6 million, the successful 2007 financial year is also mirrored in the rise in group sales. The increase over the previous year amounted to €17.4 million, or 4.3 per cent, and was for the main part generated by Messe Frankfurt Venue GmbH & Co. KG, Messe Frankfurt Exhibition GmbH and the companies in France and Asia. Measured against the year 2005, which by virtue of its event structure lends itself better to comparison, this corresponds to an increase of as much as €44.9 million or 11.9 per cent.

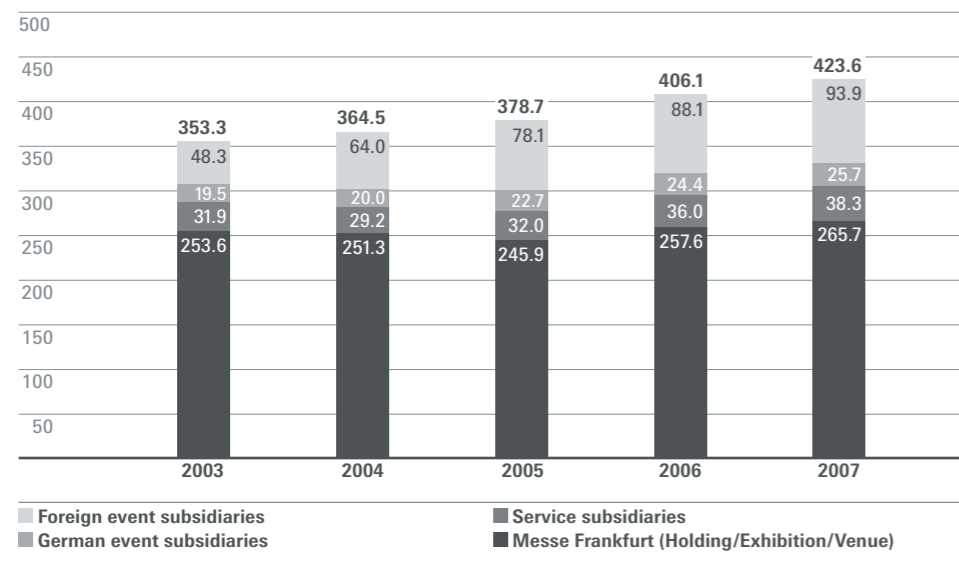
Messe Frankfurt Exhibition GmbH with its key international flagship fairs is the mainstay of group sales and generated a consolidated €193.0 million (previous year: €190.0 million). The rise in sales (+1.6 per cent) can largely be explained by the first-time billing of the mandatory registration of the Productpilot Internet platform as well as the two-yearly rhythm of the ISH. The rise of 9.3 per cent compared to the more readily comparable year 2005 can be attributed to the fact that in 2007 the IFFA, which has a three-yearly rhythm, also took place.

The online platform "productpilot.com" provides the group with a cross-sector database that enables visitors to rapidly research exhibitors of Messe Frankfurt Exhibition and their products online.

For Messe Frankfurt Venue, uneven years are strong event years by virtue of the International Motor Show (IAA PKW). Sales of €72.5 million (+7.2 per cent) were posted. Totalling approx. 45.6 per cent and 17.1 per cent respectively, these two companies account for the largest shares of group sales.

Together with the service subsidiaries Accente Gastronomie Service GmbH and Messe Frankfurt Medien und Service GmbH, which also posted excellent results, consolidated sales of €304.0 million were generated at the Frankfurt venue, corresponding to around 72 per cent of group sales (year for year 2006: €293.6 million or 72 per cent; 2005: €277.9 million or 73.4 per cent).

Group sales development (consolidated) in € m



Messe Frankfurt Ausstellungen GmbH posted a drop in sales of €0.9 million compared to the previous year due to the rotation of Marketing Services (Frankfurt) and realised €4.9 million. Mesago Messe Frankfurt achieved a significant earnings increase compared to the previous years (+€2.2 million or +11.8 per cent) driven especially by the continued positive development of SPS/IPC/Drives, International Exhibition & Conference on Electric Automation, and at €20.8 million recorded its highest sales level to date.

Business was especially encouraging on the international front. With a total of €93.9 million, sales of the foreign subsidiaries were €5.8 million or 6.7 per cent higher than in the preceding period. This rise can be explained especially by the trade fair activities in Asia (+€5.4 million) and in France (+€3.1 million). The subsidiaries in Turkey, Argentina and Russia also contributed to the positive sales trend. The decline in sales posted by Messe Frankfurt in the USA is accounted for by the biennial rotation of the ISH and Techtexil North America events. The Mexican subsidiary on the other hand reorganised its event portfolio.

The main driving forces of sales outside Germany were therefore the subsidiaries in Asia (€49.0 million), Paris (€15.4 million) and Atlanta including PAACE Automechanika Mexico (€5.6 million) as well as the branch in Dubai (€9.2 million).

The contribution of the foreign subsidiaries to consolidated group sales was 22.2 per cent, compared to 21.7 per cent in the previous year. Thus foreign sales have more than doubled over the past five years. Taking the last seven years into account, sales have even almost tripled.

Operating result

With a figure of €43.5 million prior to taxes on income, the consolidated group posted earnings of €4.7 million or 9.7 per cent below the previous year's level. The main reason for this was a decline in other operating income of €14.5 million to €15.0 million. At €29.5 million, this account was very high last year due to an extraordinary item (€9.0 million) of Messe Frankfurt Grundbesitz GmbH & Co. KG from the refinancing of this company. Furthermore, in the 2007 financial year, reversals of provisions were around €4.0 million lower than in the previous year.

Apart from operating income from the annual write-back of deferred income as well as the reversal of the equity-similar special reserve for the financial contribution to fixed assets (each at €2.1 million), other operating income principally includes the reversal of provisions (€4.9 million) for unperformed maintenance work which was not carried out for reasons of time.

Income stands vis-à-vis operating expenses totalling €392.5 million, which is €8.8 million or 2.3 per cent higher than in the prior period.

With an increase of 4.9 per cent, event-related expenses rose almost in line with the sales trend (+4.3 per cent) by €9.6 million to €207.3 million. This corresponds to a cost/income ratio of 48.9 per cent, which is comparable with the previous years' level. Personnel expenses showed a disproportionately high increase. The 8.5 per cent increase in expenses was due to the recruitment of 77 additional employees in the group, bringing the number to 1,471, and salary adjustments. This results in a personnel ratio of 19.9 per cent in 2007, which is slightly higher than the previous year's level of 19.1 per cent. Depreciation, amortisation and write-downs and other operating expenses on the other hand showed a decline compared to the previous year. The main reason for this was that trademark rights and copyrights were written down completely in the prior period.

The financial result amounts to €0.6 million following -€0.9 million last year. As well as interest income from securities and investments (€8.1 million), this included interest expenses amounting to €7.5 million. These result from a bank loan taken out at the end of 2006.

Net of taxes on income (€15.9 million), as well as other taxes (€3.1 million), the group recognised consolidated net income for the financial year of €27.6 million, a slight increase over the previous year (€27.5 million). This produces a return on sales after taxes of 6.5 per cent (previous year 6.8 per cent) and a return on equity of 8.1 per cent (previous year 8.4 per cent).

Profit development 2005–2007

	2005 € '000	2006 € '000	2007 € '000	Change compared to	
				2006 in %	2005 in %
Earnings before taxes on income	40,676	48,220	43,548	-9.7	+7.1
Taxes on income	18,249	20,730	15,899	-23.3	-12.9
Consolidated net income for the financial year	22,427	27,490	27,649	0.6	23.3

Taking the EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation) earnings ratio into consideration, at €91.4 million Messe Frankfurt achieved a result that is €10.9 million below the previous record year 2006 (€102.3 million). As a percentage of sales, the EBITDA margin for the financial year is 21.6 per cent.

EBITDA development 2005–2007

	2005 € '000	2006 € '000	2007 € '000	Change compared to	
				2006 in € '000	2005 in € '000
Consolidated net income for the financial year	22,427	27,490	27,649	159	5,222
Taxes on income	18,249	20,730	15,899	-4,831	-2,350
less financial result	-846	861	-584	-1,445	262
Depreciation, amortisation and write-downs	48,541	53,217	48,484	-4,733	-57
Consolidated EBITDA	88,371	102,298	91,448	-10,850	3,077

The following presents the results before consolidation of the companies and sub-groups included in the consolidated financial statements.

Messe Frankfurt GmbH as parent disclosed a net income for the financial year of €23.3 million, after €4.5 million in the previous year. This increase of €18.8 million can for the most part be attributed to the financial result which due to the higher profit distribution (+€17.5 million) of Messe Frankfurt Exhibition GmbH and Messe Frankfurt Grundbesitz GmbH & Co. KG and improved net interest income (+€1.3 million) was significantly higher than in the prior period.

Messe Frankfurt Exhibition GmbH reported earnings before taxes on income of €19.2 million (previous year €7.5 million) and a net income for the financial year of €18.7 million (previous year €1.8 million). The rise compared to the previous year is mainly due to the higher profit distributions included in the financial result (+€4.6 million) above all from the sub-group in Asia and the subsidiaries in the USA and Stuttgart. On the other hand, the previous year had to take into account non-recurring effects (a write-down of the investment in the Brazilian subsidiary as well as interest and tax charges arising from an external audit).

Showing a net income for the financial year of €8.3 million, Messe Frankfurt Venue GmbH & Co. KG was once again able to surpass the previous year's result by €0.8 million. Compared to 2005, which lends itself better to comparison, profit was even up by as much as €3.8 million. In addition to the plus in sales due to the International Motor Show Passenger Cars (IAA PKW), this is mainly accounted for by the significantly improved financial result. This includes the profit results of Messe Frankfurt Medien und Service GmbH and Accente Gastronomie Service GmbH totalling

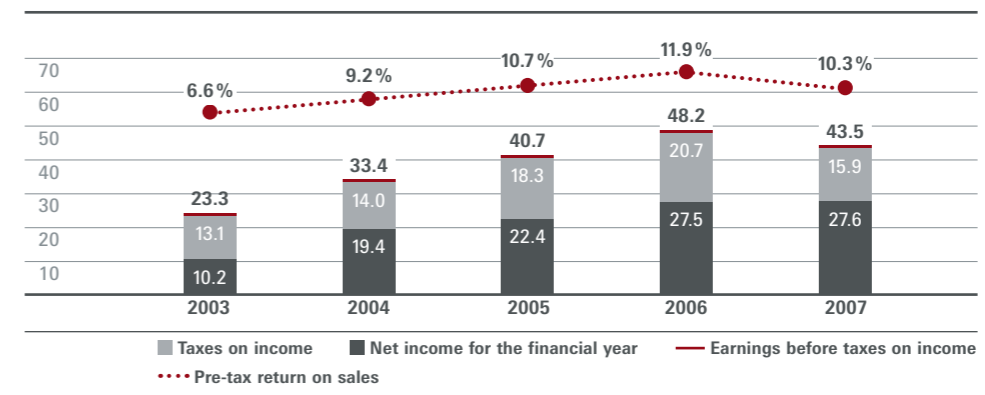
€11.7 million (previous year €6.8 million), which were recognised by Messe Frankfurt Venue GmbH & Co. KG on the basis of existing profit and loss transfer agreements. The rise of €4.9 million is attributable – in addition to the positive business development of these two companies – above all to separate proceeds generated by Messe Frankfurt Medien und Service GmbH from the sale of the Productpilot business segment to the group-owned Productpilot GmbH.

The operating results of the German and foreign subsidiaries of Messe Frankfurt Exhibition GmbH showed a differentiated development, which, however, on balance produced a result significantly above that of the previous year. The net retained profits add up to €14.9 million in the 2007 financial year, following €10.8 million in the previous year.

Particularly encouraging are the results of the Asian sub-group, which improved on 2006 (€6.5 million) with earnings of €7.4 million in the year under review. The main driving force behind this dynamic development was Messe Frankfurt (H. K.) in Hong Kong. However, with a net income for the financial year of €4.8 million, the German subsidiary Mesago Messe Frankfurt GmbH in Stuttgart also once again boosted its profits (previous year €4.3 million). The French subsidiary with €2.6 million (previous year €1.8 million) and Messe Frankfurt Istanbul L. S. with €0.5 million also made notable contributions to the overall result.

In Brazil, the scheduled events were held as planned. However, it was once again not possible to achieve a positive operating result. Therefore, as decided in 2006, further preparations were made in 2007 for the company's liquidation. The staff involved in event operations were discharged in the second half of the year. Against this background, the Brazilian company again recognised a net loss for the financial year of €0.5 million, following €3.9 million in the previous year. Smaller losses were also posted by the subsidiaries in Mexico, Italy and Argentina.

Earnings before taxes on income and pre-tax return on sales 2003–2007 (in € m)



Net assets and financial position

The fixed assets of the Messe Frankfurt group are made up primarily of land and buildings as well as trade fair rights and goodwill. In the year under review, additional investments were made amounting to around €105.4 million (previous year: €63.9 million). Of this amount, €13.7 million is apportioned to intangible fixed assets. Apart from the investment costs for trade fairs, this also includes the acquisition of the additional shares in Mesago Messe Frankfurt GmbH, as well as a purchase price adjustment for existing holdings. Investments in tangible fixed assets were apportioned in a large part (€53.6 million) to the construction of the new Hall 11 and the associated

infrastructure measures in the western section of the exhibition grounds (€7.3 million), as well as the completion of the Cargo Center (€3.8 million). The core refurbishment of the "Torhaus" administrative building is reflected in the result with €6.9 million and the renovation of the Festhalle with €1.4 million. Additions to fixed assets were also posted for various operating facilities in the halls and for operating and office equipment.

Net of disposals of fixed assets (€4.6 million) and depreciation, amortisation and write-downs amounting to €48.5 million, fixed assets totalling €597.0 million (previous year: €541.6 million) are shown in the balance sheet at year's end 2007, which corresponds to a share of around 77 per cent of total assets (€778.1 million).

Current assets fell by €77.9 million to €179.2 million. The decline resulted in particular from a lower level of cash-in-hand and bank balances (–€83.2 million) as well as securities holdings (–€6.0 million) due to the higher capital expenditures and a decline in payments received on account of orders due to the rotation of events. Other assets decreased by €2.5 million as a result of lower tax receivables. Trade receivables, by contrast, were €13.8 million higher than in the previous year due to the rotation of events. This rise can be attributed to Messe Frankfurt Venue, the French subsidiary and the sub-group in Asia.

On the equity and liabilities side, €339.7 million is shown in the balance sheet under equity on the basis of the agreed appropriation of profits (distribution to the shareholders of €26.0 million) and the earned net income for the 2007 financial year (€27.6 million). This is €0.6 million lower than the previous year's figure (€340.3 million). This corresponds to an equity ratio of around 44 per cent and leads to an equity/fixed assets ratio of around 57 per cent. Together with the equity-similar special reserve for subsidies or grants for the acquisition of fixed assets (€38.3 million), as well as deferred income, which for the most part is also available over the long term, of €40.7 million and long-term provisions for pensions (€10.7 million) and the long-term bank loan (€119.0 million) taken out at the end of 2006, the equity/fixed assets ratio increases to 93 per cent.

Provisions decreased by €3.4 million compared to the previous year to €75.5 million. Apart from the separately disclosed provisions for pensions and taxes, these primarily include provisions for deferred maintenance and building modernisation commitments, indemnification claims from agents, claims from employees, as well as outstanding invoices amounting to €52.1 million (+€1.4 million) in total.

Group liabilities amount to €284.0 million (previous year: €297.7 million). This corresponds to around 36 per cent of total equity and liabilities, and leads to a debt/equity gearing ratio of around 84 per cent compared to around 88 per cent in the previous year. The decline results on the one hand from the regular repayment of the bank loan for Messe Frankfurt Grundbesitz GmbH & Co. KG in the amount of €6.8 million. On the other hand, payments on account received from exhibitors for the trade fairs in Q1 2008 decreased by €32.2 million. This drop over the previous year can be attributed to the biennial rhythm of the ISH trade fair, which is not scheduled in 2008, as well as the changeover of the treatment for posting VAT on payments received on account from the gross to the net method. By contrast, trade payables rose as a result of building activities by €5.1 million, and other liabilities by €20.2 million. The main reason for this is that corresponding to the changed posting of payments received on account, VAT collected is now disclosed under tax liabilities.

Financing

Corresponding to the statement of cash flow, the outflow of funds for investment activities (€97.6 million) as well as for financing activities (€34.0 million for distributions and the repayment of the bank loan) was financed through the available net current assets as well as the positive cash flows from operating activities (€49.1 million). This resulted in a drop in cash funds of €83.2 million to around €104.0 million. This produces the following abstracted values and changes in the cash funds of the company as derived from the cash flow statement:

Development of cash funds 2006–2007

	2006 € '000	2007 € '000	Change € '000
Cash flows from operating activities	86,257	49,080	–37,177
Cash flows from investing activities	–43,487	–97,571	–54,084
Cash flows from financing activities	44,110	–34,010	–78,120
Net change in cash funds	86,880	–82,501	–169,381
Effect on cash funds of exchange rate movements	–1,119	–672	447
Cash funds at beginning of period	101,384	187,145	85,761
Cash funds at end of period	187,145	103,972	–83,173

Human resources

At 31.12.2007, the Messe Frankfurt corporate group employed 1,471 people worldwide, 77 more than at the end of 2006.

The increase of 42 new employees in Germany is primarily accounted for by the fact that Messe Frankfurt GmbH increased its number of trainees and created new jobs in the financial accounting and IT departments. Messe Frankfurt Exhibition GmbH also continued to build up its sales operations. Mesago Messe Frankfurt GmbH slightly increased its staffing level in order to reinforce its foreign operations. The Productpilot business segment was outsourced from Messe Frankfurt Medien und Service GmbH to an independent GmbH. In addition to this, Accente Gastronomie Service GmbH again raised its number of regular staff from 148 to 153. This growth is the result of the continuation of the policy to take temporary staff into permanent employment in order to stabilise the quality level.

Outside Germany, the expansion of operations above all in China, Dubai (EPOC Messe Frankfurt GmbH), France, Russia, Japan and the USA led to an – in some cases significant – rise in new staff appointments. In response to the business development, the number of employees in Mexico was reduced. In line with the shareholder's resolution, the difficult local market situation is necessitating the closure of the subsidiary in Brazil, which is leading to the gradual reduction in staff numbers there.

**Employee development 2005–2007 at the balance sheet dates
(incl. trainees and management executives)**

2005–2007	2005	2006	2007
Messe Frankfurt GmbH, Frankfurt, Germany	233	238	247
Messe Frankfurt Exhibition GmbH, Frankfurt, Germany	233	247	272
Messe Frankfurt Venue GmbH & Co. KG, Frankfurt, Germany	237	248	249
Mesago Messe Frankfurt GmbH, Stuttgart, Germany	61	58	61
Messe Frankfurt Ausstellungen GmbH, Wiesbaden, Germany	32	29	28
Messe Frankfurt Medien und Service GmbH, Frankfurt, Germany	64	65	60
Accente Gastronomie Service GmbH, Frankfurt, Germany	125	148	153
Productpilot GmbH, Frankfurt, Germany			5
Germany	985	1,033	1,075
Messe Frankfurt France S. A. S., Paris, France	11	11	17
Messe Frankfurt Italia Srl., Milan, Italy	14	18	18
Messe Frankfurt Istanbul L. S., Istanbul, Turkey	11	17	17
O. O. O. Messe Frankfurt RUS, Moscow, Russia	21	25	29
EPOC Messe Frankfurt GmbH, Frankfurt, Germany/Dubai, UAE	27	33	36
Messe Frankfurt Asia Holding Ltd., Hong Kong, China	3	2	2
Messe Frankfurt (H. K.) Limited, Hong Kong, China	93	118	147
Mesago Messe Frankfurt Corp., Tokyo, Japan	19	21	24
Messe Frankfurt Korea Ltd., Seoul, South Korea	8	8	8
Messe Frankfurt Trade Fairs India Pvt. Ltd., Mumbai, India	15	20	18
Messe Frankfurt Inc., Atlanta, USA	22	22	28
Messe Frankfurt México S. de R. L. de C. V., Mexico City, Mexico	12	15	12
Messe Frankfurt Feiras Ltda., São Paulo, Brazil	20	16	5
Indexport Messe Frankfurt S. A., Buenos Aires, Argentina	33	35	35
Other countries	309	361	396
Messe Frankfurt group	1,294	1,394	1,471
Increase in number of employees		100	77

In order to promote integration within the Messe Frankfurt group, the central human resources management services offer for the foreign subsidiaries was further extended. Apart from giving trainees the option to complete an internship abroad, the international exchange scheme was extended. Through brief assignments with other group companies, it is intended to promote knowledge transfer, intercultural understanding and worldwide cooperation, as well as reinforce staff commitment to Messe Frankfurt. Especially in the dynamic emerging markets this is becoming an increasingly important factor for the consistent quality of the company's performance. The necessary regulations governing foreign assignments have been drafted and will be introduced in 2008.

Messe Frankfurt considers the continuous investment in its employees to be a vital factor of success for the company. In response to the demands of the market, human resources develop-

ment therefore continued to be a focus of activities. The development of executive manager potential and demand-driven qualification measures were systematically and consistently continued. An executive training programme was added as an important module complementing the existing offer of human resources development measures.

As an important outcome of a series of workshops, the "VELO" project was also continued. VELO stands for Vergüten – Entwickeln – Leiten – Orientieren (Remuneration – Development – Management – Orientation). The aim of this project is to create an integrated system for staff that, based on the competences required in the trade fair sector, offers development paths and performance evaluations in a dialogue-oriented context between employees and management. It is intended to round off this approach with a market-driven and customized remuneration system which for the first time clearly takes trade fair-specific factors into account.

The employees of the Messe Frankfurt corporate group once again demonstrated in 2007 that with a great deal of motivation as well as unswerving and flexible efforts, it is possible to achieve successes everyone can justifiably be proud of. The Board of Management would like to take this opportunity to thank all employees for the good work done.

IV. Report on post-balance sheet date events

After the close of the 2007 financial year, the Messe Frankfurt group cancelled the Fine Art Fair in January 2008 and Hair & Beauty for 2008. This portfolio adjustment will lead to a slight drop in group sales, but nevertheless to a profit improvement in 2008 compared to the profit planning.

V. Opportunities and risks of future development

Messe Frankfurt is attempting to counter the fundamental capacity utilisation risk of the exhibition centre, which is exacerbated through the additionally created hall capacities of its competitors, by initiating long-term customer retention strategies directed at exhibitors, visitors and guest organisers. In addition, a high standard of service and quality is intended to secure the long-term competitiveness of the Frankfurt trade fair venue.

To support this, the processes, structures and systems in the financial, human resources and IT divisions are continuously being optimised. Due to the increasing globalisation of the group and the growing share of foreign business activities in the overall result, the need to establish and optimise globally coordinated systems and structures poses a new challenge.

The ongoing modernisation of the exhibition centre is a prerequisite for fulfilling growing customer needs. Risks may arise as a result of additionally required construction measures that only come to light in the course of refurbishment work. If completion of the new Hall 11 falls behind schedule, alternatives for the planned events will need to be found.

The continued relatively weak business activity in the consumer goods and textiles sectors in Germany, Europe and America, combined with further concentration in the retail sector, continues to pose a serious challenge worldwide for the affected brands, e.g. Paperworld, Beautyworld or Heimtextil.

The absence of some key accounts as well as the loss of individual exhibitor segments in the consumer goods and textiles sectors must be compensated by new concepts, consolidations and recovery measures.

The new conception of Tendence Lifestyle and Collectione, which are being held from 2008 in July under the combined roof of "Decorate Life", involves the risk that the new concept and date may not be accepted by some exhibitors and visitors as planned. However, it also offers the opportunity to reposition the event in the market and win back both exhibitors and visitors.

Integrating the many Asian companies thronging onto the German market poses problems with respect to the more difficult allocation of the hall space and lacking acceptance by the regular European customers, which it is hoped to solve by initiating an extensive "Asia concept" involving all relevant stakeholders.

The international background of the exhibitors and visitors poses an inherent risk of wars or terrorist activity. Although Messe Frankfurt does not host any fairs in war- or terrorism-affected regions, it is nevertheless increasingly difficult to win international exhibitors and visitors from crisis-affected regions for events.

If trade fair participations abroad are no longer subsidised by national governments, there is a risk that joint stands will become smaller. Many European exhibitors also look for local sales partners, eliminating the need to exhibit themselves.

Given the saturated exhibition market in Germany, Messe Frankfurt above all sees opportunities for growth through trade fairs held outside Germany. The consequence of this market situation is that it is becoming more and more difficult to generate higher returns at home and as a result the profit situation is becoming increasingly dependent on the performance of the subsidiaries.

The challenge for Messe Frankfurt's subsidiaries, especially outside Germany, is often to sustain their position vis-à-vis already well-established events run by local exhibition organisers. This situation is exacerbated if the local organisers are in addition financially sponsored by their governments. Messe Frankfurt and its subsidiaries counter this with their Frankfurt brands and an international sales network, making it possible to organise trade fairs with a much more international flavour.

A further risk for the subsidiaries arises out of the fact that they do not have their own exhibition grounds and are therefore dependent on the local conditions and exhibition site operators with respect to the availability and quality of adequate hall facilities. On the other hand, this also allows them greater flexibility, making it easier for them to respond to regional shifts in the market and economic sectors with a change of venue.

Some subsidiaries also have a relatively small event portfolio that is focused on just a few industries. This results in greater dependency on individual events and sectors. This risk is countered by rolling out additional brand events, developing new trade fair themes and providing additional services.

Reorganising international sales by relaunching the worldwide sales processes and associated controlling, as well as intensifying the timely integration of relevant market partners, increases the efficiency and effectiveness of exhibitor and visitor acquisition worldwide. The changes in relations with sales partners inherent in this could in some segments and countries lead to temporary difficulties in the field of customer liaison and support.

The many new potential events and business segments in and outside Germany harbour risks in terms of the analysis, implementation and management of these new projects. It is aimed to optimise the situation by introducing human resources and organisational measures.

Over and above those disclosed, no risks that pose a threat to the existence or future development of the company are currently anticipated.

In line with the Act on Corporate Control and Transparency (KonTraG), the Messe Frankfurt group has consolidated all the opportunities and risks as well as measures taken within the company to control risk in a uniform and consistent risk management system. This system also encompasses the group subsidiaries. Early-warning signals have been defined to enable future development risks to be identified in a timely manner. These include, for example, developments in the individual economic sectors, activities by competitors and exhibitor and visitor development.

The risk management manual defines in particular the risk principles, the risk management process and the documentation and monitoring of the risk management system. Risk management is conceived as a continuous process and is reviewed at regular intervals to ensure its adequacy and, where required, optimised.

VI. Other disclosures/Report on expected developments

Business policy/Sales

Against the background of a cautiously optimistic economic situation in Germany and Europe, Messe Frankfurt – despite tougher competition within the German and international trade fair sector – is looking confidently to the future. Growth, internationality and stability are expected to continue to underpin Messe Frankfurt's leading position in the market. The cause for this optimism is the high level of interest and stable demand for the major trade fairs in spring 2008 and the corresponding demand for exhibition space. In line with changing market structures in the consumer goods sector, the major Tendence Lifestyle event has been repositioned and will enter the market from summer 2008 featuring a new concept. The oldest and most tradition-rich event in Messe Frankfurt's portfolio will relinquish its original date at the end of August and be brought forward to the early-July date before the holiday season. Under the name Decorate Life, Tendence Autumn and Winter will take place together with the Collectione Preview Spring and Summer trade fairs and The Design Annual.

Outside Germany, Messe Frankfurt will continue to forge ahead with its brand strategy, positioning its event brands at additional new venues – in particular Automechanika Roma and Beauty-world India. Intersec will be built up as a brand fair and in addition to Dubai and Argentina, will in future also be held in Asia as Intersec Thailand. With Water Expo China, International Medical Equipment and Asia Fastener, China will also see the launch of more new events in 2008.

Following a phase of global growth, Messe Frankfurt will partly embark on a consolidation process with a view to further increasing the group's operating profit and the sustainability of the value added. The challenges here lie in concentrating on and developing strengths, but also in recognising and reducing weaknesses. Having seen rapid expansion over the past few years, the task in hand is now to harmonise the increasing complexity of the organisation on all levels. Only like this will it be possible to enhance the effectiveness and the efficiency of the group's activities. The focus of this adjustment process will lie on foreign operations and the foreign organisation.

For 2008 Messe Frankfurt is again anticipating a renewed rise in group sales of around five per cent to €450 million. This increase will above all be driven by the group's activities outside Germany. The planning for 2009 anticipates a further moderate increase in sales of five per cent.

Investments/Financing

The further expansion of the exhibition grounds within the scope of the 2010 master plan will create optimum conditions for as many types of events as possible. Construction work on the new Hall 11 will continue as scheduled in 2008. The two-storey building offering around 24,000 square metres of exhibition area is expected to be completed in 2009. The new Hall 11 will be linked up to the existing Halls 9 and 10 in the western section via the Via Mobile visitor conveyor system. A separate new entrance building will also be incorporated and this will become the new main entrance. It is also planned to redesign the existing service accesses to Messe Frankfurt in future. On completion of the construction work it will then be possible to hold two events independently of each other on the eastern and western sections of the exhibition complex.

These investments are financed from cash flow and the liquidity available within the group. Resource needs over and above this – up to approximately €140 million – will need to be covered from 2008 by loans from a bank consortium. The contracts pertaining to this were already concluded at the end of 2007.

Operating result

A positive net income of €26.0 million is expected for the 2008 financial year. A slightly lower result is anticipated for the subsequent year 2009.

Annual financial statements

Consolidated balance sheet of Messe Frankfurt GmbH for the year ending 31 December 2007

Assets	Notes	At 31.12.2006 €'000	At 31.12.2007 €	€
A. Fixed Assets	(1)			
I. Intangible fixed assets		38,593	41,100,010.13	
II. Tangible fixed assets		498,033	550,896,865.85	
III. Long-term financial assets		5,020	5,020,451.68	
		541,646		597,017,327.66
B. Current assets				
I. Inventories	(2)	639		692,028.89
II. Receivables and other assets				
1. Trade receivables	(3)	12,771	26,526,691.17	
2. Other receivables and other assets	(4)	37,930	35,407,262.20	
		50,701		61,933,953.37
III. Securities	(5)	18,635		12,624,033.58
IV. Cash-in-hand, bank balances and cheques	(6)	187,146		103,972,483.68
		257,121		179,222,499.52
C. Prepaid expenses		1,672		1,898,648.62
		800,439		778,138,475.80

Equity and liabilities	Notes	At 31.12.2006 €'000	At 31.12.2007 €	€
A. Equity	(7)			
I. Subscribed capital		180,000	180,000,000.00	
II. Capital reserves		85,219	85,219,009.35	
III. Revenue reserves				
Other revenue reserves		57,368	67,741,560.42	
IV. Foreign currency translation differences		-2,682	-3,776,828.81	
V. Net retained profits		19,397	9,841,961.17	
VI. Minority interests		1,016	667,121.44	
		340,318		339,692,823.57
B. Equity-similar special reserve for subsidies/grants for acquisition of fixed assets	(8)	40,443		38,295,200.00
C. Provisions				
1. Provisions for pensions and similar obligations		10,260	10,721,240.36	
2. Provisions for taxes		15,084	12,598,139.23	
3. Other provisions	(9)	53,559	52,135,871.46	
		78,903		75,455,251.05
D. Liabilities	(10)			
1. Liabilities to banks		133,000	126,189,620.00	
2. Payments received on account of orders		136,321	104,076,803.99	
3. Trade payables		25,112	30,237,388.52	
4. Other liabilities		3,270	23,500,288.67	
- of which taxes: € 21,412,520.31 (previous year: € 1,657,000)				
- of which social security: € 189,689.10 (previous year: € 197,000)				
		297,703		284,004,101.18
E. Deferred income	(11)	43,072		40,691,100.00
		800,439		778,138,475.80

Consolidated income statement of Messe Frankfurt GmbH for the 2007 financial year

	Notes	2006 € '000	€ '000	2007 €	€
1. Sales	(13)	406,134		423,556,764.20	
2. Other operating income	(14)	29,507		15,035,633.18	
			435,641		438,592,397.38
3. Event-related expenses	(15)	197,679		207,310,269.73	
4. Personnel expenses	(16)	77,498		84,102,394.91	
5. Amortisation and write-downs of intangible fixed assets, depreciation and write-downs of tangible fixed assets	(17)	53,217		48,484,619.92	
6. Other operating expenses	(18)	55,346		52,642,125.06	
			383,740		392,539,409.62
7. Financial result	(19)		-861		584,057.68
8. Result from ordinary activities			51,040		46,637,045.44
9. Taxes	(20)		23,550		18,988,252.45
10. Consolidated net income for the year			27,490		27,648,792.99
11. Profit attributable to minority interests			-1,021		-846,561.78
12. Loss attributable to minority interests			178		23,739.81
13. Consolidated retained profits carried forward			19,526		19,396,719.17
14. Appropriation of net profit			-13,000		-26,000,000.00
15. Appropriation to revenue reserves			-13,495		-10,380,729.02
16. Currency adjustment			-281		0.00
Consolidated net retained profits			19,397		9,841,961.17

Explanatory notes to the 2007 consolidated financial statements

General disclosures

The consolidated group financial statements of Messe Frankfurt GmbH, Frankfurt am Main, have been prepared in accordance with Sections 290 ff HGB (German Commercial Code).

To enhance the clarity and transparency of the consolidated financial statements, individual items of the consolidated balance sheet and consolidated income statement have been combined. These items are explained separately in the notes to the consolidated financial statements. The additional disclosures required for the individual items have also been included in the notes. The consolidated income statement has been prepared according to the total cost method of accounting.

Companies included in the consolidated financial statements

In addition to Messe Frankfurt GmbH, Frankfurt am Main, as parent, the consolidated financial statements also embrace the following subsidiaries

Messe Frankfurt Exhibition GmbH, Frankfurt am Main/Germany
Messe Frankfurt Venue GmbH & Co. KG, Frankfurt am Main/Germany
Messe Frankfurt Medien und Service GmbH, Frankfurt am Main/Germany
Accente Gastronomie Service GmbH, Frankfurt am Main/Germany
Productpilot GmbH, Frankfurt am Main/Germany
Messe Frankfurt Grundbesitz Verwaltung GmbH, Frankfurt am Main/Germany
Messe Frankfurt Grundbesitz GmbH & Co. KG, Frankfurt am Main/Germany
EPOC Messe Frankfurt GmbH, Frankfurt am Main/Germany
Messe Frankfurt Ausstellungen GmbH, Wiesbaden/Germany
Mesago Messe Frankfurt GmbH, Stuttgart/Germany
Messe Frankfurt Italia Srl., Milan/Italy
Messe Frankfurt France S. A. S., Paris/France
O. O. Messe Frankfurt RUS, Moscow/Russia
Messe Frankfurt Istanbul L. S., Istanbul/Turkey
Messe Frankfurt Asia Holding Ltd., Hong Kong/China
Messe Frankfurt (H. K.) Ltd., Hong Kong/China
Guangzhou Guangya Messe Frankfurt Co. Ltd., Guangzhou/China
Messe Frankfurt (Shanghai) Co. Ltd., Shanghai/China
Mesago Messe Frankfurt Corporation, Tokyo/Japan
Messe Frankfurt Korea Ltd., Seoul/South Korea
Messe Frankfurt Trade Fairs India Pvt. Ltd., Mumbai/India
Messe Frankfurt Inc., Atlanta/USA
Messe Frankfurt México S. de R. L. de C. V., Mexico City/Mexico
Messe Frankfurt Feiras Ltda., São Paulo/Brazil
Indexport Messe Frankfurt S. A., Buenos Aires/Argentina

which are either collectively managed by Messe Frankfurt GmbH, Frankfurt am Main, or in which Messe Frankfurt GmbH directly or indirectly holds the majority of voting rights.

The 100 per cent interests held by Mesago Messe Frankfurt GmbH, Stuttgart, in Mesago Messe-management GmbH, Stuttgart, Mesago PCIM GmbH, Stuttgart (formerly ZM Communications GmbH International Publishing, Conferences, Marketing, Nuremberg) as well as an additional holding are also included in the consolidated financial statements on the basis of sub-group consolidated accounts. SMT/ASIC/Hybrid Mesago Messe & Kongreß GmbH & Co. oHG, Nuremberg, is managed jointly by Mesago Messe Frankfurt GmbH and a company not included in the consolidated financial statements and is therefore included in the consolidated financial statements with 75 per cent in proportion to the shares in its capital held (Section 310 HGB – German Commercial Code).

In the reporting year, Messe Frankfurt Exhibition GmbH, Frankfurt am Main, acquired an additional 20.13 per cent share in Mesago Messe Frankfurt GmbH, Stuttgart, thus increasing its holding to 100 per cent.

PAACE Automechanika Mexico, LLC, Georgia/USA was included for the first time in the consolidated financial statements with 50 per cent in proportion to the shares in its capital held, pursuant to Section 310 HGB (German Commercial Code).

Where changes in the reporting entity have resulted in material changes in the presentation of the consolidated financial statements, these are recorded in the notes below.

An adjustment item is disclosed in Equity as "Minority interests" to indicate shares held by minority shareholders in the equity capital carried in the balance sheet of a fully consolidated company.

Consolidation principles and currency translation

The balance sheet date for the consolidated financial statements as well as all subsidiaries included in the financial statements is 31 December 2007.

Shares held by the parent in subsidiaries included in the consolidated financial statements were accounted for using the book-value acquisition method of accounting for acquisitions by eliminating the carrying amounts against the proportionate amount that these shares represented in the equity of the subsidiary at the time of acquisition. Receivables, liabilities, expenses and income items between companies included in the consolidated financial statements were eliminated. Intercompany profits were eliminated.

Where acquisition accounting resulted in goodwill, this was amortised systematically in accordance with Section 309, (1), Sentence 2 HGB (German Commercial Code) over the term of the underlying agreement or over a useful life of 15 years, or written down to fair value on the balance sheet date. The useful life was estimated at 15 years on the assumption that trade fair operations have a long-term orientation and the goodwill can be used over this period.

End-of-year financial statements of the foreign subsidiaries prepared in a foreign currency are translated at the rate on the balance sheet date. All balance sheet items of the included foreign group entities, with the exception of equity (subscribed capital, reserves, retained profits carried forward), which is translated at historical cost, are translated into euros at the respective mid-rate on the balance sheet date. Differences arising from the translation of equity as a result of changes in the exchange rate compared to the previous year are included as not affecting income in Equity under Foreign currency translation differences.

Expenses and income are also translated with the rate as per the balance sheet date. The net income for the year shown in the translated income statement is carried over into the consolidated balance sheet and included in Equity under Foreign currency translation differences.

Accounting and measurement policies

The assets and liabilities of the companies included in the consolidated financial statements were measured uniformly using the accounting and measurement principles applicable to the group as a whole.

Intangible fixed assets and tangible fixed assets acquired against payment are recognised at cost, less depreciation and amortisation through use as well as accumulated impairment losses. Depreciation for use is calculated on a straight-line basis on the basis of unchanged principles. In the case of new additions in the period 1989 to 1993, use was made of the right to opt for a higher depreciation value for buildings in accordance with Section 7, (5) EStG (German Income Tax Law). With effect from the 2004 financial year, new additions are written down on a pro rata temporis basis. Assets of minor value are written down in full in the year of acquisition.

Long-term financial assets are stated at the lower of cost or fair value.

Inventories are carried at cost – using permitted simplified measurement methods – or at the lower net realisable value. Identified individual risks relating to trade and other receivables are recognised through valuation allowances. As in the previous year, no global valuation allowances were made in the reporting period.

Other assets are shown in the balance sheet at nominal value. Securities were measured at the lower of cost or fair value. Liquid assets are disclosed at nominal value.

Pension provisions are measured according to the Projected Unit Credit Method in line with IAS 19. Based on the "2005G actuarial tables" published by Prof. Klaus Heubeck, an interest rate of 4.5 per cent (previous year 4.5 per cent) p.a. as well as a rate of pension progression of 1.5 per cent (previous year 1.5 per cent) p.a. and a qualifying trend of 4.0 per cent (previous year 4.0 per cent) p.a. were assumed.

No pension progressions, employment trends or fluctuations were taken into account with respect to provisions for pension obligations arising from deferred compensation. Based on the "2005G actuarial tables" published by Prof. Klaus Heubeck, an interest rate of 5.5 per cent (previous year 4.5 per cent) p.a. was assumed. Provisions were measured according to the Projected Unit Credit Method in line with IAS 19.

The heading Other provisions takes account of all identifiable risks and uncertain obligations. This includes, for example, provisions for necessary maintenance work where scheduled events prevent this from being carried out in the reporting period. Provisions were also set aside for possible indemnification claims by commercial agents. Such provisions were formed in an extent sufficient to cover the anticipated claims. Provisions for pre-retirement part-time employment as well as provisions for seniority were formed on the basis of the "2005G actuarial tables" drawn up by Prof. Klaus Heubeck with an interest rate of 5.5 per cent (previous year 5.5 per cent).

Liabilities are carried at their repayment amount.

Receivables and liabilities in foreign currencies are translated at the mid-rate on the acquisition date or reporting date in accordance with the lower- or higher-of-cost-or-market principle.

Incurred costs for press, advertising and public relations work for events in subsequent years were posted throughout the group as expenses in the reporting year.

Notes to the consolidated balance sheet

(Amounts in €'000 unless otherwise indicated)

(1) Fixed assets

The classification of the combined fixed asset headings disclosed in the consolidated balance sheet and their development trend (Statement of changes in fixed assets) in 2007 is attached to these notes. The additions to tangible fixed assets result primarily from the building of the new Hall 11 and the related infrastructure measures, the construction of the Cargo Center, the core refurbishment of the Torhaus and the refurbishment of the Festhalle festival hall.

The rise in goodwill results principally from the first-time consolidation of the shares additionally acquired in Mesago Messe Frankfurt GmbH, Stuttgart, in 2007.

A list of share ownership at 31 December 2007 has also been attached to the financial statements.

(2) Inventories

This covers raw materials, consumables and supplies as well as finished goods and merchandise.

(3) Trade receivables

Receivables due after more than one year are not included in this item.

(4) Other assets

	due within one year	due between one and five years	due after more than 5 years
Taxes	27,381	2,076	605
Prepayments	1,381	0	0
Other	3,918	45	1
Total for 2007	32,680	2,121	606
Total for 2006	34,493	2,604	834

(5) Securities

Securities include shares in money market funds and commercial papers.

(6) Cash-in-hand, bank balances and cheques

	2007	2006
Cash-in-hand and cheques	566	1,002
Bank balances	103,406	186,143
	103,972	187,145

(7) Equity

The classification of equity and minority interests is attached to these notes.

(8) Equity-similar special reserve for subsidies or grants for the acquisition of fixed assets

A special tax-allowable reserve was formed in 2000 containing subsidies and grants made by the city of Frankfurt am Main in relation to the exhibition centre car park. The special reserve is written back on a straight-line basis over the useful life of the car park.

(9) Other provisions

Other provisions mainly include outstanding purchase invoices, repairs and refurbishment commitments, indemnification claims from sales partners (sales agents) and claims from employees.

(10) Liabilities

	due within one year	due between one and five years	due after more than 5 years
Liabilities to banks ¹⁾	7,157	32,456	86,577
Payments received on account of orders	104,077	0	0
Trade payables	30,237	0	0
Other liabilities	23,500	0	0
–of which taxes	(21,413)	(0)	(0)
–of which social security	(190)	(0)	(0)
Total for 2007	164,971	32,456	86,577
Total for 2006	171,514	30,885	95,305

1) The liabilities are secured by a first-rank land charge on the part of Messe Frankfurt Grundbesitz GmbH & Co. KG, an assignment on the part of Messe Frankfurt Grundbesitz GmbH & Co. KG of the rent demand from Messe Frankfurt Venue GmbH & Co. KG as well as the assignment of claims arising from the property insurance (fire/terror) of Messe Frankfurt Grundbesitz GmbH & Co. KG in favour of a bank consortium.

The disclosure of Payments received on account of orders was changed over from the gross method to the net method in the 2007 financial year.

(11) Deferred income

The one-off payments received in advance in the years 1988 and 1996 for 35 years respectively for two building leases and a payment for a 99-year joint usufruct in parts of buildings were disclosed under Liabilities as Deferred income. The three partial deferred income amounts are written back on a straight-line basis over the specified terms.

(12) Other financial commitments and contingent liabilities

Other financial commitments total €125.693 million. These are primarily made up of commitments from open purchase orders related to investments, refurbishment measures due to official requirements and orders, commitments relating to the acquisition of additional company shares as well as ground rents for three building lease contracts.

In connection with the conclusion of an agreement governing an automatic cash management system between Messe Frankfurt GmbH and the other participating companies in the cash management system, Messe Frankfurt Venue GmbH & Co. KG, Messe Frankfurt Exhibition GmbH, Accente Gastronomie Service GmbH, Messe Frankfurt Medien und Service GmbH and Messe Frankfurt Ausstellungen GmbH, the participating companies have assumed a joint and severable liability for all liabilities arising from the automatic cash management system towards Commerzbank Aktiengesellschaft, Frankfurt am Main. The subsidiaries of Messe Frankfurt GmbH participating in the cash management system are liable only insofar and to the extent that they have themselves generated the liability balance and/or themselves received the loan resulting from the overdraft. They are additionally liable so far and to the extent that compliance with the assumed

obligation to pay does not affect the assets required to maintain the nominal capital at the time of entering into the payment obligation. The assumption of joint and several liability also applies in the event that the accorded overdraft limit or credit line is exceeded.

Furthermore, unlimited joint and several liability exists in connection with a cash-concentrating agreement between Dresdner Bank AG, Frankfurt am Main, and Messe Frankfurt GmbH together with the other companies participating in the cash concentrating, Messe Frankfurt Venue GmbH & Co. KG, Messe Frankfurt Exhibition GmbH, Messe Frankfurt Grundbesitz GmbH & Co. KG, Messe Frankfurt Medien und Service GmbH, Mesago Messe Frankfurt GmbH and Productpilot GmbH for the squaring of the respective debit balances/borrowings on the main account and corresponding or separately agreed foreign currency accounts, including interest and costs apportioned thereto.

Consolidated statement of changes in fixed assets of the Messe Frankfurt GmbH group

Amounts in € '000	Cost					At 31.12.2007
	At 01.01.2007	Additions	Disposals	Transfers	Currency trans- lation differences	
I. Intangible fixed assets						
1. Concessions, industrial and similar rights and assets and licences in such rights and assets	58,952	3,197	1,100	0	-199	60,850
2. Goodwill from acquisition accounting	46,160	10,464	0	0	-152	56,472
	105,112	13,661	1,100	0	-351	117,322
II. Tangible fixed assets						
1. Land, land rights and buildings, incl. buildings on third-party land	912,450	19,120	125	15,222	-56	946,611
2. Technical equipment and machinery	74,342	2,194	939	85	0	75,682
3. Other equipment, operating and office equipment	81,581	6,937	2,121	438	-153	86,682
4. Prepayments and assets under construction	23,823	63,438	294	-15,745	0	71,222
	1,092,196	91,689	3,479	0	-209	1,180,197
III. Long-term financial assets						
1. Long-term equity investments	41	0	21	0	0	20
2. Securities classified as fixed assets	5,000	0	0	0	0	5,000
	5,041	0	21	0	0	5,020
	1,202,349	105,350	4,600	0	-560	1,302,539

Depreciation, amortisation and write-downs (cumulative)						Carrying amounts		
At 01.01.2007	Additions	Disposals	Transfers	Currency trans- lation differences	At 31.12.2007	At 31.12.2007	At 31.12.2006	
44,922	7,495	538	0	-16	51,863	8,987	14,030	
21,597	2,792	0	0	-30	24,359	32,113	24,563	
66,519	10,287	538	0	-46	76,222	41,100	38,593	
471,364	29,447	63	2	-29	500,721	445,890	441,086	
59,046	2,706	870		0	60,882	14,800	15,296	
63,753	6,045	2,016	-2	-83	67,697	18,985	17,828	
0	0	0		0	0	71,222	23,823	
594,163	38,198	2,949	0	-112	629,300	550,897	498,033	
21	0	21		0	0	20	20	
0	0	0	0	0	0	5,000	5,000	
21	0	21	0	0	0	5,020	5,020	
660,703	48,485	3,508	0	-158	705,522	597,017	541,646	

Notes to the consolidated income statement
(Amounts in € '000 unless otherwise indicated)

(13) Sales

according to type	2007	2006
Stand rents	256,721	249,086
Halls, site and other rents	30,211	33,679
Admission fees and participation fees	12,805	11,641
Services and other income	123,820	111,728
	423,557	406,134

according to region	2007	2006
Germany	329,679	318,038
Europe excl. Germany	20,316	15,998
Asia	58,139	53,400
America	15,423	18,698
	423,557	406,134

(14) Other operating income

This account mainly includes prior-period income from the reversal of provisions and income from recoveries on receivables written off in prior periods, as well as income from the pro rata write-back of deferred income (€2.099 million) and the reversal of the equity-similar special reserve for subsidies or grants for the acquisition of fixed assets (€2.147 million).

(15) Event-related expenses

	2007	2006
Cost of consumables and supplies and of purchased merchandise	15,261	13,833
Cost of purchased services	192,049	183,846
	207,310	197,679

Cost of purchased services comprises in particular expenses for hall and site rental, hall fitting, maintenance of the exhibition grounds and expenses for corporate communication.
The designation of the heading Cost of materials was changed pursuant to Section 265, (6) HGB (German Commercial Code).

(16) Personnel expenses/employees

	2007	2006
Wages and salaries	68,756	63,590
Social security, post-employment and other employee benefit costs	15,346	13,908
of which in respect of old-age pensions	(3,902)	(2,859)
	84,102	77,498

Employees (annual average)

Vice presidents	25	28
Other salaried employees	1,264	1,198
Wage-earning employees	90	82
	1,379	1,308

(17) Amortisation and write-downs of intangible fixed assets and depreciation and write-downs of tangible fixed assets

Amortisation and write-downs of intangible assets include a write-down of €518,000.

Where acquisition accounting resulted in goodwill, this was amortised systematically in accordance with Section 309, (1), Sentence 2 HGB (German Commercial Code) over the term of the underlying agreement or over a useful life of 15 years, or written down to fair value on the balance sheet date.

Amortisation, depreciation and write-downs include €1.966 million in accordance with Section 7, (5) of the EStG (German Income Tax Law).

(18) Other operating expenses

Apart from non-capitalised expenses, rental and lease expenses and office costs, Other operating expenses principally include legal, consulting and auditing costs, expenses for promotional activities and allowances for bad debts.

(19) Financial result

	2007	2006
Interest and similar income	8,140	4,268
Interest and similar expenses	7,556	5,129
Financial result	584	-861

Interest and similar income includes prior-period income amounting to €1.954 million in connection with VAT reimbursement claims from previous accounting periods.

Interest and similar expenses include prior-period expenses amounting to €822,000 relating to the backpayment of VAT for the 2003 accounting period.

(20) Taxes

	2007	2006
Taxes on income	15,899	20,730
Other taxes	3,089	2,820
	18,988	23,550

Other disclosures**Disclosures relating to the cash flow statement**

Cash funds recognised in the cash flow statement comprise exclusively cash-in-hand and bank balances.

Purchase of consolidated subsidiaries and other entities includes the acquisition of 20.13 per cent additional shares in Mesago Messe Frankfurt GmbH and subsequent acquisition costs for former shares in Mesago Messe Frankfurt GmbH.

Non-cash income results from the reversal of deferred income for building leases amounting to € 2.099 million and the reversal of the equity-similar special reserve for subsidies or grants for the acquisition of fixed assets amounting to € 2.147 million.

Minority shareholders received € 1.2 million in dividend payouts in the financial year. Prepayments for interests amounted to € 7.556 million.

Disclosures relating to the consolidated statement of changes in equity

No parts of the group earned equity were subject to dividend payout restrictions at the balance sheet date 31 December 2007.

Disclosures relating to deferred taxes

The preparation of the consolidated financial statements did not give rise to any deferred tax liabilities. No deferred tax expenses or income were recognised in the consolidated income statement.

Supervisory Board of Messe Frankfurt GmbH

Petra Roth (Chairwoman)

Presiding mayoress of the city of Frankfurt am Main, Frankfurt am Main

Dr Alois Rhiel (Vice-chairman)

Minister for Economics, Transport and State Development for the State of Hesse, Wiesbaden

Uwe Becker

City treasurer of the city of Frankfurt am Main, Frankfurt am Main (from 01.04.2007)

Josef A. Beckmann

Member of the Advisory Board of IBENA Textilwerke Beckmann GmbH & Co. KG, Bocholt

Volker Bouffier

Minister of the Interior and Sport for the State of Hesse, Wiesbaden

Bernd Dombek

Project manager Messe Frankfurt Venue GmbH & Co. KG, Frankfurt am Main

Jutta Ebeling

Mayoress of the city of Frankfurt am Main, Frankfurt am Main

Horst Hemzal

City treasurer of the city of Frankfurt am Main, Frankfurt am Main (until 31.03.2007)

Klaus J. Maack

CEO of ERCO Leuchten GmbH, Lüdenscheid

Alexander Neumann

Member of the Works Council Messe Frankfurt GmbH, Frankfurt am Main

Peter Pippart

Project manager Messe Frankfurt Venue GmbH & Co. KG, Eppstein

Franz Porstner

Project manager Messe Frankfurt GmbH, Gründau

Dr Lutz Raettig

Chairman of the Supervisory Board of Morgan Stanley Bank AG, Frankfurt am Main

Christiane Rüdiger

Director Messe Frankfurt GmbH, Frankfurt am Main

Peter Saalmüller

Until 31 October 2005
Director Messe Frankfurt GmbH, Idstein

Ute Schuchardt

Chairwoman of the Works Council Messe Frankfurt GmbH, Frankfurt am Main

Edwin Schwarz

Councillor of the city of Frankfurt am Main, Frankfurt am Main

Lutz Sikorski

Councillor of the city of Frankfurt am Main, Frankfurt am Main

Dr Martin Viessmann

CEO of Viessmann Werke GmbH & Co. KG, Allendorf

Karlheinz Weimar

Minister for Finance for the State of Hesse, Wiesbaden

Detlef Wittig

Executive Vice President of Volkswagen AG, Group Marketing and Sales, Wolfsburg

Hamid Yazdtschi

CEO of Gilde-Handwerk Macrander GmbH & Co. KG, Bocholt

Remuneration of the members of the executive bodies

In 2007, the members of the Board of Management received total remunerations of €1.280 million, taking into account all amounts subject to disclosure. Superannuation benefits and retirement annuities of €480,000 were paid to former members of the Board of Management and surviving dependents. Pension provisions and provisions for other payment obligations totalling €8.190 million were formed for the latter group of persons up to 31 December 2007. The members of the Supervisory Board do not receive any remuneration. The expenses allowance paid to them amounted to a total of €6,000.

Board of Management

Uwe Behm, Diplom-Ingenieur/Diplom-Wirtschaftsingenieur (FH), (Graduate in Engineering/Graduate in Industrial Engineering (University of Applied Sciences)), Osthofen

Detlef Braun, Diplom-Betriebswirt (Graduate in Business Administration), Wiesbaden

Dr Michael Peters, Diplom-Kaufmann (Graduate in Business Studies), Wehrheim

Michael von Zitzewitz, Diplom-Volkswirt (Graduate in Economics), Kronberg (Chairman of the Board of Management)

Frankfurt am Main, 31 March 2008



Michael von Zitzewitz



Dr Michael Peters



Detlef Braun



Uwe Behm

Consolidated cash flow statement of the Messe Frankfurt GmbH group

in € '000	2006	2007
Net income for the financial year (including minority interest in net income)	27,490	27,649
Depreciation, amortisation and write-downs of fixed assets	53,217	48,485
Increase/decrease in provisions	-12,188	-3,448
Other non-cash income	-13,216	-4,246
Gain/loss on disposal of fixed assets	-197	-308
Income (-) from securities classified as current assets	0	-368
Increase (-)/decrease (+) in inventories	28	-53
Increase (-)/decrease (+) in trade receivables and other assets not attributable to investing or financing activities	1,264	-11,460
Decrease (-)/increase (+) in trade payables and other liabilities not attributable to investing or financing activities	29,859	-7,171
Cash flows from operating activities	86,257	49,080
Intangible fixed assets/tangible fixed assets		
- Capital expenditures	-49,911	-95,062
- Proceeds from disposal of fixed assets	2,030	1,399
Purchase (-) of consolidated subsidiaries and other business units	-13,948	-10,288
Receipts from cash investments (securities classified as current assets)	18,342	6,380
Cash flows from investing activities	-43,487	-97,571
Cash payments to the owners of Messe Frankfurt GmbH and minority shareholders	-14,609	-27,200
Cash repayments of bank loans	-7,916	-6,810
Cash payments for the redemption of bank loans	-66,365	0
Cash proceeds from the issuance of bank loans	133,000	0
Cash flows from financing activities	44,110	-34,010
Net change in cash funds	86,880	-82,501
Effect on cash funds of exchange rate movements	-1,120	-672
Cash funds at beginning of period	101,385	187,145
Cash funds at end of period	187,145	103,972

Consolidated statement of changes in equity of Messe Frankfurt group and minority interests

in € '000	Parent				Minority interests			Group	
	Subscribed capital	Capital reserves	Group revenue reserves	Adjustment item for foreign currency translation	Equity	Minority interests	Adjustment item for foreign currency translation	Equity	Equity
At 31.12.2005	180,000	85,219	63,379	-1,187	327,411	1,393	0	1,393	328,804
Dividends paid			-13,000	0	-13,000	-1,609		-1,609	-14,609
Other changes			-261	-1,495	-1,756	419	-30	389	-1,367
Consolidated net income for the financial year			26,647	0	26,647	843		843	27,490
At 31.12.2006	180,000	85,219	76,765	-2,682	339,302	1,046	-30	1,016	340,318
Dividends paid			-26,000		-26,000	-1,200		-1,200	-27,200
Other changes			-7	-1,095	-1,102	25	3	28	-1,074
Consolidated net income for the financial year			26,826		26,826	823		823	27,649
At 31.12.2007	180,000	85,219	77,584	-3,777	339,026	694	-27	667	339,693

Auditors' report

We have audited the consolidated financial statements prepared by Messe Frankfurt GmbH, Frankfurt am Main, – comprising the balance sheet, income statement, notes, cash flow statement and statement of changes in equity – and the group management report for the financial year from 1 January 2007 to 31 December 2007. Responsibility for the preparation of the consolidated financial statements and the group management report in compliance with the provisions set forth under German commercial law lies with the company's legal representatives. Our responsibility is to express an opinion on the consolidated financial statements and the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with the provisions of Section 317 HGB (German Commercial Code) and the generally accepted auditing principles for the audit of financial statements as laid down by the Institut der Wirtschaftsprüfer (IDW) (Institute of German Independent Auditors). Those standards require that we plan and perform the audit such that misstatements and violations having a material effect on the presentation of the net assets, financial position and results of operations as conveyed by the consolidated financial statements in compliance with German accepted accounting principles and by the group management report can be detected with reasonable assurance. In determining audit procedures, the auditor is guided by his understanding of the business activities concerned, of the commercial and legal environment in which the group operates, and his assessment of the risks of possible misstatements. The auditor considers, primarily on a random basis, the effectiveness of the accounting-related internal control system and evidence supporting the amounts and disclosures in the consolidated year-end financial statements and the group management report. The audit includes assessing the annual financial statements of the companies included in the consolidated financial statements, the definition of the reporting entity structure, the appropriateness of the accounting and consolidation policies applied and material estimates made by the legal representatives, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not lead to any objections.

In our opinion, based on the information obtained in our audit, the consolidated financial statements comply with the legal regulations and give a true and fair view of the net assets, financial position and results of group operations in accordance with German accepted accounting principles. The group management report is consistent with the consolidated financial statements and on the whole provides a suitable understanding of the group's position and accurately presents the risks and opportunities of future development.

Eschborn/Frankfurt am Main, 8 May 2008

Ernst & Young AG
Auditors
Tax Consultants

Busson Pächke
Auditor Auditor

Report of the Supervisory Board

During the course of the financial year, the Supervisory Board of Messe Frankfurt GmbH informed itself routinely of the company's position in regular meetings with the Board of Management as well as through written or oral reports, and discussed important issues with the Board of Management.

The Supervisory Board has examined the annual financial statements and consolidated annual financial statements of Messe Frankfurt at 31 December 2007 for the financial year from 1 January to 31 December 2007, as well as the reports of the Board of Management on the position of the company and the group for the 2007 financial year, which have been audited and issued an unqualified opinion by the auditing company Ernst & Young AG, Eschborn/Frankfurt am Main.

It recommends that the General Meeting should adopt the annual financial statements and consolidated annual financial statements of Messe Frankfurt GmbH as at 31 December 2007 and accept the reports on the position of the company and the group for the financial year from 1 January to 31 December 2007.

Frankfurt am Main, 11 June 2008

The Supervisory Board

Petra Roth

Overall activities of Messe Frankfurt in 2007

Trade fairs and exhibitions at the Frankfurt exhibition venue in 2007

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Germany	Other countries	Total	
■ Airtec ¹⁾		250	180	430	13,600	5,000	1,125	6,125
■ Ambiente		1,467	3,130	4,597	196,012	86,934	58,330	145,264
■ Beautyworld		150	230	380	8,994	5,845	4,231	10,076
■ Book Fair ¹⁾		3,358	4,090	7,448	100,000	283,293	0	283,293
■ Christmasworld		318	709	1,027	53,453	13,906	16,324	30,230
■ Collectione		100	81	181	17,074	2,677	2,341	5,018
■ EuroMold		1,101	553	1,654	39,846	42,094	19,624	61,718
■ European Banking & Insurance Fair		103	41	144	3,147	4,758	488	5,246
■ Fine Art Fair Frankfurt ²⁾		36	12	48	1,150	12,317	0	12,317
■ Fur & Fashion Frankfurt		59	40	99	5,084	4,339	3,143	7,482
■ Hair & Beauty		196	38	234	14,686	23,425	858	24,283
■ Heimtextil		473	2,390	2,863	146,298	30,982	54,842	85,824
■ IAA		630	451	1,081	199,550	866,500	105,000	971,500
■ IFFA		443	465	908	60,039	31,971	29,093	61,064
■ Imex		465	2,855	3,320	20,200	3,905	4,405	8,310
■ ISH		1,118	1,253	2,371	166,004	168,252	49,411	217,663
■ Musikmesse		552	1,051	1,603	57,848	54,969	23,558	78,527
■ Nanosolutions		119	24	143	2,069	3,242	945	4,187
■ Paperworld		541	1,882	2,423	84,882	26,603	33,857	60,460
■ Prolight + Sound		316	479	795	35,221	17,017	10,430	27,447
■ Techtexil incl. Avantex		391	716	1,107	26,296	10,598	12,232	22,830
■ Tendence Lifestyle		1,299	1,711	3,010	104,892	51,254	20,487	71,741
■ The Design Annual		43	14	57	2,262	8,523	39	8,562
■ Turntec		101	49	150	2,746	8,811	2,509	11,320
International trade fairs	24	13,629	22,444	36,073	1,361,353	1,767,215	453,272	2,220,487

■ International trade fairs ■ Trade exhibitions ■ Exhibitions open to the public

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Germany	Other countries	Total	
■ Facility Management		159	8	167	2,832	2,926	183	3,109
■ Marketing Services		430	50	480	10,613	8,480	0	8,480
■ Material Vision		47	9	56	725	1,078	236	1,314
Trade exhibitions	3	636	67	703	14,170	12,484	419	12,903
■ Marathon Mall ³⁾		108	4	112	3,449	40,000	0	40,000
■ Sales marts and exhibitions	8	1,150	0	1,150	42,924	201,400	0	201,400
Exhibitions open to the public	9	1,258	4	1,262	46,373	241,400	0	241,400

Trade fairs and exhibitions at the Frankfurt exhibition venue in 2007

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Germany	Other countries	Total	
■ International trade fairs	24	13,629	22,444	36,073	1,361,353	1,767,215	453,272	2,220,487
■ Trade exhibitions	3	636	67	703	14,170	12,484	419	12,903
■ Exhibitions open to the public	9	1,258	4	1,262	46,373	241,400	0	241,400
	36	15,523	22,515	38,038	1,421,896	2,021,099	453,691	2,474,790

1) Messe Frankfurt estimate, unconfirmed figures of the organiser

2) visitors to the Fine Art Fair Frankfurt including vernissage and other free admissions

3) free admission for visitors to and participants in the Frankfurt Marathon

■ International trade fairs ■ Trade exhibitions ■ Exhibitions open to the public

Trade fairs and exhibitions in Germany outside the Frankfurt exhibition venue in 2007

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Germany	Other countries	Total	
■ Asianliving		7	211	218	2,711	4,911	3,010	7,921
■ EMV		72	62	134	1,184	2,238	334	2,572
■ Handarbeit & Hobby		105	106	211	8,668	6,700	2,509	9,209
■ ITeG		271	17	288	6,486	3,275	245	3,520
■ Parken		80	4	84	1,416	1,141	55	1,196
■ PCIM		118	131	249	5,210	4,130	2,128	6,258
■ SMT/Hybrid/Packaging		440	152	592	13,328	17,864	6,607	24,471
■ SPS/IPC/Drives		1,053	268	1,321	53,698	38,533	7,429	45,962
	8	2,146	951	3,097	92,701	78,792	22,317	101,109

Trade fairs and exhibitions in Germany in 2007

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Germany	Other countries	Total	
■ International trade fairs	32	15,775	23,395	39,170	1,454,054	1,846,007	475,589	2,321,596
■ Trade exhibitions	3	636	67	703	14,170	12,484	419	12,903
■ Exhibitions open to the public	9	1,258	4	1,262	46,373	241,400	0	241,400
	44	17,669	23,466	41,135	1,514,597	2,099,891	476,008	2,575,899

■ International trade fairs ■ Trade exhibitions ■ Exhibitions open to the public

Events outside Germany in 2007

Consumer goods fairs	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Host country	Other countries		Host country	Other countries	Total	
Ambiente								
Ambiente Rossija Spring		35	8	43	1,130	3,388	89	3,477
Ambiente Russia		43	79	122	1,669	3,925	52	3,977
Interior Lifestyle Japan		363	237	600	12,462	25,546	786	26,332
Interior Lifestyle (Ambiente) China		112	68	180	3,960	9,322	811	10,133
	4	553	392	945	19,221	42,181	1,738	43,919
Paperworld								
Hong Kong International Stationery Fair		76	186	262	2,760	7,862	8,192	16,054
Paperworld USA		42	73	115	1,309	561	257	818
Paperworld China		472	144	616	12,601	16,040	4,683	20,723
	3	590	403	993	16,670	24,463	13,132	37,595
Beautyworld								
Beautyworld Japan		463	243	706	13,224	48,600	992	49,592
Beautyworld Japan West		155	24	179	4,158	11,303	125	11,428
Beautyworld Middle East		180	593	773	10,140	9,966	4,718	14,684
Cosmesur Beautyworld Buenos Aires		139	24	163	5,127	41,470	735	42,205
	4	937	884	1,821	32,649	111,339	6,570	117,909
Musikmesse								
Music China		801	218	1,019	28,496	35,016	2,826	37,842
	1	801	218	1,019	28,496	35,016	2,826	37,842
Other consumer goods fairs								
Fenavem		323	8	331	22,605	38,879	2,000	40,879
Home Tech Middle East		35	146	181	2,838	9,628	3,168	12,796
Toy Fair Middle East		35	102	137	1,643	4,548	1,582	6,130
	3	393	256	649	27,086	53,055	6,750	59,805
Total consumer goods fairs	15	3,274	2,153	5,427	124,122	266,054	31,016	297,070

Textiles fairs	Exhibitors				Net area (in m ²) incl. special show space	Visitors		
	Number of events	Host country	Other countries	Total		Host country	Other countries	Total
Heimtextil								
Interior Lifestyle Spring – USA		52	4	56	1,389	5,000	0	5,000
Interior Lifestyle (Heimtextil) Summer		63	10	73	1,709	3,020	176	3,196
Intertextile Shanghai Home Textiles		733	95	828	45,026	27,910	3,702	31,612
Heimtextil Russia		121	143	264	6,949	12,823	689	13,512
Heimtextil India *)		138	17	155	4,151	0	0	0
	5	1,107	269	1,376	59,224	48,753	4,567	53,320
Interstoff								
Exintex		100	25	125	2,711	7,500	500	8,000
Interstoff Asia Autumn		46	176	222	1,971	6,478	2,091	8,569
Interstoff Asia Spring		43	171	214	2,679	6,132	2,579	8,711
Interstoff Rossija Spring		3	38	41	661	1,557	50	1,607
Intertextile Beijing Apparel Fabrics		713	180	893	13,388	18,763	2,705	21,468
Intertextile Shanghai Apparel Fabrics		1,538	486	2,024	39,874	44,883	9,265	54,148
Texworld Spring		5	820	825	16,555	2,393	14,719	17,112
Texworld Autumn		3	956	959	17,826	2,382	15,359	17,741
Texworld India *)		43	31	74	1,507	0	0	0
Texworld USA Summer		11	183	194	2,610	2,265	242	2,507
Texworld USA Winter		7	141	148	1,614	1,652	280	1,932
Yarn Expo Autumn		73	18	91	1,053	2,979	751	3,730
Yarn Expo Spring		90	13	103	1,137	4,626	0	4,626
	13	2,675	3,238	5,913	103,586	101,610	48,541	150,151
Intima								
Intima Punto & Seguido Buenos Aires		87	0	87	1,349	6,545	182	6,727
	1	87	0	87	1,349	6,545	182	6,727
Techtextil								
Techtextil Russia		17	81	98	1,076	1,752	193	1,945
Techtextil India *)		22	95	117	1,885	0	0	0
	2	39	176	215	2,961	1,752	193	1,945
Collective events								
*) Collective event India ⁴⁾						11,812	4,877	16,689
Total textiles fairs	21	3,908	3,683	7,591	167,120	170,472	58,360	228,832

4) Heimtextil India, Texworld India and Techtextil India are held in parallel, therefore it is not possible to state precisely how many visitors attended each fair.

Technical fairs	Exhibitors				Net area (in m ²) incl. special show space	Visitors		
	Number of events	Host country	Other countries	Total		Host country	Other countries	Total
Prolight + Sound								
Prolight + Sound Shanghai		280	26	306	8,752	12,245	1,380	13,625
	1	280	26	306	8,752	12,245	1,380	13,625
Texcare								
Texcare Asia		75	60	135	3,564	4,515	1,270	5,785
	1	75	60	135	3,564	4,515	1,270	5,785
Architecture + technology								
ISH								
ISH Kitchen + Bathroom Gulf		30	85	115	1,408	9,698	2,902	12,600
	1	30	85	115	1,408	9,698	2,902	12,600
Light + Building								
Lightstyle Gulf Light		49	153	202	2,789	5,912	2,931	8,843
Guangzhou Int. Lighting Exhibition		1,268	34	1,302	37,061	35,023	9,994	45,017
BIEL Light + Building Buenos Aires		342	64	406	15,574	38,533	2,176	40,709
	3	1,659	251	1,910	55,424	79,468	15,101	94,569
Automotive + technology								
Automechanika								
Automechanika Asia		46	105	151	1,764	4,752	737	5,489
Automechanika Canada		126	76	202	3,789	2,498	409	2,907
Automechanika Gulf		80	731	811	10,508	8,444	5,968	14,412
Automechanika Istanbul		386	272	658	13,918	25,909	3,202	29,111
Automechanika Moscow		85	110	195	3,362	4,985	147	5,132
Automechanika Shanghai		1,157	93	1,250	22,308	16,595	5,287	21,882
PAACE Automechanika Mexico		175	351	526	8,238	16,123	1,755	17,878
Auto + Automechanika St. Petersburg		243	28	271	16,048	44,439	0	44,439
Expo Transporte		242	52	294	22,378	31,568	730	32,298
Motorworld Macau		10	14	24	237	12,437	0	12,437
	10	2,550	1,832	4,382	102,550	167,750	18,235	185,985
Total technical fairs	16	4,594	2,254	6,848	171,698	273,676	38,888	312,564

Independent brands outside Germany	Exhibitors			Total	Net area (in m ²) incl. special show space	Visitors		
	Number of events	Host country	Other countries			Host country	Other countries	Total
ABF Franchising Show		169	9	178	5,162	13,218	31	13,249
AsiaMold		130	61	191	3,128	6,978	821	7,799
Canadian Waste Recycling/ Public Works Expo		87	53	140	2,576	936	63	999
Digital Imaging		54	3	57	2,115	9,165	24	9,189
Eco Expo Asia		91	44	135	1,202	3,004	1,997	5,001
Expo Forestal		285	19	304	6,464	19,883	343	20,226
Garden, Landscaping & Outdoor Living		46	83	129	1,199	6,459	2,018	8,477
Hardware & Tools Middle East		55	213	268	2,429	7,195	2,247	9,442
Intersec		136	498	634	10,427	11,526	4,788	16,314
Korea Railways & Logistics Fair		87	45	132	4,950	12,000	490	12,490
Materials Handling Middle East		58	87	145	2,522	5,841	1,685	7,526
Media Tech Expo USA		48	74	122	3,085	1,434	464	1,898
Micromachine		348	14	362	4,290	12,259	165	12,424
Seguriexpo Buenos Aires		101	34	135	2,349	8,286	274	8,560
Senior Lifestyle Asia		27	4	31	210	3,793	157	3,950
Super Showcase		63	63	126	805	5,060	0	5,060
Total independent brands outside Germany	16	1,785	1,304	3,089	52,913	127,037	15,567	142,604
Overall activities of Messe Frankfurt outside Germany	68	13,561	9,394	22,955	515,853	837,239	143,831	981,070

Congresses, conventions and other activities in 2007

	Exhibitors				Total	Net area (in m ²) incl. special show space	Visitors		
	Number of events	Germany	Other countries				Germany	Other countries	Total
Congresses and conferences at the exhibition centre not linked to trade fairs	110					80,000		80,000	
Congresses and conventions (supervised by "Conventure")	6					3,048	2,144	5,192	
Conventions (concerts, sporting, religious, political and other events)	66					395,934		395,934	
German Pavilions (planning and implementation of show participations)	16								
Akademie Messe Frankfurt	49					525	238	763	
	247					479,507	2,382	481,889	

Overall activities of Messe Frankfurt in 2007

	Exhibitors				Total	Net area (in m ²) incl. special show space	Visitors		
	Number of events	Germany	Other countries				Germany	Other countries	Total
Trade fairs and exhibitions at the Frankfurt exhibition venue	36	15,523	22,515	38,038	1,421,896	2,021,099	453,691	2,474,790	
Trade fairs and exhibitions in Germany outside the Frankfurt exhibition venue	8	2,146	951	3,097	92,701	78,792	22,317	101,109	
Events outside Germany	68	13,561	9,394	22,955	515,853	837,239	143,831	981,070	
Congresses, conventions and other activities	247					479,507	2,382	481,889	
	359	31,230	32,860	64,090	2,030,450	3,416,637	622,221	4,038,858	

Inspirations translated into reality:

→ Christmasworld: Traditional Festivals

The Germans have their Yuletide, the Spanish their spring festival "Las Fallas" and the Swedes their "Midsommar". At Christmasworld, visitors can let themselves be inspired by foreign cultures.

→ Light + Building: Trendforum

The "Trendforum" presented within the scope of Light + Building focuses on visualising living worlds. Whether purist, technological, glamorous or futuristic – there are no limits to the inspirations for future style trends.

→ Ambiente: Talents

The Talents platform at Ambiente provides an inspirational mix of cultures and design identities: from illuminated shelves capturing an Asian feeling of lightness and freshness, to exquisite chocolate and porcelain treats for the eyes.

→ Light + Building: The Intelligent House of the Present

The House of the Present impresses with intelligently matched components and improved home comfort. With networked components such as heating and ventilation, Light + Building demonstrates the opportunities offered by modern building automation.

→ Beautyworld: Future Spa

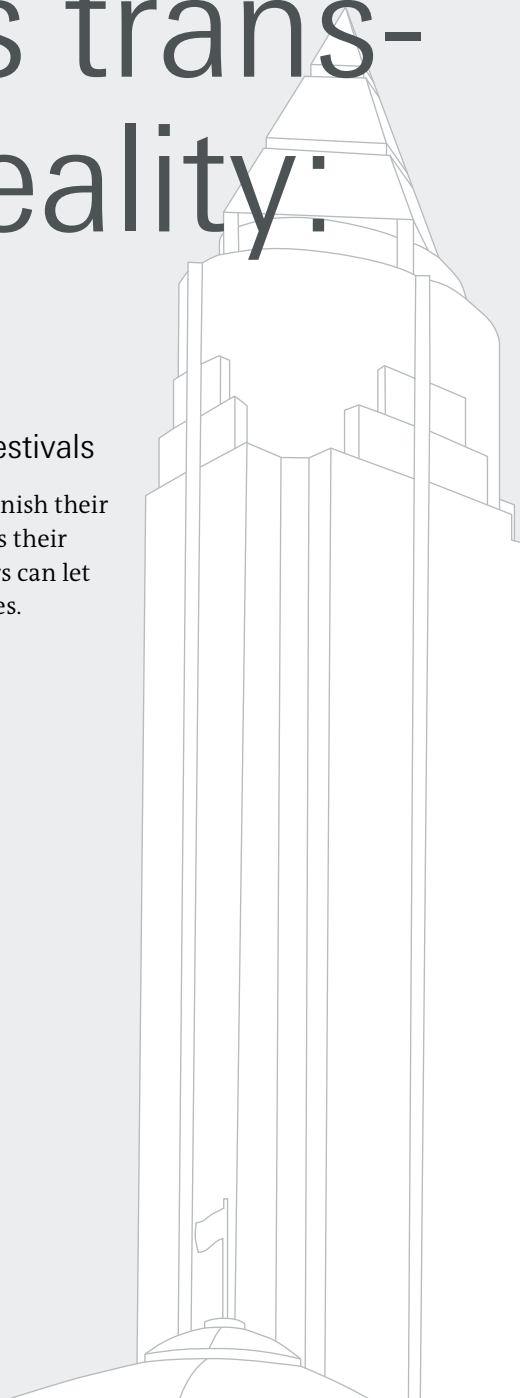
What will the wellness and relaxation oases of the future look like? "Future Spa" shows visitors to Beautyworld where the trend is heading – and how to turn day-to-day stress into feel-good relaxation.

→ Paperworld: Communication Areas of Tomorrow

Computers and desks can no longer exploit the potential of office work to the full. The "Conferencing" special show at Paperworld presents communication areas with electronic pens and electrochromic glass projection surfaces.

→ Tendence: Personal Shopper

The mission at Tendence: to identify trends. The agents: "Personal Shoppers". The result: two completely different consumer worlds facing each other – an artificial media world and a functionally and environmentally conscious consumer world.



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In|spi|ra|tion

(lat. inspirare “breathe life into”) creative idea, thoughts; stimulation or arousal of the mind, feelings etc. to sudden or unusual activity; often an experience that gives you new ideas for something you do.

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