

2015

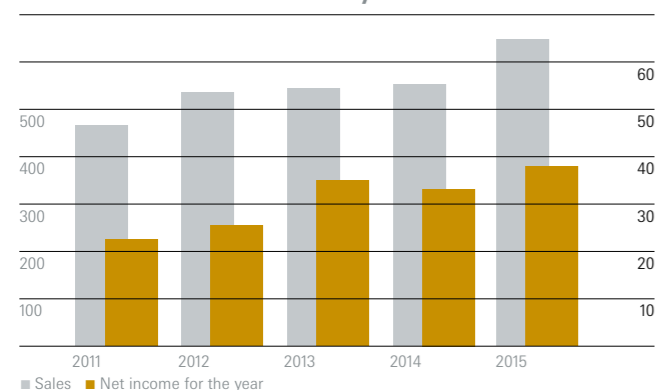
Annual Report



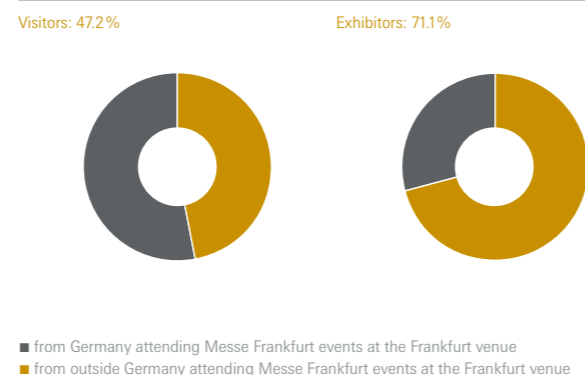
Atlas of Markets

At a glance

Sales and net income for the year in € m



Level of internationality



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*	2011	2012	2013	2014	2015
Sales	467	537	545	554	648
Personnel expenses	106	120	123	131	146
Depreciation, amortisation and write-downs	59	61	56	52	56
Earnings before taxes on income	34	36	49	47	52
EBITDA	99	102	108	102	109
Pre-tax return on sales in %	7	7	9	9	8
Net income for the year	22	25	35	33	38
Additions to fixed assets	22	27	48	56	45
Equity	404	412	427	453	475
Total assets	832	834	820	863	888
Active employees (at 31.12. respectively)	1,725	1,833	1,999	2,130	2,244

* 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	2011	2012	2013	2014	2015
Total area (m ²)	578,000	578,000	578,000	592,127	592,127
Available hall space (m ²)	355,678	355,678	355,678	366,637	366,637
Available open space (m ²)	96,078	96,078	96,078	96,078	96,078
Number of halls	10	10	10	10	10
Events in Germany					
Number of trade fairs and exhibitions	37	41	43	44	47
Exhibitors	38,184	44,066	40,786	41,828	42,167
Net area (m ²)	1,366,756	1,444,758	1,480,779	1,314,277	1,492,035
Visitors	2,307,067	1,634,205	2,268,884	1,557,581	2,440,666
Events outside Germany					
Number of trade fairs	63	68	70	77	86
Exhibitors	30,643	34,431	38,793	42,880	48,605
Net area (m ²)	713,636	791,785	935,148	1,060,630	1,240,629
Visitors	1,063,369	1,173,757	1,381,032	1,526,372	1,730,153
Total					
Number of trade fairs	100	109	113	121	133
Exhibitors	68,827	78,497	79,579	84,708	90,772
Net area (m ²)	2,080,392	2,236,543	2,415,927	2,374,907	2,732,664
Visitors	3,370,436	2,807,962	3,649,916	3,083,953	4,170,819

Atlas of Markets

Markets around the world are changing at breathtaking speed. What was held as the absolute truth yesterday may already be history today. The pace at which this change is taking place is determined by global trends that influence the way people think and act.

The Internet of Things, Industry 4.0, the desire for sustainable development and demographic change are just some examples of a world in a state of transition.

Trade fairs are ideal places for identifying and visualising these trends and discovering more about how companies are successfully responding to these changes.

Messe Frankfurt is making the atlas available to all those looking for orientation and seeking to harness the opportunities presented by change. Here fresh stimuli are given, acted upon and translated into viable solutions. Challenges are transformed into new benefits and intelligent competitive advantages.

Atlas of Markets

Messe Frankfurt is on track: at around € 648 million in financial year 2015, the Group recorded the highest ever sales in the history of the German trade fair industry and thus occupies the international pole position among organisers with their own exhibition grounds. With this, the company is systematically pursuing its corporate strategy by targeting a steady expansion of its brands at its home venue and worldwide.

An all-time sales record of around € 648 million and net income in excess of € 38 million – Messe Frankfurt achieved this result in a strong team. We would therefore like to take this opportunity to thank our more than 2,200 employees worldwide for their unswerving dedication and efforts. Our thanks, too, go to Messe Frankfurt's shareholders. Without their loyalty, the ongoing successes of our corporate group would not be possible. A solid brand portfolio, a strong rotation of events in Frankfurt and worldwide and our expansion in the relevant growth markets for our business sectors all contributed to this positive result. All this allows us to make further investments in the targeted strengthening of our core competence: the organisation of business platforms.

Messe Frankfurt will continue in the future to concentrate on what it does best – organising trade fairs at the highest possible level. We want to be our customers' first choice for their business encounters and offer first-class communication and trading forums in our relevant sectors. With the cumulative expertise of over 775 years of trade fair history in Frankfurt am Main, we encounter new trends and developments on the markets every day. The increasing use of digital offerings we are observing among our customers

and partners is just one of these. At the same time, we are confident that the core function of trade fairs will not change. Messe Frankfurt sees digital topics as an opportunity and an expansion of our services portfolio. For several years now, the company has pursued a digital strategy that is unambiguously derived from our corporate objectives and is continually being extended. Digital elements are being integrated into our event formats. In future, we aim to leverage the resulting synergies more effectively to meet our customers' changing needs.

We can look back with satisfaction on a full event calendar in Frankfurt in 2015: the trade fair duo Techtextil and Texprocess chalked up new visitor records. The ISH also performed extremely well, posting increases for all key performance indicators. The launch of Formnext powered by TCT, international trade fair for tool-making, mould-making, additive technologies and 3D printing, was a success. The Guest Shows, Congresses and Events business also ranks among the long list of successes at our home venue. As prime locations for a wide spectrum of national and international events, Congress Center and Kap Europa help to raise the profile of the Rhine-Main region as an attractive centre for congress and conventions and advance its position in the global ranking.



The corporate group is also well-positioned in the international arena, with Messe Frankfurt's brands being at home at all the major hubs around the world. Representing the string of successful newcomers in the past financial year are Leatherworld Middle East in Dubai and Modern Bakery in Moscow. We also expanded our flourishing Mobility & Logistics business segment with the addition of the Comtrans Commercial Vehicle Show in Moscow and introduced a new concept for PAACE Automechanika Mexico City. In 2015, we rolled out a total of 19 new trade fairs at home and abroad, and for 2016 the annual plan currently foresees 11 new events.

Maximum visitor capacity: some three million visitors, including 6,000 delegation members from the worlds of politics, business and science, was the tally for the German Pavilion at the end of Expo 2015 in Milan. In addition to the positive press coverage by some 2,000 international journalists, we were delighted that the pavilion was singled out for a number of prizes and awards, underscoring the project's resounding success. This was the first time in the company's history that Messe Frankfurt had organised the German Pavilion at an international Expo on behalf of the German government, and we are more than satisfied with the result.

Summing up, 2015 was characterised by record sales in Germany with sustained positive earnings, stable domestic business, strong international business with geostrategic concentration on certain regions and the unqualified success of the German Pavilion at Expo Milano 2015. All this allows us to look confidently to the coming year, in which we will continue to keep our ear close to the markets and be a reliable partner for our customers.

Building on input from our customers and partners – our pacesetters –, this year's Annual Report highlights innovations and trends in our relevant business sectors, which are developing at a rapid pace. Messe Frankfurt illustrates these trends like maps, places them in a thematic context and like this provides orientation.

The innovations and trends represent the hotspots in an Atlas of Markets.

Join us on an exciting tour of discovery!
We hope you'll enjoy it.

Wolfgang Marzin

Detlef Braun

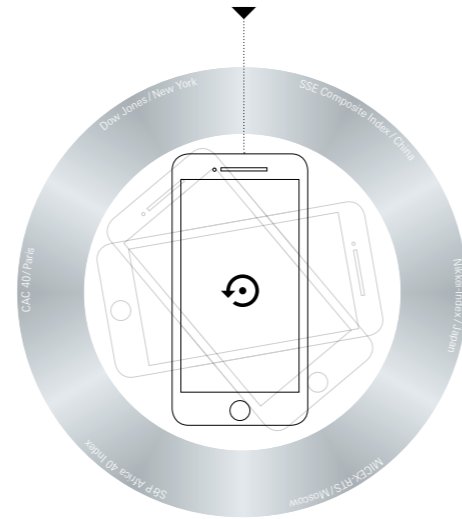
Uwe Behm

Atlas of Markets

12 Digitalisation and Internet of Things

Soon there will be very few things left that aren't a computer at the same time. How should we design these products so as to gain benefits from the digital world?

Pacesetter: Caroline Forster, Forster Rohner Group



18 Globalisation and orientation

A product's components often travel around the world before being assembled and ending up in somebody's shopping basket. How can we keep a clear overview and find the right partner?

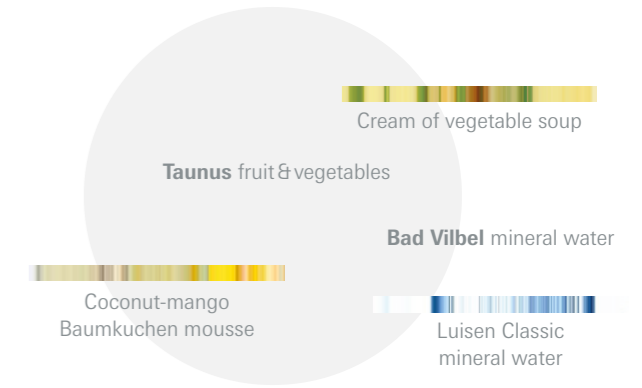
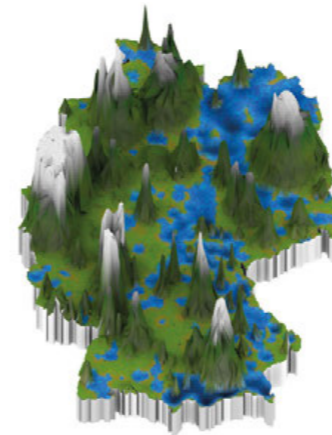
Pacesetter: Sebastian Herkner, Studio Sebastian Herkner



24 New mobility and smart cities

More than half of the world's population now lives in cities. What can we do to make sure our cities are worth living in, despite the fact they are growing ever larger?

Pacesetter: Dr Padideh Moini Gützkow, Siemens MO MM ITS S&PM



36 Sustainability and feeding the planet

Feeding the planet – the main topic of Expo 2015 in Milan – is one of the key factors for a sustainable environment. How can companies respond to changed consumer attitudes and thus align the interests of profitability and responsibility?

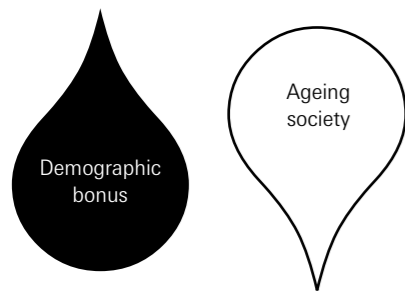
Pacesetter: Lennart Wiechell, Schmidhuber

30 Analogue and virtual worlds

Successful business is built on trust that is fostered through live encounters in the physical world. At the same time we connect up to one another via social media, apps and the Internet.

How can we leverage the best of both of these worlds?

Pacesetter: Marcus Mechelhoff, Mediapool Veranstaltungstechnik



6 Demographic change and responsibility

Ageing societies on the one hand and population growth on the other: the demographic trend is changing the way we live and work, impacting the climate and the environment and is a driver for Industry 4.0. Everything is interconnected.

Pacesetter: Jens J. Wischmann, VDS

Overall activities

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“Barrier-free begins in the mind.”

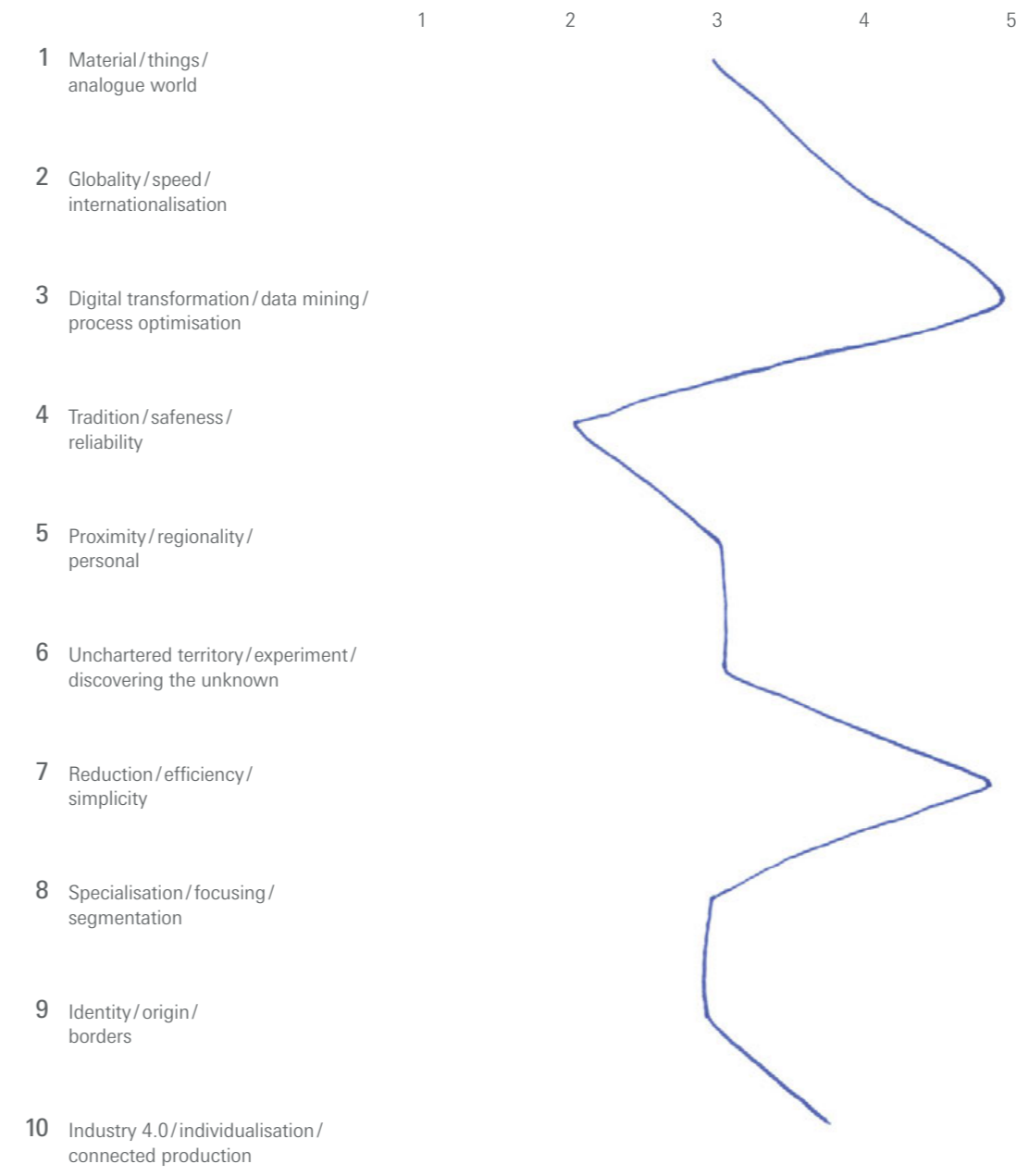
Jens J. Wischmann, Managing Director at Vereinigung Deutsche Sanitärwirtschaft e.V. (VDS), Bonn

The Association of the German Sanitation Industry VDS runs the “Pop up my Bathroom” platform at the ISH, the world’s leading trade fair for the bathroom experience, building, energy, air-conditioning technology and renewable energies in Frankfurt. This forum brings together designers, fitters and manufacturers, who collectively contemplate social trends and new solutions. Demographic change is one of the key trends that the “Pop up my Bathroom” project is concerned with.

Demographic change and responsibility/Pacesetter: Jens J. Wischmann

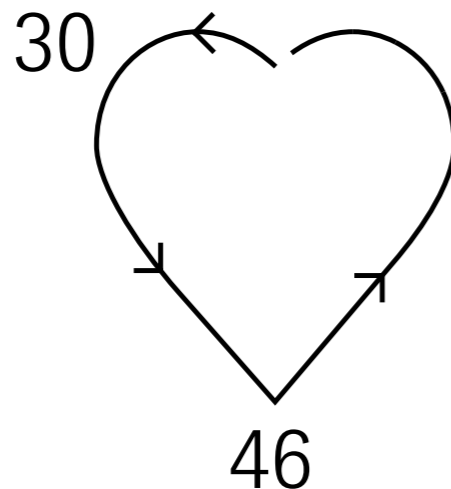
What role will the following topics play for you in your field of work in five years’ time?

Scores from 1 point (none) to 5 points (very important role)



At first glance, the image of barrier-free bathrooms isn’t particularly exciting. Most people think of a room designed with functionality in mind, tiled from floor to ceiling, with handgrips and supports and a clinical air about it. However, this image is all set to change in the next few years – and one of the reasons is that people are ageing differently these days. If you look at the playlist of today’s over 70s, you won’t just find the likes of German crooner Rex Gildo, but also the Rolling Stones, and in a few years’ time it will include Icelandic singer-songwriter Björk or Lady Gaga. We no longer grow old in large families, but as singles with or without family ties. And like nomads, we are constantly on the move. We make high demands on ourselves – and on our own bodies. We want to be fit in both body and mind.

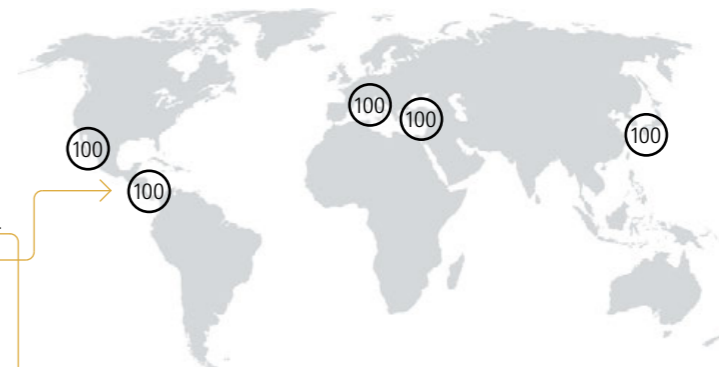
What this also means is that we want to live in our own four walls for as long as possible – even if this might become more difficult with age. By 2060, more than half of all Germans will be over the age of 51 and as many as 3.3 million over 90 (today 650,000). So independence and comfort in different phases of life are topics that will occupy us for many years to come. Barrier-free bathrooms should therefore not only become more attractive and feature new functions. We should first and foremost make them into “normal” bathrooms that are not only intended for a certain age. After all, a lower, retractable washbasin for children is also a form of barrier-free accessibility. Things should grow with us and grow old alongside us.



Old, but happy
From the age of 30, our subjectively perceived **contentment** with our own life decreases. After we reach 46, things start to look up again emotionally. Most people become calmer and more relaxed and therefore happier.

46

The Happy Planet Index
This combines people's life expectancy and **sense of well-being** with a country's **environmental footprint**. In first place is **Costa Rica** with a comparatively high life expectancy of 79.3 years and very low consumption of resources. Germany only ranks 46th, with a life expectancy of 80.9. That's because the consumption of resources in Germany is very high.



Blue zones – old places
There are five places in the world where a striking segment of the population is over 100 years old. Known as "blue zones", they lie in: Loma Linda, California; Peninsula de Nicoya, Costa Rica; Ogliastro and Nuoro, Italy; Ikaria, Greece; Ogimi, Okinawa/Japan

Growing pains

The per capita consumption of energy almost doubled in China between 2003 and 2012. China's **rapid growth** is leading to enormous problems with **air pollution**. In mega-cities like Beijing, the highest smog alert is a regular occurrence, with the result that factories have to be shut down and flights cancelled, for example.

*ISH China & CIHE, in cooperation with the Chinese government, launched the "China International HVAC Congress" in order to bring expertise about innovative and climate-friendly **heating and air conditioning technologies** on to the Chinese market more quickly.*

Emerging economies

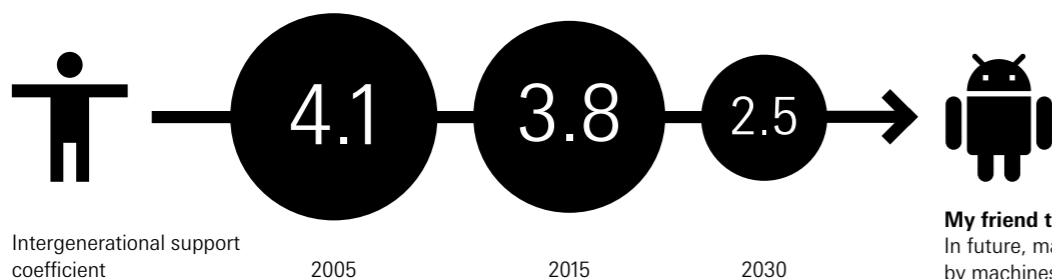
More, or less ...

Demographic change has different impacts in different parts of the world: while in the western industrialised nations people are living longer and the population as a whole is beginning to decline, many emerging and developing economies are having to cope with rapid population growth. Nevertheless, at the end of the day we are all in the same boat. Thanks to advancing globalisation, everything and everybody is interconnected and interacts with each other. What are the major global trends and how will they impact the exciting questions that determine our future?

Pop up my Bathroom

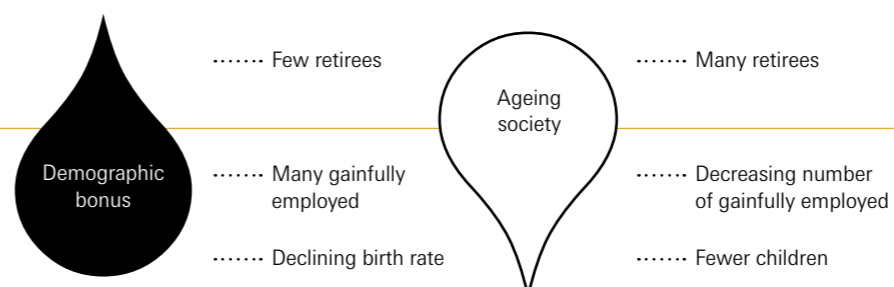
"Will you still need me, will you still feed me?"

The intergenerational support coefficient states how many 50- to 64-year-olds there are to one 80-year-old: in what **relation** can older people count on younger generations supporting them? Above all after 2020, when the so-called baby boomers age out of the group of 65-year-olds, the numerical relation between the elderly and their children's generation will deteriorate considerably. At the same time, the number of **people in need of care** is set to increase by half to around 3.4 million by 2030.



My friend the robot
In future, many **care** tasks will be carried out by machines and robots. The seal "Paro", for example, is currently being tested in around 50 care homes. Soft toy on the outside and computer on the inside, Paro responds to touch and is used in the treatment of people suffering from dementia.

Paro was presented in the course of the "Zukunft Lebensräume" trade fair and congress at Kap Europa in 2015.



Demographic bonus

A demographic bonus is said to exist where the majority of the population are of working age. For this, generations with a high birth rate need to enter the workforce and at the same time have fewer children. The demographic dividend – in the form of strong economic growth – occurs when investments are made simultaneously in education and new jobs, creating opportunities for prosperity. Countries like Argentina, **China** and South Korea are currently cashing in on the demographic dividend and will soon have to prepare for an **ageing society**. Countries like South Africa and India are on the threshold of being able to exploit the demographic bonus.

Multigeneration houses

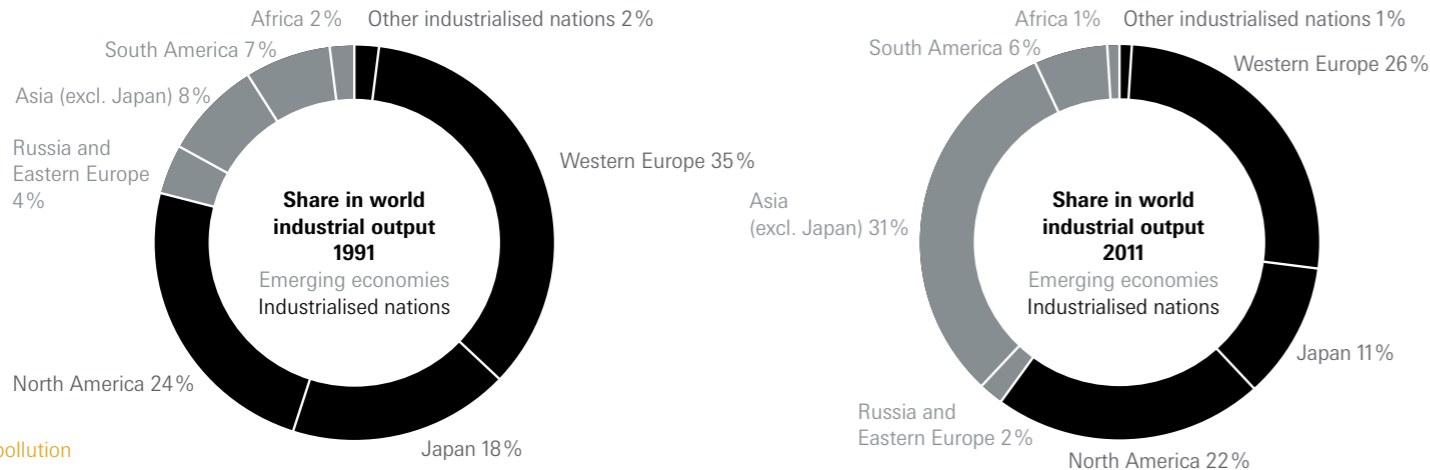
In multigeneration houses, young and old live together under one roof and **support** one another. Multigeneration houses are characterised among other things by architecture that reflects the differing **needs** of all age groups.

Best practice examples and concepts for successful implementation of multigeneration houses were a central theme at the SenNova trade fair, held at Messe Frankfurt's Congress Center in 2015. The opening keynote speech was held by German Chancellor Dr Angela Merkel.

3,500,000,000 h

Retirees contribute around 3.5 billion hours of unpaid work a year as volunteers, carers and **child carers** (including in their own families). The estimated value of their work is 40 billion euros a year.

In Germany, the aspect of growing old people worry about most is **needing long-term nursing care**. But fears vary from country to country. According to a study conducted by the GfK consumer research association, people in Egypt do not worry at all about becoming dependent in old age. **Family structures** there are so extensive and strong that they can be assured of being cared for in their own home.



Air pollution

Share of emerging economies in world industrial output

The share of today's industrialised nations in world industrial output has declined over the past few years – a trend that is set to continue. Conversely, today's emerging economies are making gains. The reason for this is declining birth rates in the ageing societies of the industrialised nations. This leads to a decrease in the number of gainfully employed in these countries, resulting in a decline in economic output. This effect can be cushioned by forging ahead with the integration of artificial intelligence and big data with industrial manufacturing methods, thus in turn increasing productivity and making it less dependent on input from humans.

Demographic bonus

50/50

Social machines and Industry 4.0

Social machines are a central element of self-organising networks in industrial production. The machines autonomously contribute their production know-how so that all partners in the production process – humans and machines – can learn from one another. Customers can follow the production in real time and give feedback, enabling products to be optimised during the production process.

Highly flexible, highly productive and urban-compatible

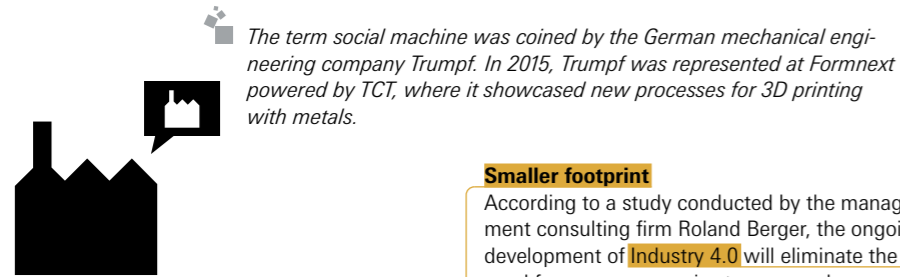
The president of the German Academy of Engineering Sciences "Acatech" predicts that Industry 4.0 will make production highly flexible, highly productive and urban-compatible. Productivity is forecast to rise by up to 50 percent. Production should also become up to 50 percent more resource-conserving. Here, huge capacity reserves lie dormant that intelligent cross-company and cross-country connectivity make it possible to tap into.

Smaller footprint

According to a study conducted by the management consulting firm Roland Berger, the ongoing development of Industry 4.0 will eliminate the need for many companies to manage large production sites in central locations in order to operate cost-efficiently. In many cases, it could be less expensive to transmit data and produce decentrally on a smaller scale with local partners. This lowers costs and the use of resources for transport and logistics.

Ecological deficit

An ecological deficit occurs when the ecological footprint of a country's population exceeds the corresponding biocapacity. The country slips into the red because it is no longer in a position to compensate the consequences of the consumption of resources. Brazil's ecological balance is in the black, because large expanses of the country are not settled. Germany on the other hand is in the red, despite the fact that substantial efforts are being made to minimise negative impacts on the environment. On a global scale, humankind has a deficit of approx. 25 percent.



The term social machine was coined by the German mechanical engineering company Trumpf. In 2015, Trumpf was represented at Formnext powered by TCT, where it showcased new processes for 3D printing with metals.



A house for billions

The number of older people as a proportion of the total population in the western industrialised nations is constantly increasing. In many other countries, by contrast, we can observe a reverse demographic composition: of the 7.4 billion people living on the planet today, 2.4 billion are below the age of 16. Whereas we in Europe have to reflect seriously on how to make our homes more age-appropriate, billions of young people in China, India and Brazil are leaving home in search of prosperity.

To cite just one example from "ISH Energy": combining efficient heating technologies with renewable energies and air conditioning systems with waste heat recovery could save as much as 15 percent of the total energy consumed in Germany by 2020. This equals the total output of all of Germany's nuclear power stations – which would then become surplus to requirements.

"Barrier-free accessibility" as a central theme

With the Partner Country concept introduced in 2015, the ISH aims to intensify such international and interdisciplinary contacts in the future. The first country to be given a platform here was Poland. "Poland is booming," design journalist Zuzanna Skalska says, summing up the development. She describes the change of the past few years at the ISH: "Whereas in the past Poland was mainly known as a production location for manufacturers from Germany and Sweden, Polish companies have now discovered the power of brands for themselves." This is a trend that can be observed in many countries, and not only in Eastern Europe. Over the medium term it will lead to competition for the best ideas and concepts, from which everyone – young and old alike – will benefit.

Acting globally

Holistic sustainability challenges us to think globally and look beyond our own backyard. For example, in Europe manufacturing a pair of cotton trousers consumes 6,000 litres of water, while in Asia and Africa around 1.3 billion people do not even have access to clean drinking water. Innovative technologies such as those presented at the "ISH Water" section could be the key to significantly improving the living conditions of people in disadvantaged regions.

ISH as a driver of innovation

This rapid growth raises enormous challenges, above all against the background of the climate targets set by the global community. However, a look at the diversity of innovations and solutions presented for example at the ISH shows that this is a task that can be solved.

Countries like India and China therefore account for more than half of all investments in water and waste water systems worldwide – to the tune of 24 billion US dollars. The demand is there; with ISH China & CIHE, ISH Shanghai & CIHE and – new in the portfolio – ISH India powered by IPA, Messe Frankfurt offers its customers a corresponding platform in the respective markets.

The range of topics covered spanned principles of water stewardship, via hybrid systems that combine efficiency and renewable energies, to connected buildings that adapt to the needs of their inhabitants and thus open up new forms of living and residing.

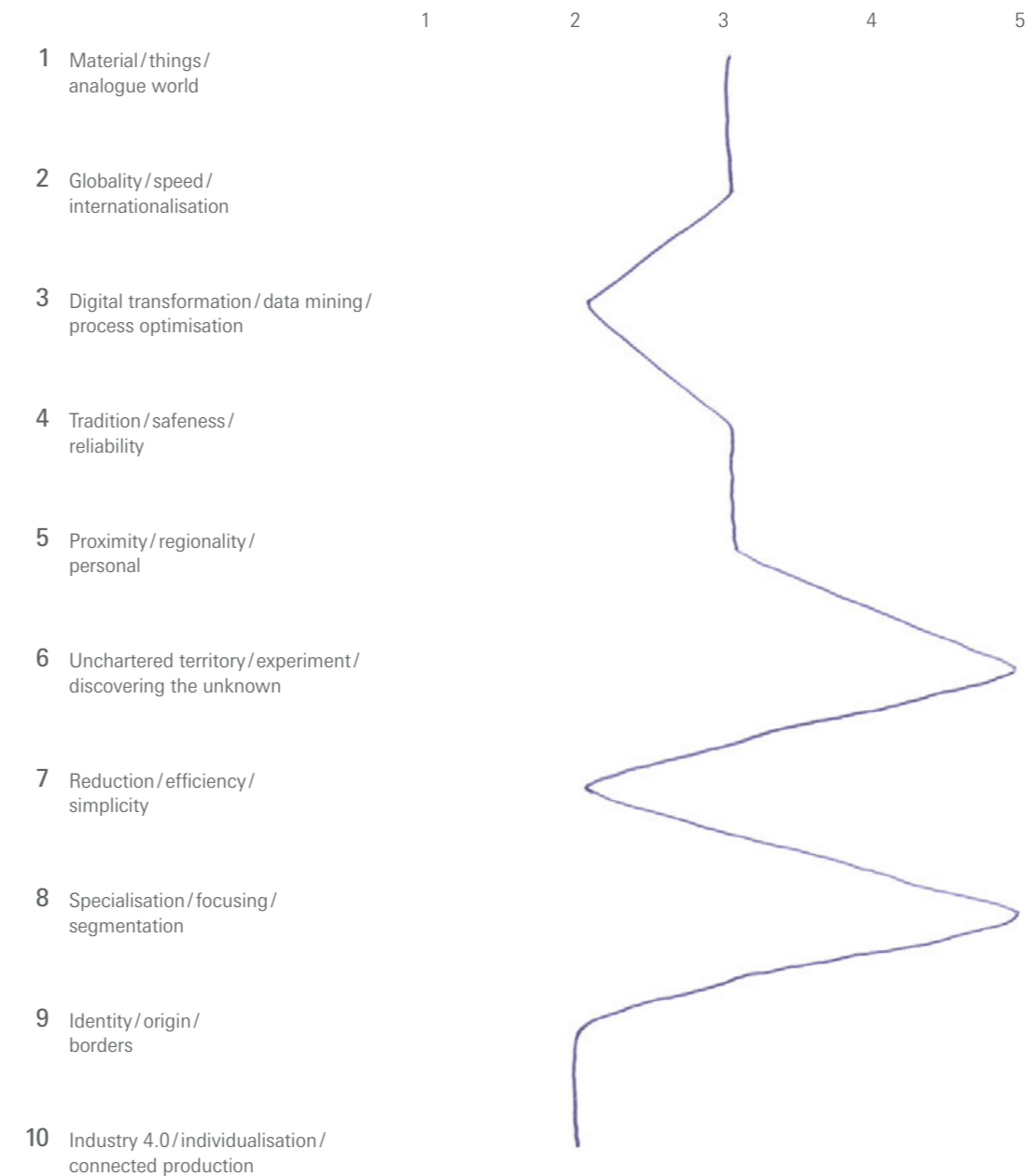
Barrier-free accessibility is therefore the keyword on many levels – and relates not only to independent living in old age, but also to access to new markets, to vital resources, as well as the merging of technologies with the help of digital systems.

Iris Jeglitza-Moshage
Senior Vice President Messe Frankfurt Exhibition GmbH / Business Unit Technology
ISH
Frankfurt/Beijing/Shanghai/Delhi

Digitalisation and the Internet of Things / Pacesetter: Caroline Forster

What role will the following topics play for you in your field of work in five years' time?

Scores from 1 point (none) to 5 points (very important role)



“We’re looking for textiles with a capacity to feel.”

Caroline Forster, Co-CEO of the Forster Rohner Group, St. Gallen

The textiles from the long-established company Forster Rohner are among the most sophisticated and innovative in the commercial embroidery sector. Customers include big names like Prada, Dior and Chanel. At Barack Obama’s inauguration ceremony in 2009, Michelle Obama caused a stir in a lace ensemble made from Forster Rohner fabrics. Since 2009, together with her brother, Caroline Forster has built up the company’s “Textile Innovations” subsidiary, which combines fabrics with electrical components to create so-called e-textiles. At Techtextil, the leading international trade fair for technical textiles and nonwovens in Frankfurt in 2015, Forster Rohner won the Innovation Award for a washable digital screen in which LED light points are worked into a textile projection screen, thus creating a fabric monitor.

Hardly anything gets closer to our skin than the clothes we wear every day. We feel whether the fabric is soft or rough, whether it follows the contours of our body or keeps its own shape.

In the future, however, it won’t only be us that feel the fabric. Textiles will in turn sense how we feel and how we move. Major sports article manufacturers such as Adidas or Nike have long recognised the possibilities that textiles with embedded sensors for measuring body functions and optimising personal training present. But meaningful applications can also be developed from these technologies in the areas of occupational safety or medicine, for example clothes for

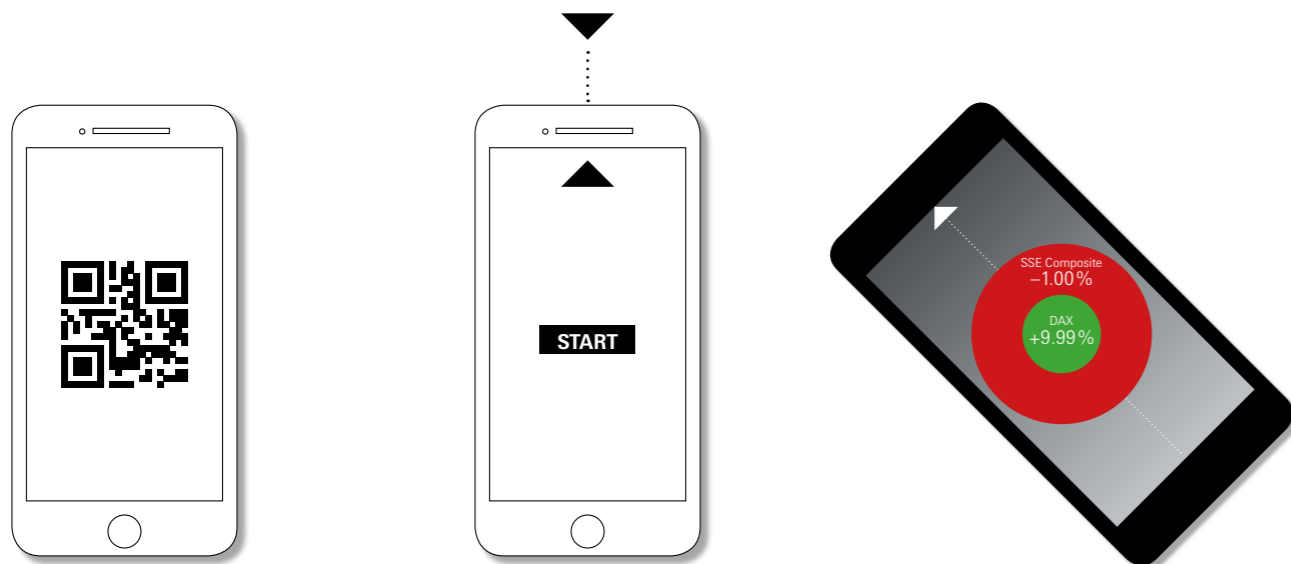
long-term ECG monitoring or therapeutic textiles that locally activate individual muscles or nerves.

With e-textiles, fabrics become part of the Internet of Things (IoT). Many of these product concepts are currently still at the prototype stage. But we are already witnessing a growing market dynamic and we are confident that in five to ten years’ time, completely new business models will develop on the basis of e-textiles. These models won’t simply replace traditional products, however. They will also bring production capacities and market shares in the textiles industry that migrated to Asia over the past few decades back to Europe.

You are here. But perhaps you should be here instead? Or here?

It is now over 20 years since Boris Becker asked in an advertising campaign: "Is it really that easy?" In a sense this question was the starting signal for the Internet for everyone. Then as now, it was clear to everybody that global connectivity would change the world as we know it – however, to this day it is still hard to predict exactly how.

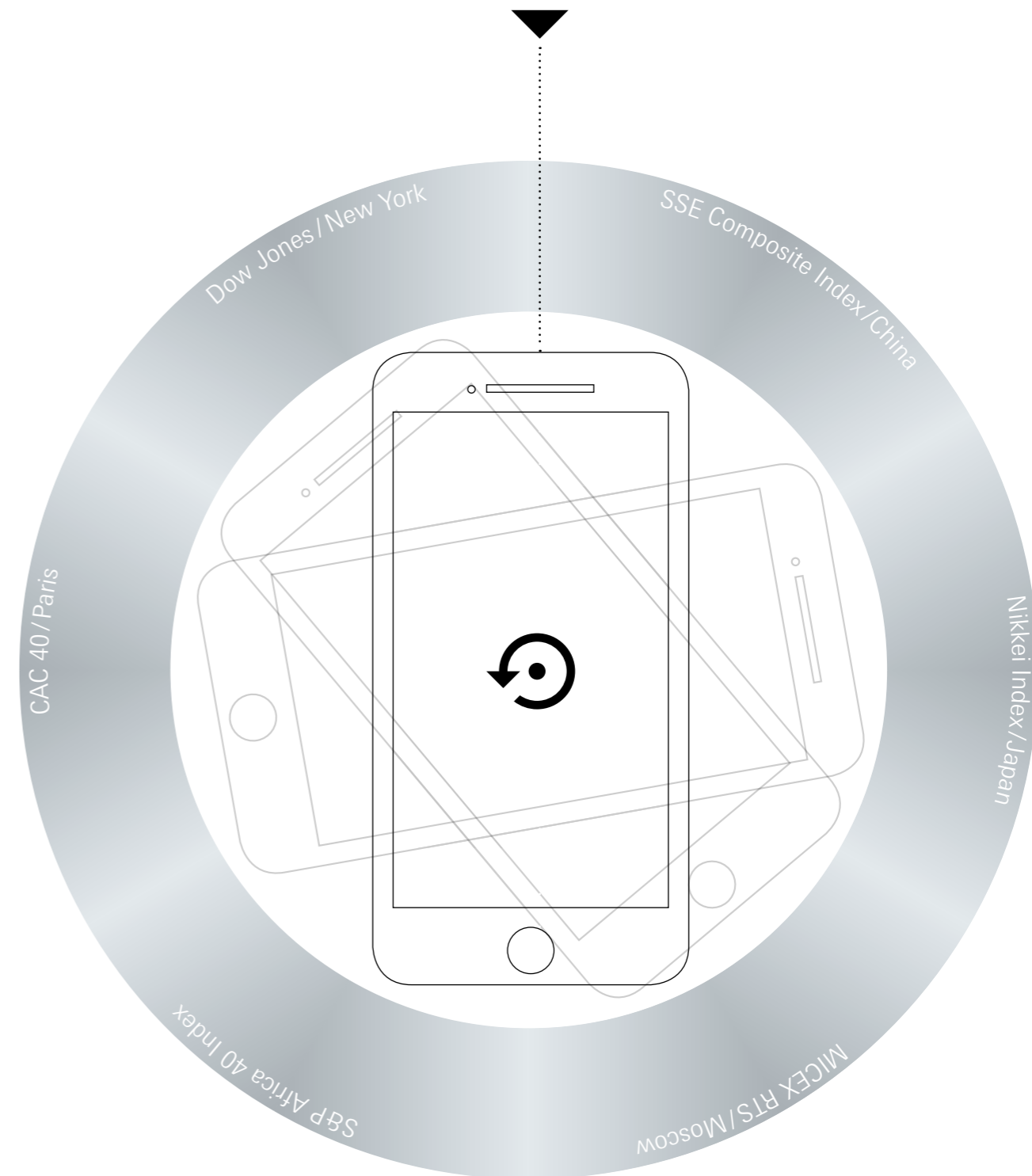
And thus many prophecies down the years have proved to be wrong, or turned out differently than expected. Contrary to many predictions, books and magazines still exist, for instance. The idea of the paperless office hasn't caught on either. However, we can observe how the virtual and analogue worlds are increasingly merging. That's why we've connected Messe Frankfurt's Annual Report to the Internet – like this we connect markets, people and places.



1 Scan the QR code on the following pages with your smartphone or go manually to the specified website.

2 Place your smartphone in the centre of the circle so that the arrows on the phone and on the page are directed towards each other. Press the "start" key ...

3 ... rotate your smartphone slowly and compare the markets and places around the globe.

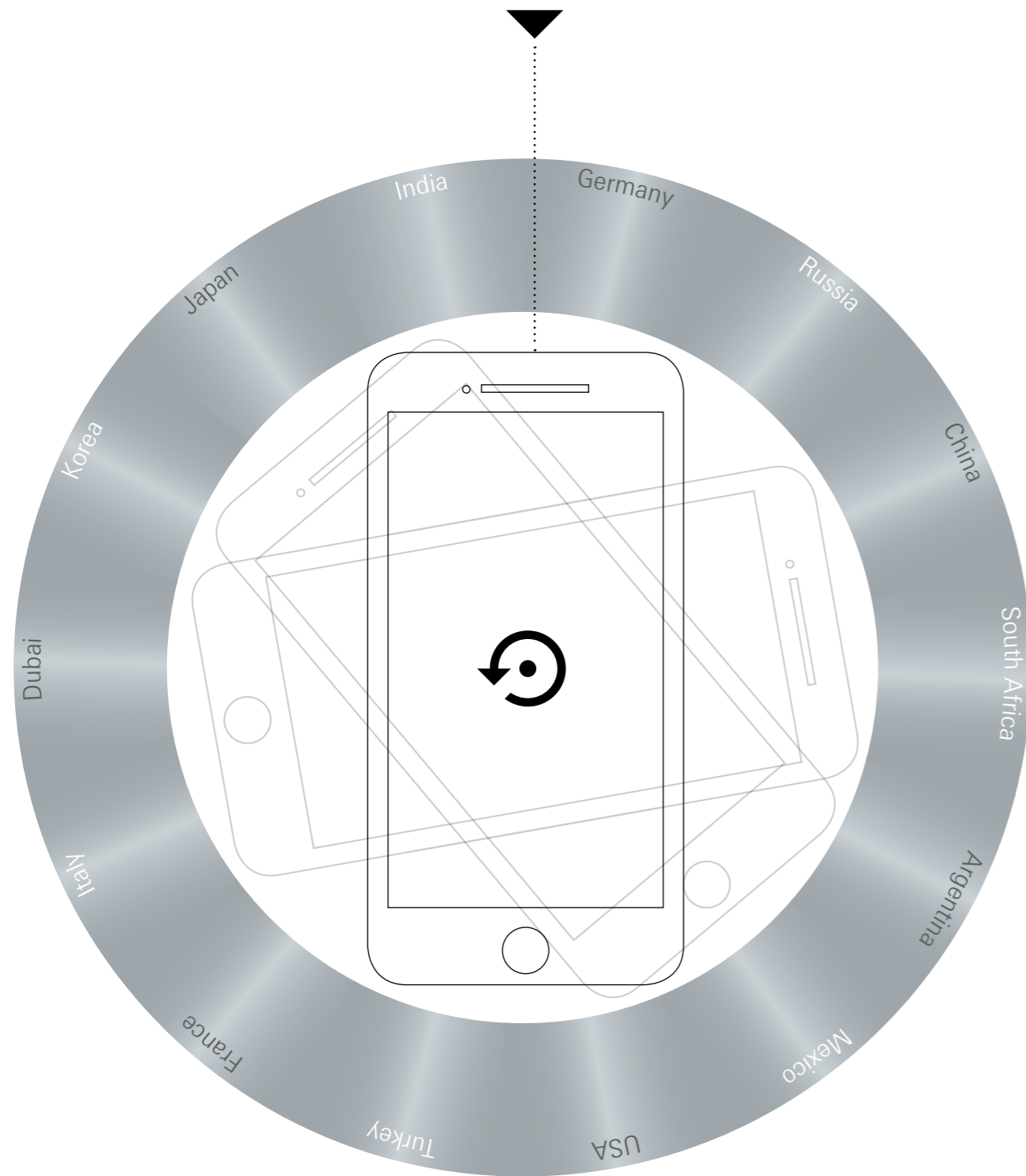


Where are the best opportunities to be found?

Markets are in constant flux, and the wind can change direction quickly. While surveys on the business climate and economic data show up medium-term trends, the stock exchanges show the current mood on the markets by the minute. As a globally operating company, share indexes are important barometers that help us to better understand what our international partners are interested in. Rotate your smartphone and compare the most important share indexes in the world in real time with the DAX, the German stock market index, which is determined in Frankfurt – the home of Messe Frankfurt.



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We provide market insights

The same product may have a different price in different parts of the world. The well-known Big Mac Index shows how long you have to work in various parts of the world in order to be able to afford a burger. Turn your smartphone in any direction you like and learn more about the purchasing power in the countries in which Messe Frankfurt has subsidiaries.



Scan this QR code with your smartphone.
www.atlas-of-markets.com/big-mac-index/

Welcome to the Internet of Things

More things are already connected to the Internet today than people via a PC, tablet or smartphone. And yet of the 1.5 trillion things on the Earth that could be on the Internet, so far a mere 9 billion are online. The IT company Cisco estimates that by 2020 this number will grow to 50 billion. Intel speaks of 200 billion and the market research institute IDC cites 212 billion. However many – we're talking very, very big numbers.

The Internet as we know it, with homepages, images, videos, texts and links, could become just a small niche in the online world of the future. That's because the digital world is no longer only dominated by people. It is being increasingly populated by things and machines, which have their very own way of communicating with one another.

Weaving goes global at Texprocess

These days, even textiles are going online. Weaving electronic components into textiles throws the door to the

Internet of Things wide open for the fashion world. Textiles can light up, become storage media, energy suppliers or communication media.

Imagine, for example, a handbag that charges your mobile phone as soon as you place it inside. Or a dress that can change colour to suit the occasion. "We are currently working on applications like these with partners from the fashion sector," says Hermann Issa, Director Business Development and Sales at Belectric in Nuremberg, describing the possibilities of printable photovoltaic elements on the blog of Texprocess, the leading international trade fair for processing textile and flexible materials in Frankfurt.

The key to such applications lies in new technologies for production and processing. In the past, innovative concepts didn't fail because of a lack of creative minds, but because of practical issues such as washability or flexibility, or the high demands on precision involved in the manufacturing. However, these obstacles are becoming smaller by the day. Today, for example, using ultrasound it's possible to join pieces of fabric together or weld semi-conductors onto textiles.

Innovative Apparel Show

Maria Valdez, a student at the Hochschule Niederrhein University of Applied Sciences, also took advantage of this technology. She was the winner of the "Innovative Apparel Public Award 2015" conferred at Techtextil, the leading international trade fair for technical textiles and nonwovens in Frankfurt. At the fashion show for budding new designers, she caused a sensation with her entry "Mava Ultrasonic": a shift dress made from a double-layer technical fabric processed using ultrasound technology to produce especially clear cutting edges and seams.

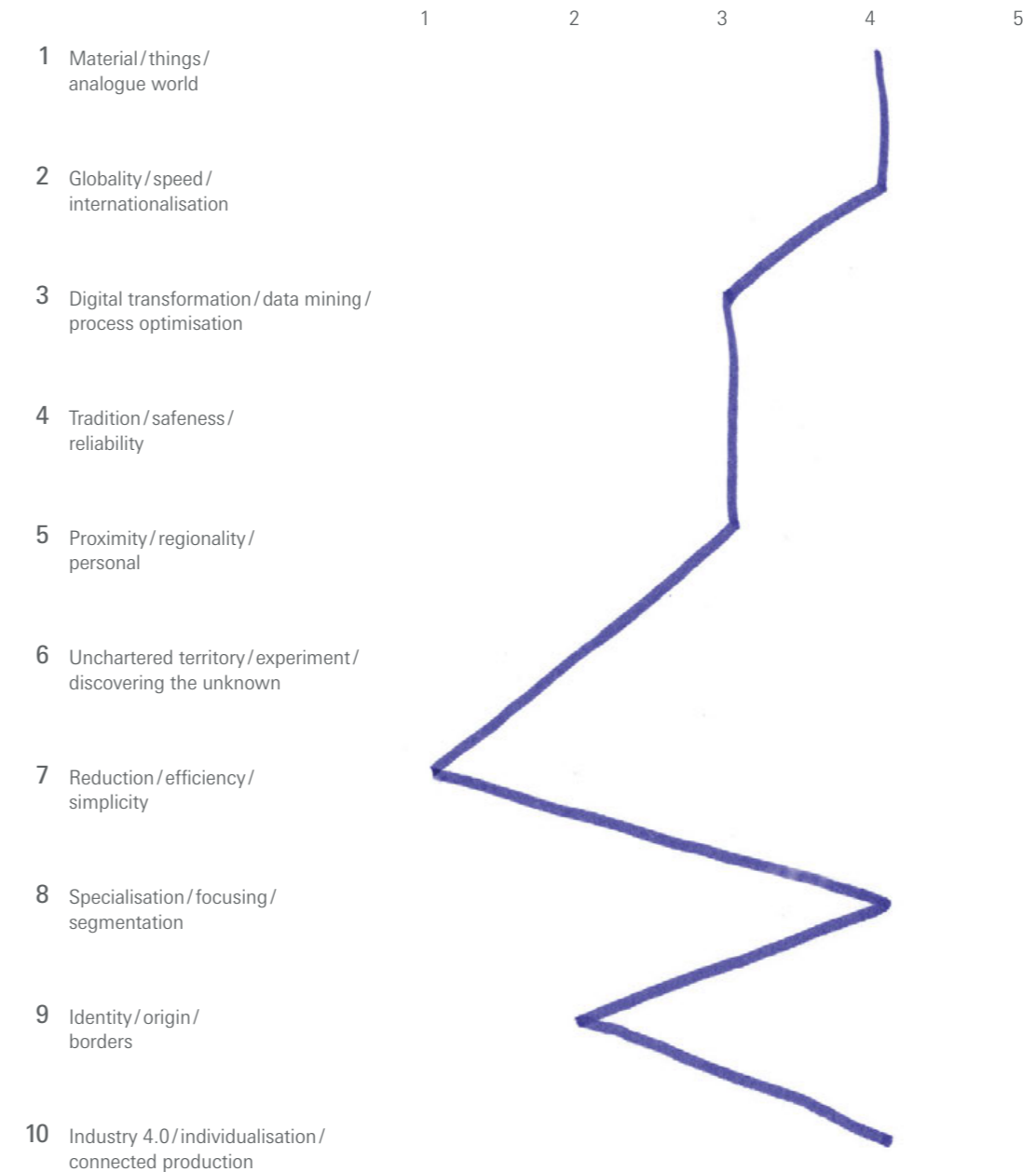
As we can see, the digital world is by no means replacing the material, tangible world. What is actually happening is that the two are fusing together and new forms are emerging. After all, we don't just want to share the Internet with things. We want to look good, too – in the analogue world.

Olaf Schmidt
 Vice President Textiles and Textile Technologies
 Innovative Apparel Show / Techtextil
 Frankfurt

Globalisation and orientation / Pacesetter: Stefan Herkner

What role will the following topics play for you in your field of work in five years' time?

Scores from 1 point (none) to 5 points (very important role)



“For me it’s all about respect for people and the things they produce.”

Sebastian Herkner, Studio Sebastian Herkner, Offenbach am Main

As a designer, Sebastian Herkner enjoys working with craftspeople. In 2014, he developed a collection of baskets together with Matali Crasset and the women from a small village in Zimbabwe that went down a storm at Ambiente 2015, the leading international trade fair for consumer goods in Frankfurt, and have become a big sales hit in Germany.

For the “Basket Case” project I travelled to Binga, a small village in the north of Zimbabwe, and a 24-hour drive on dirt tracks from the capital Harare. For the 20 women at the “Binga Craft Centre”, basket weaving is the only way to earn some money. A lot of care and effort goes into crafting the baskets by hand, which takes several days.

In Binga there is very little infrastructure and no possibility to buy materials. That’s why the majority of baskets made there are produced in just one colour. Such constraints excite the designer in me. I was looking for ways to add diversity to the products by using colour. After a long search, I finally discovered the bags made from synthetic fibres in bright colours that are used in Africa to transport rice or corn.

We unpicked this material and wove the fibres into the baskets, creating a completely new and unusual quality of material and colour.

For me, it’s all about respect. Most people don’t want to pay more than five euros for a basket. But that way we easily lose touch with things. After all, the way something is produced is just as much a part of the product as the material it’s made from, its form or its function. This is a problem we are also familiar with in Germany. What would count as traditional German handicrafts today? In a world characterised by a global division of labour, local materials, traditional manufacturing methods and personal identification with objects take on a new value.



How global was your day?

What objects do we carry around with us every day and where do they come from? We looked into this question and asked six people to show us the contents of their bags.



Nick Barth | Australia

Distance: 51,579 km
Distance: 📍 Place of production → Home country

- 1 Revo sunglasses 📍 USA 🏠 Mauritius
- 2 Taxi receipt 📍 Germany 🏠 Germany
- 3 Photo
- 4 Passport holder
- 5 Arnott's TimTam biscuits 📍 Australia 🏠 New Zealand
- 6 Skross adapter 📍 Switzerland 🏠 Thailand
- 7 Wallet 📍 England 🏠 England
- 8 Apple 📍 Australia 🏠 New Zealand

📍 Company headquarters 🏠 Place of production

Maria Pia Amoroso | Italy

Distance: 15,302 km
Distance: 📍 Place of production → Home country

- 9 Vera Pelle wallet 📍 Italy 🏠 Italy
- 10 Yves Rocher lip balm 📍 France 🏠 France
- 11 Tweezers
- 12 Maybelline New York lip gloss 📍 France 🏠 Germany
- 13 Miu Miu glasses and pouch 📍 Italy 🏠 Turkey
- 14 Hairbrush
- 15 Smile tissues 📍 Italy 🏠 EU
- 16 Metro ticket for Milan 📍 Italy
- 17 Purse
- 18 Sephora nail file 📍 France 🏠 Korea
- 19 Labello lip cream 📍 Germany 🏠 Germany
- 20 Lanyard key chain 📍 Italy



Dirk Stieger | Switzerland

Distance: 9,402 km
Distance: 📍 Place of production → Home country

- 21 Omeprazol Mepha 20 mg 📍 Switzerland 🏠 EU
- 22 iPhone 📍 USA 🏠 China
- 23 Caran d'Ache pen and case 📍 Switzerland 🏠 Switzerland
- 24 Alfa Romeo car key 📍 Italy 🏠 Italy
- 25 Debit card USB Bank 📍 Switzerland
- 26 Ricola Herbal Candy herb drops 📍 Switzerland 🏠 Switzerland
- 27 Moleskine notebook 📍 Italy 🏠 Italy

Mary Ann Romano | Dubai

Distance: 57,738 km
Distance: 📍 Place of production → Home country

- 28 Paperchase glasses case 📍 England 🏠 China
- 29 Ray Ban sun glasses 📍 Italy 🏠 Italy
- 30 Johnson's Baby Skincare wipes 📍 Dubai 🏠 Tunisia
- 31 Key ring 📍 France
- 32 Comb
- 33 Jo Malone perfume 📍 England 🏠 England
- 34 iPod 📍 USA 🏠 China
- 35 Tic Tac 📍 Germany 🏠 Ireland
- 36 M.A.C powder 📍 Canada 🏠 USA
- 37 Samsung smartphone 📍 South Korea 🏠 South Korea
- 38 Purse 📍 Sri Lanka 🏠 Sri Lanka
- 39 Boots lip gloss 📍 England 🏠 Thailand



Paola Farina | Italy

Distance: Place of production → Home country

- 40 Rothmans cigarettes England England
- 41 BIC lighter France France
- 42 Let me See sunglasses Switzerland Taiwan
- 43 Globo Medical Defender Italy Italy
- 44 Key book
- 45 iPhone USA China
- 46 BIC pen France France
- 47 FREITAG wallet England England
- 48 Dior Skin Nude Tan powder France France
- 49 La Piazza wet wipe
- 50 Okitask headache granules Italy Italy
- 51 Mobile ashtray
- 52 Tissues Italy China
- 53 USB memory stick

Robert Laing | New Zealand

Distance: Place of production → Home country

- 54 Wrigleys P.K. chewing gum New Zealand Australia
- 55 Room key Hotel Zum Feldberg, Königstein Germany Germany
- 56 Granny Smith apple Germany New Zealand
- 57 Johnny Cash book England England
- 58 Photo
- 59 Adapter

Globalisation and orientation / Messe Frankfurt 2015

Contract business

The women from Binga need several days to weave a basket (→ Pacesetter Stefan Herkner, p.18). But that's not the only challenge for the craftswomen from the "Binga Craft Centre". Once a basket is finished, it needs a buyer – who is in all likelihood not located just around the corner, but quite possibly on the other side of the world. Many products today travel around the world before ending up in a buyer's shopping basket.

For craftspeople, manufacturers and designers not only in the remote villages of Africa, but in Europe, too, distribution has become one of the biggest obstacles to growth and commercial success. While it's possible for us to buy things from all four corners of the world, first they have to find their way to us.

This is exacerbated by the downward trend in private consumer retail expenditure as a proportion of total private consumer expenditure over the last few years, as a look inside the management report "Contract business – a growth market" published for Ambiente 2015 shows. At the same

time, however, we are seeing growing demand from the commercial sector – including companies in the industry and services sectors and the hotel, restaurant and catering trade. If we take the contract business market for the product groups Dining, Giving and Living together, the current volume is in the region of two billion euros. Looking at the next five years, we expect to see growth of a good 10 percent.

Thinking bigger

It's therefore worth thinking bigger and targeting not just the individual end consumer. An increasing number of customers are to be found for example in the commercial sector – from hotels to cruise lines and restaurant chains.

Messe Frankfurt's "Contract Business" package creates an ideal platform for this and on the corresponding business matching website, suitable business partners come together with a click of the mouse. A study for the management report reveals that in the marketing mix of manufacturers of products in the Dining, Giving and Living segment, Ambiente plays a prominent role.

Fontys trend scouts

Trade fairs are an exciting forum for manufacturers of design-oriented products. This is the conclusion arrived at by students from Fontys University of Applied Sciences in Tilburg, Netherlands who attended Ambiente as trend scouts. Fontys is one of only a few universities worldwide to offer "Trend Watching" as a subject on its "International Lifestyle Studies" course. Identifying relevant trends is a task for experts and requires precise powers of observation and analytical skills.

This year, five trends were identified based on scientific methods and made tangible for visitors on guided trend tours. The results show that many consumers are looking for a deeper connection to the products they buy. They are becoming more conscious about the products' identity and origins and want to be part of the design process. Environmental responsibility and a direct connection to natural materials also have a special role.

All this plays right into the hands of the women from Binga's contract business. Presenting their products at Ambiente has given the women access to an international sales market including hotels and a major online retailer.

Nicolette Naumann
Vice President Ambiente / Tendence
Management Report:
"Contract Business" /
Fontys Trend Watcher
 Frankfurt



“For me the city resembles a huge clock mechanism.”

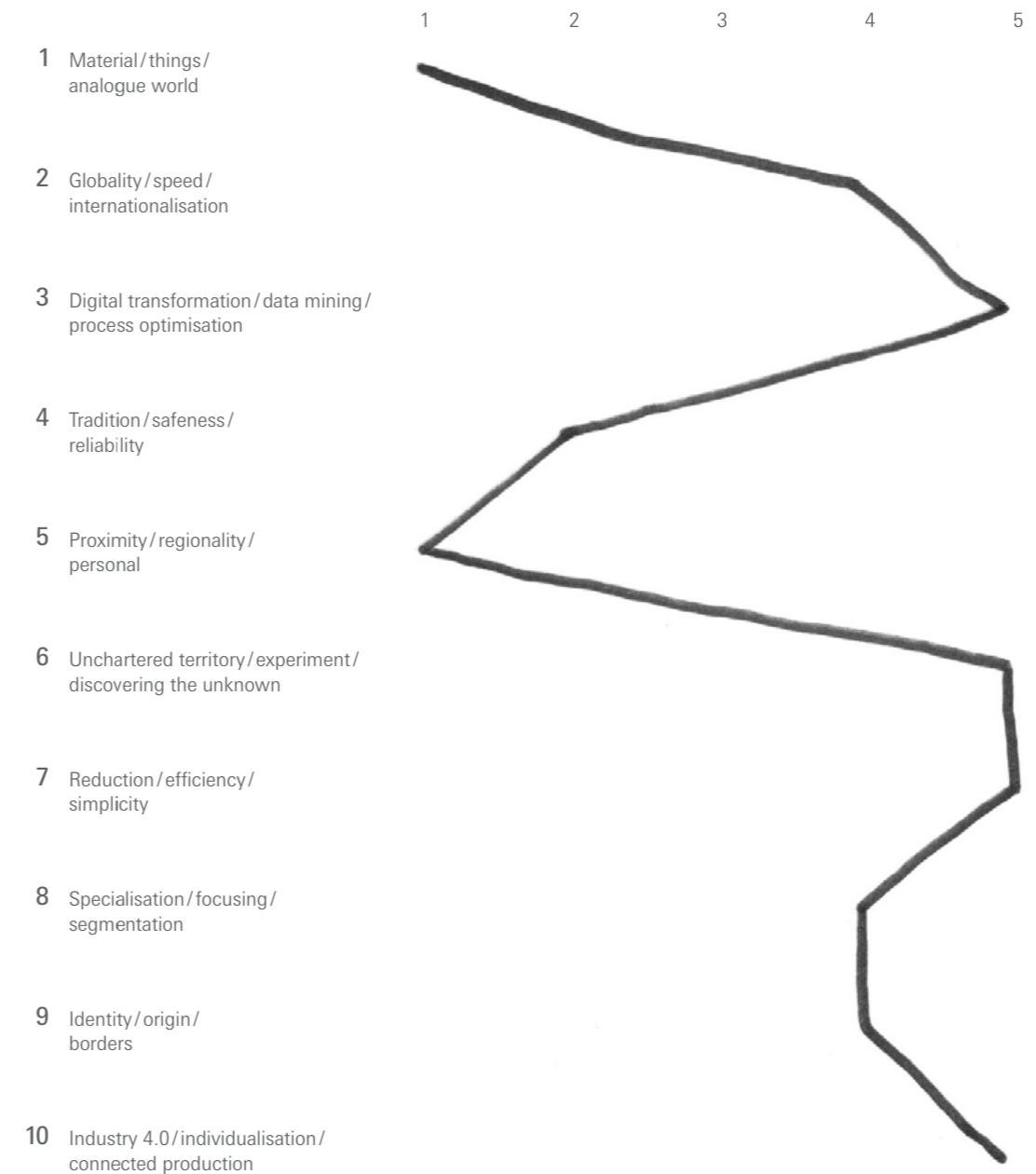
Dr Padideh Moini Gützkow, Head of Vertical “Integrated Logistics Solutions” (ILS), Siemens MO MM ITS S&PM, Berlin

Logistics hubs such as ports or large industrial complexes need to be able to keep pace with the growth in the volume of goods in order to remain competitive in the future. At the ZEIT conference “Logistics and Mobility – Intelligent traffic systems for the digital society” held at Messe Frankfurt’s Kap Europa congress centre in November 2015, solutions and concepts for tomorrow’s logistics were presented and discussed. Siemens’ Integrated Truck Guidance System, for example, ensures that in future a truck from Munich reaches the designated loading ramp at Duisburg Port exactly on time.

New mobility and smart cities /Pacesetter: Dr Padideh Moini Gützkow

What role will the following topics play for you in your field of work in five years’ time?

Scores from 1 point (none) to 5 points (very important role)



Siemens has been offering cities solutions for effective control of traffic for some time. Now we are going a step – or rather a quantum leap – further by implementing our digitalisation strategy in the area of logistics. That may not at first sound very spectacular. But the possibilities it presents are enormous.

Take, for example, a large chemical plant with over 100 loading ramps, with trucks arriving to load or unload every couple of minutes. Truck drivers log on to the “Integrated Truck Guidance” system (ITG) using a smartphone app. Their exact position is determined with the help of GPS.

Like this, drivers, logistics providers and terminals can see at a glance whether the scheduled and likely arrival times match. If a driver is too early, the system provides information about available parking bays. We are currently testing a similar principle for giving priority to cyclists at crossings with the help of a smartphone app.

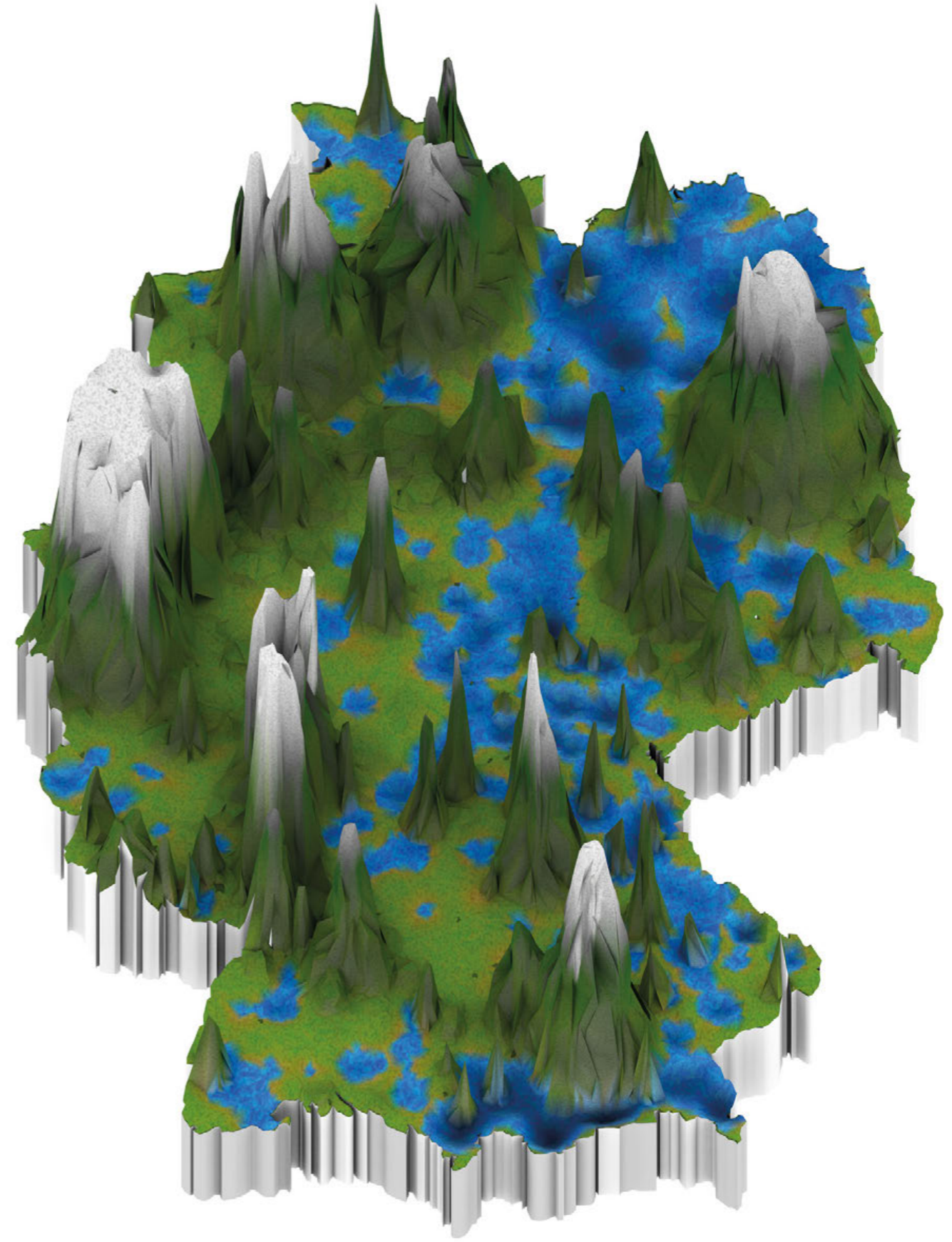
Tomorrow’s mobile world will be interconnected in many ways. With new solutions we are helping cities to generate better traffic data in order to optimise traffic flows and improve traffic safety for all stakeholders in the future.

Welcome to Data Germany.

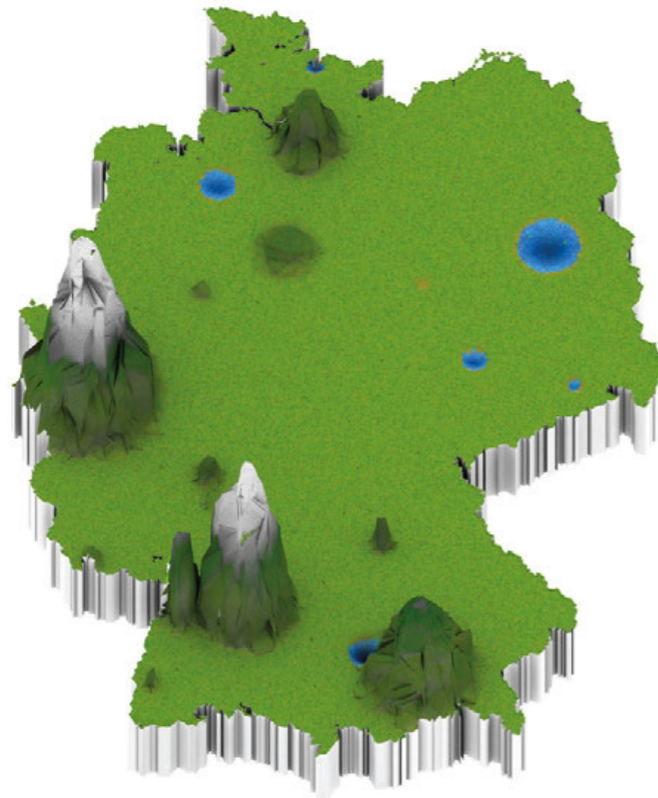
Four 3D information graphics show Germany from an unusual perspective. It's no longer the Alps that appear higher than the North German plain, but the places with the highest number of flights in 2015.



Take-offs: Frankfurt Airport once again took the lead with the highest number of passenger flights in 2015.



When it comes to the **proportion of settlement and transport infrastructure related to total area**, the Ruhr region, Munich and Berlin lead with around 75 percent developed area. With over 58 percent, Frankfurt am Main ranks among the top 20 most densely built-up cities.



Stuttgart was the **most congested German city** in 2015. Here, motorists were stuck in traffic for an average 73 hours. Cologne, Düsseldorf and Bonn made up the largest continuous congested area. Drivers in Frankfurt took 11th place with an average of 37 hours in nose-to-tail traffic.



Wolfsburg ranked first for **truck and car registrations** in Germany in 2015. In Frankfurt, there were 485 registered cars and trucks per 1,000 inhabitants in the same period.

The world goes urban

Since 2008, over half of the world's population has lived in cities, whereas in 1950, 70 percent lived in rural areas. The UN forecasts that by 2050 the proportion of the population living in cities will have reached 70 percent. However, the German saying from the Middle Ages "city air makes you free" somehow doesn't quite fit today.

Mega-cities in the new millennium have long grown beyond human measure. Simply supplying the 19 million inhabitants of Jakarta, capital of the world's largest island state of Indonesia, with food every day and ensuring the related supply chains can function is in itself a huge logistical challenge.

Reports from Beijing claim that the world's longest ever traffic jam occurred there in 2010: over a distance of 90 kilometres nothing moved for 12 days. The route was blocked by heavy goods vehicles on their way to the city – ironically to deliver material for road construction work.

Smart Traffic Conference

We are currently experiencing a radical U-turn in the traffic management of today's modern cities. This became apparent at the "Smart Traffic Middle East Conference" 2015 organised by Messe Frankfurt in Dubai. Making cities more

car-friendly often achieves the exact opposite to the desired effect.

"Simply building wider roads doesn't solve the problems we are facing in our congested cities," notes Maitha bin Udai, Head of the "Traffic and Roads Agency" in Dubai. They simply allow drivers to reach the critical pressure points – and hence the next traffic jam – more quickly.

Attractive and smart

That's why Messe Frankfurt offers networking formats and communication platforms around the world where experts from the world's major cities can exchange ideas and possible solutions. One such forum was the 3rd ZEIT conference Logistics & Mobility, a collaboration with the German weekly newspaper of the same name.

We don't just want to get quickly from A to B. A and B should also be good places to live, with clean air, cultural and leisure-time activities, high-speed Internet, good schools, high social standards and much more besides. On one thing all experts agree – the city of the future should not only be smart, but attractive and worth living in as well.

Elliot Treharne is an Air Quality Manager in London and in Dubai he demonstrates how a network of sensors

distributed across the British capital not only controls traffic based on flow, but also on emission rates. Shortly after its launch, the "smart drive app" provided by the local traffic authority in Dubai was downloaded a million times and now helps drivers to navigate through the city faster and with lower environmental impact.

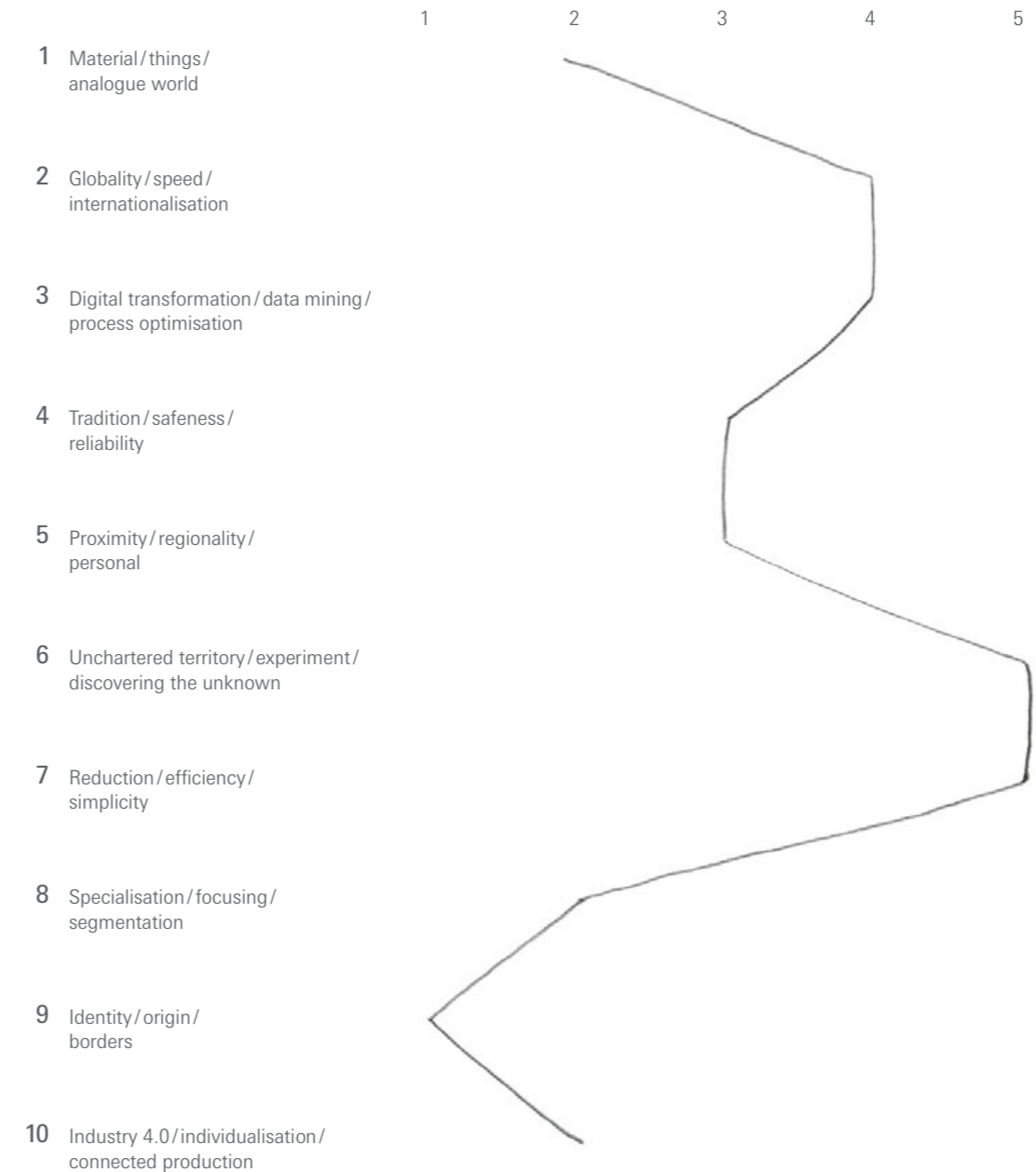
"But the future belongs to local public transport," Maitha bin Udai says. For example in Riad, capital of the UAE, Dubai's biggest neighbour, the world's most expensive underground network is currently being built – in a city where a litre of petrol costs 20 cents. Thus, the smart and attractive city is not just a question of utilising new technologies. It also has to do with changes in attitudes and the willingness of the citizens to go new ways – in the true sense of the word.

- ☰ **Michael Johannes**
 Vice President
 Mobility & Logistics
 Smart Traffic Middle East
 Conference
 Abu Dhabi 2015
- 📍 **Dubai**
 ZEIT Conference
 Logistics and Mobility
- 📍 **Kap Europa, Frankfurt**

Analogue and virtual worlds / Pacesetter: Marcus Mechelhoff

What role will the following topics play for you in your field of work in five years' time?

Scores from 1 point (none) to 5 points (very important role)



“Magic moments are created in the analogue world.”

Marcus Mechelhoff, Mediapool Veranstaltungstechnik, Berlin

Mediapool was responsible for the planning and implementation of the citizens' party staged in Berlin in 2014 to commemorate the fall of the Berlin Wall 25 years earlier. Highlights were the installation “Lichtgrenze” (Border of Light), 8,000 illuminated balloons marking the line where the now invisible border once divided the city, and a giant, 315-square-metre mobile video screen that was used in various configurations. In one magic moment, the split-screen opened up to reveal – as an analogy to the fall of the Wall – a view of the Brandenburg Gate. For this installation, Mediapool received the Opus Award at 2015's Prolight+Sound, international trade fair for technologies and services for entertainment, integrated systems and creation in Frankfurt.

The focus of the street party was on euphoria. We wanted to recreate the same magic atmosphere that prevailed in November 1989 – when no one was worrying about the future and people were quite simply happy to be living this crazy moment. The occasion for the celebration was 9 November, the day the citizens of former East Germany took to the streets, thus precipitating the breaching of the Wall. The celebration was dedicated to those people. That's why no politicians held speeches that evening.

Special venues played a special role in the peaceful revolution leading up to the fall of the Wall. People gathered at the Nikolai Church in Leipzig, outside the central railway station

in Dresden or at the Alexanderplatz in Berlin to get a sense of being part of a larger whole – of a community. Today, the Internet can reinforce and speed up such developments. But the initial momentum always comes from a physical place.

This is one reason why “analogue” events will still be being staged 50 years from now. Places and venues are where emotions, stories and memories are made. That's why the decision to hold an event on a green-field site, in China or at the Brandenburg Gate is at the same time always some kind of statement.

My Frankfurt am Main

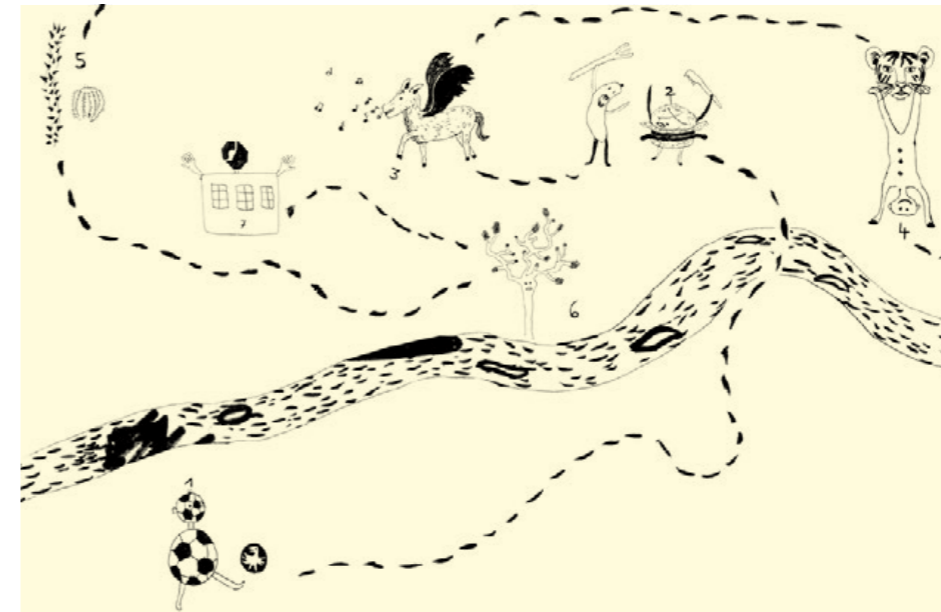
The “biggest little city in the world” is home to Messe Frankfurt, and it has more to offer than might at first appear. Discover typical, interesting and special places in the city, selected by six genuine Frankfurt citizens and illustrated by local artists. Where should you make your home from home? Where’s the best place to drink apple wine? And how come Africa’s heart beats in Frankfurt?

Dr Lutz Raettig | Chairman of the Supervisory Board of Morgan Stanley Bank AG

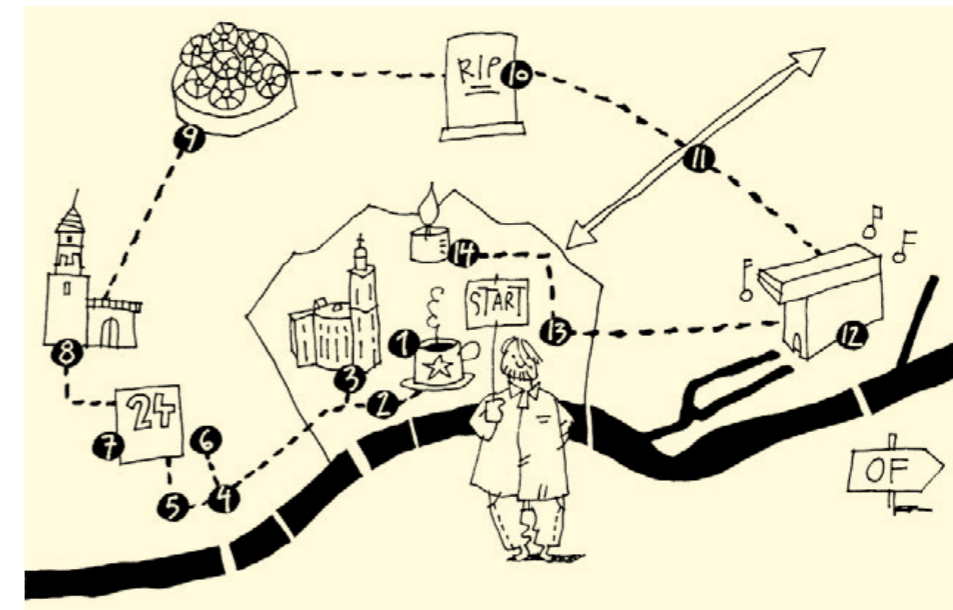
1 Leipziger Strasse 2 Bockenheimer Depot
3 Campus Westend 4 Rothschild Park
5 Alte Oper 6 Opernplatz 7 Römerberg
8 Haus am Dom 9 Site of the European Central Bank
10 Schweizer Platz 11 Museum of World Cultures
12 Städel Museum 13 Willy-Brandt-Platz
14 Frankfurt Airport 15 Frankfurt Airport long-distance train station **Illustrated by Amelie Persson**



Ilse Schreiber, Metzgerei Schreiber, a butcher's shop at the "Kleinmarkthalle", Frankfurt's famous food market 1 Palmengarten (walks with my grandchildren) 2 Alte Oper (my home from home) 3 Zoo (Sunday outings with the children and grandchildren) 4 "Höfchen" in the Liebieghaus gallery 5 Metropol Café am Dom (for afternoon coffee on Sundays) 6 "Zum Gemalten Haus" tavern 7 Eiserner Steg bridge, benches in the Mainanlage park 8 Appelrath Cüpper (favourite fashions) 9 Café Libretto, opposite the Kleinmarkthalle (take a break) 10 Restaurant Zum Storch am Dom (hearty fare such as schnitzel or pot roast) **Illustrated by Ingeborg Schindler**



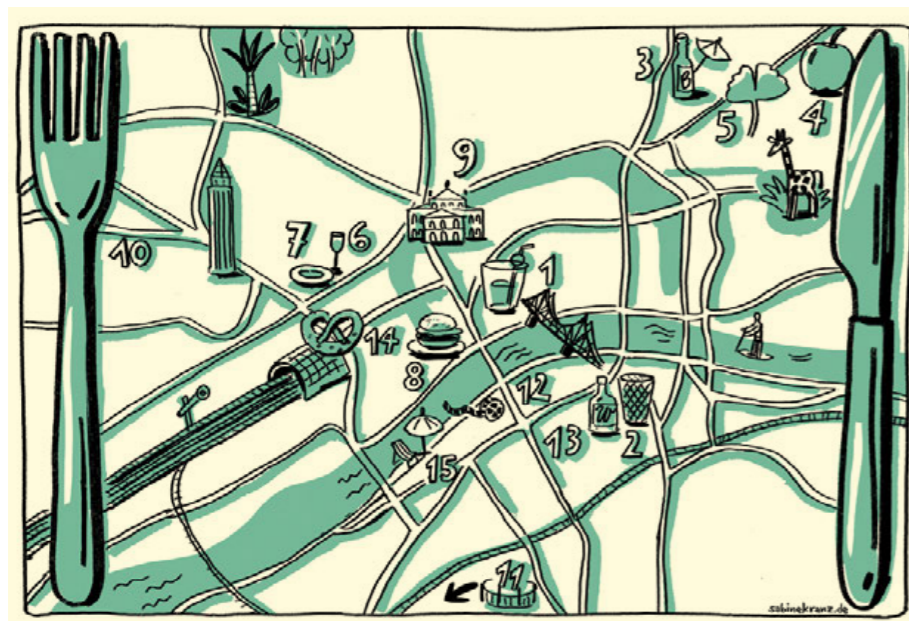
Bernd Ehinger, President of the Chamber of Skilled Crafts Frankfurt-Rhein-Main 1 Commerzbank Arena Arena (as founder of the Eintracht Frankfurt Fussball AG) 2 Fressgass food street (I like to buy from the local bakers and butchers) 3 Alte Oper (on my daily route to work) 4 Tigerpalast variety theatre 5 Palmengarten 6 Banks of the River Main near Nizza park 7 Chamber of Skilled Crafts Frankfurt-Rhein-Main **Illustrated by Sarah Marie Vesper**



Sascha Stefan Ruehlow, Frankfurt tour guide 1 Car park at the Café Stern (meeting point for tour guides; quark crumb cake and mint tea) 2 Nikolai-kirche, Römerberg (moment of calm before work) 3 Paulskirche, Paulsplatz 4+5 Apartments of the resistance fighters Oskar Schindler and Paul Apel, Münchner Strasse 6 Gallery Rote Treppe, Kaiserpassage: Oskar Mahler's artist's studio (little haven of calm) 7 Central station platform 24 (place of arrival for those new in town; search for home and meaning for refugees) 8 Galluswarte tower (hallmark of the district where I live and first sign of coming home) 9 Tibetan restaurant Lhamo, Gremppstrasse (incredibly good food!) 10 Main cemetery and Jewish cemetery, Rat-Beil-Strasse (one of my main places of work in 2015) 11 Bergerstrasse shopping street (diversity in change) 12 Kultur-Musikbunker Schmickstrasse e.V. im Osthafen (really great bands) 13 Jewish cemetery, Battonnstrasse, green space in the Old Town (daily place of work) 14 Churchyard of the Liebfrauenkirche – sea of candles in the dark (place for contemplation) **Illustrated by Claas Janssen**

Leyla Trebbien, singer

1 Restaurant Im Herzen Afrikas (In the Heart of Africa) 2 Günthersburg park (Stoffel cultural festival in summer) 3 Skate park at the European Central Bank (at sunset) 4 Das Bett club (great concerts) 5 Alte Oper (fountain by night) 6 Circus (club, bar & restaurant) 7 Cinestar Metropolis 8 Burger am Turm (yum!) 9 Botanical Garden (relaxation!) 10 Bornheimer Hang (take dogs for a walk) 11 Café Bergstation im Huth park (delicious food, passion fruit spritzer) 12 Maingold (avocado & chicken salad) 13 Primetime fitness studio (sauna & swimming pool) 14 Theater-tunnel, Berlinerstrasse (ride through on roller ;-)) 15 Museumsuferfest Radio-X stage *Illustrated by Karolina Novoselskaja*



Michael Biwer, Messe Frankfurt 1 Bar Bistro Bidlabu 2 Apple wine tavern Fichte Kränzi 3 Harvey's Restaurant with summer terrace 4 Apfelwein Solzer (traditional tavern) 5 "Soul food" restaurant Ginkgo 6 Ristorante Tridico 7 Pizzeria Cucina Mediterraneo 8 Chicago Meatpackers 9 Restaurant Papa Enj 10 Rehearsal room Hall 10.3 Messe Frankfurt 11 Commerzbank Arena 12 German film museum 13 Whisky Spirits 14 Ditsch bakery at the central train station 15 Banks of the River Main near Eiserner Steg bridge on the museum side *Illustrated by Sabine Kranz*

Analogue and virtual worlds / Messe Frankfurt 2015

Frankfurt as a crossroads

In his autobiography, Johann Wolfgang von Goethe described the home venue of Messe Frankfurt in the following words: "In a city like Frankfurt you find yourself in a magnificent location; travellers and strangers are continually passing through, pointing to far-off destinations in every direction and stirring the desire to travel." In principle, not much has changed since Goethe's times. Frankfurt has always been an international crossroads, a meeting place and at the same time a point of departure for excursions into the wider world.

Even in the Middle Ages, merchants came together at the trade fairs in Frankfurt, at the intersection of European trade routes, to make contacts and exchange goods. It's only logical, therefore, that DE-CIX, the world's largest Internet exchange, should also be located in Frankfurt.

Traditional, analogue platforms for exchange have in the meantime been supplemented by digital "crossings" of social media, apps, Skype, blogs and many other channels – that are changing our behaviour. Smartphones are used as an informal way to keep in touch, as a means for self-presentation, while at the same time allowing us to

do other things, such as make online purchases. However, the findings of the "Gesprächskultur 2.0" ("Conversation Culture 2.0") study conducted by the Institute of Demoscopy in Allensbach suggest that, for most people, the kind of emotionality and riveting exchange that makes you forget everything going on around you can only be found in a direct, face-to-face conversation.

Drones and the end of the handout

We have observed that Messe Frankfurt's customers don't make the choice between online communication and direct exchange. Rather, from the many options available, they consciously pick those that suit the respective purpose. IT, event technology and software merge to produce new presentation forms in which media content is distributed in virtual space and messages can come alive. But the participants themselves can also interact with the speaker via their mobile devices or retrieve additional information in real time.

The trend towards bringing your own device, which allows participants to integrate their own tablets, notebooks and smartphones into an overall

system, reduces the amount of paper consumed at events – potentially soon relegating the familiar handout to the wastepaper bin.

Instead, organisers are investing increasing resources in the media staging of events. For example by using camera drones, they can present sporting or cultural events from a completely new perspective and, like this, imprint them indelibly in spectators' memories.

Robert Wilson at Prolight + Sound

Prolight + Sound has responded to this development and for the first time in 2015 presented the "Stagery" special-interest segment, which attracted an even larger number of exhibitors from the fields of stage design and equipment and film production. In an impressive keynote speech, internationally renowned opera and theatre director Robert Wilson gave exclusive insights into his work and in particular explained his opinion on the significance of event technology. His key message "without light, there is no space" stresses the idea that it is physical places and their conscious design that create unforgettable experiences.

Stephan Kurzawski
Senior Vice President Messe Frankfurt Exhibition GmbH / Business Unit Consumer Goods & Sales
Prolight + Sound
Frankfurt

German Pavilion at Expo 2015 in Milan

On behalf of the Federal Ministry of Economic Affairs and Energy, Messe Frankfurt was responsible for organising the construction and running of the German Pavilion “Fields of Ideas” at Expo 2015 in Milan. Under the motto “Be Active!”, visitors were shown new and sometimes surprising problem-solving approaches from Germany for securing food supplies in the future and were invited to become active themselves. The important thing was not merely to present the topic of sustainability, but to incorporate it as an integral element in all facets of the pavilion.

In its architectural design, the pavilion already took a clear stance on issues related to resource-conserving construction methods, opting for a light-

weight design and reduced materials. A conscious decision was made not to have a completely enclosed outer wall and to regulate the indoor climate of the building in an energy-neutral way using natural ventilation.

The energy-generating “solar trees” – canopies equipped with organic photovoltaic cells – were a world premiere. This was the first large international architecture project to use this innovative technology capable of generating green electricity. The shape and appearance of the membrane shelters were designed to make them a seamless part of the overall design.

The alternating chefs in the “Symphonic” restaurant showcased traditional German cuisine and ingredients from different regions of Germany. The herbs were picked in the “Garden of Ideas”, which formed part of the exhibition.

With three million visitors, the pavilion achieved maximum capacity – a success that can be attributed to the team made up of employees from the Federal Ministry of Economic Affairs and Energy, Messe Frankfurt and the Arge consortium composed of the companies Milla & Partner, Schmidhuber and Nüssli. The majority of the temporary members of the team found work elsewhere shortly after the Expo closed its doors – not least thanks to the experience they gained and challenges they overcame on the large-scale Expo project. Viewed in this light, sustainability is just another word for quality.

Dietmar Schmitz
Commissioner General
German Pavilion Expo Milano
2015 / Federal Ministry of
Economic Affairs and Energy
Expo 2015
Milan

“As well as rather than either,
or.”

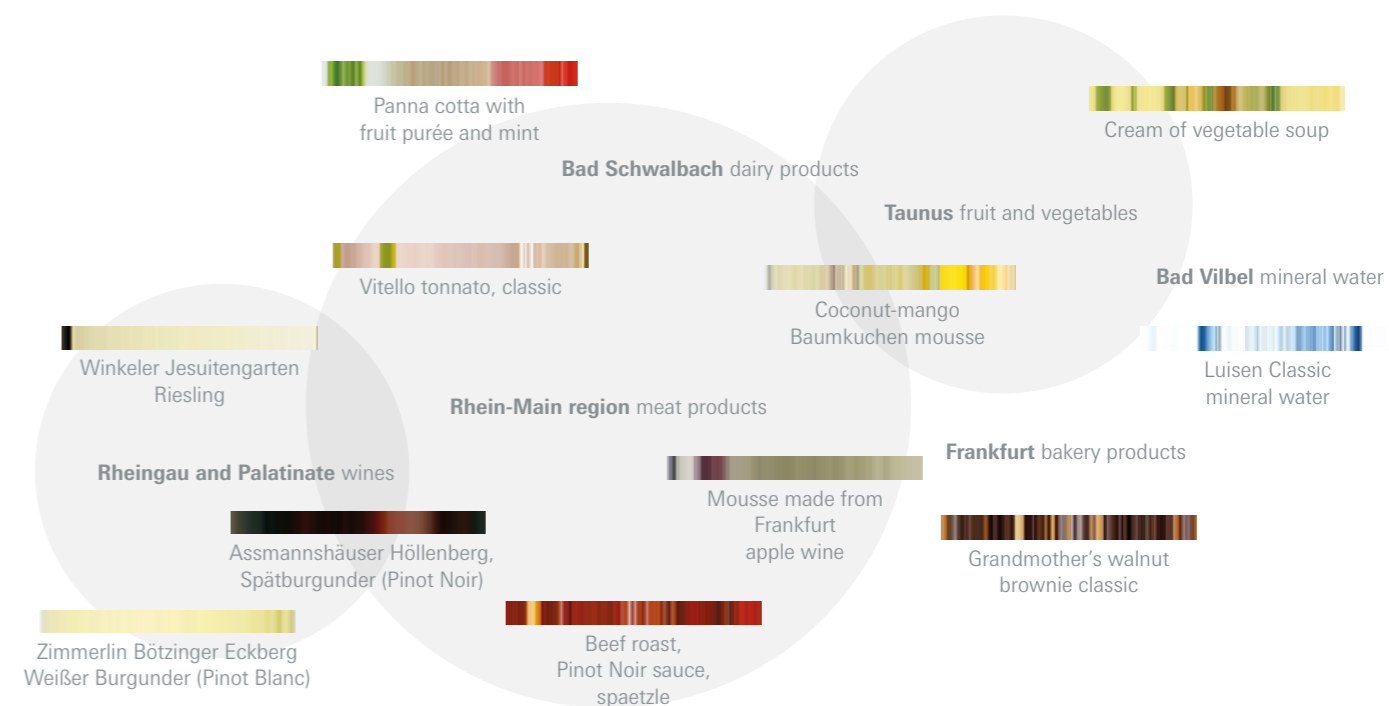
Lennart Wiechell, Managing Partner, Schmidhuber, Munich

The architecture firm Schmidhuber has been developing three-dimensional brand presentations for over 30 years and belongs to the leading specialists in the architecture of brands. As a partner to Messe Frankfurt, Lennart Wiechell and his team designed the German Pavilion at Expo 2015 in Milan, which had the motto “Feeding the planet. Energy for life.”

We are currently noticing a paradigm shift in the projects we are realising with our partners: whereas in recent years the staging of brands tended to be abstract, often white, and with glossy surfaces, now it's more about untreated materials, atmosphere, stories and integrating people. All this has to do with major social changes. Customers' attitudes are changing, and companies are increasingly responding. Feeding the planet, the overarching title of the Expo in Milan, serves as an effective bridge here: provenance, regionality

and tradition are qualities that create a counterworld to digital space – the haptic counterpart to bits and bytes.

The interesting thing is that most people succeed quite well in linking these two poles together, rather than playing them off against each other. Sustainability is both a technological and a social theme. In future, the symbiosis of sensor technology and knowledge about regional cultures will trigger a new wave of creativity.



Green Catering

Accente is Germany's biggest trade fair catering company. The green catering concept was developed back in 2012 and is offered above all at the Kap Europa, Messe Frankfurt's sustainable congress centre. The dishes are prepared using fresh, seasonal produce from the regions, most of which is fair trade and grown organically. We have examined the visual characteristics of some of the most popular food and beverages using a colour scanner and located them on the map according to the provenance of the ingredients.

Messe Frankfurt is here. And there.
And (nearly) everywhere.



Themes, events and trends – Messe Frankfurt's business segments at a glance

Technology & Production

Energy efficiency, safety & security and automation are global challenges in light of finite resources and a rapidly growing world population. The 70 Messe Frankfurt group technology events reach 21,000 exhibitors and 1.2 million visitors. They are the leading international platforms for innovations and cross-industry exchanges among experts from these important cutting-edge fields:

Building & Energy: 20 events worldwide, including the world's two leading trade fair brands for building technology, ISH and Light + Building, offer platforms for efficient building management, intelligent networking, security of supply and design, as well as sustainable management of energy and water.

Environmental Technology: Eight events present the entire spectrum of state-of-the-art environmental technologies from recycling and waste management, via water treatment, wastewater treatment and water supply, to air purification and energy generation.

Safety & Security: Messe Frankfurt is one of the world's leading organisers of safety & security trade fairs, currently with 11 events. The product portfolio encompasses commercial security, information security as well as fire & rescue, safety & health and homeland security.

Production & Engineering: Automation of production flows and intelligent process optimisation are the themes of the 28 investment goods fairs worldwide, including the increasingly important food technology segment.

Industry-oriented technology themes are the domain of MESAGO Messe Frankfurt GmbH. Events such as SPS IPC Drives (electrical automation), SMT Hybrid Packaging (system integration in micro-electronics), PCIM (power electronics, intelligent motion, renewable energies, energy management) and Formnext powered by TCT (additive manufacturing and conventional technologies) represent the most important international forums in their fields.

Textiles & Textile Technologies

As international market leader in the organisation of textiles trade fairs, Messe Frankfurt consolidates the world's major events along the textiles value chain with its 'Texpertise Network'. Around 50 events worldwide showcase what drives the industry. The latest topics, trends and contacts already attract in excess of 19,000 exhibitors and nearly 500,000 visitors from all over the world. Be it in Frankfurt, Paris, Shanghai, Moscow, Istanbul or New York – Messe Frankfurt provides global impulses for the textiles industry.

The themes are as varied as the textiles industry itself: starting with Apparel Fabrics & Fashion, offering platforms for the international apparel

and fashion industry, via Interior & Contract Textiles, the international network for home, contract and interior textiles, to Technical Textiles & Textile Processing, the advanced forum for technical textiles and textile processing.

The events in the Textiles & Textile Technologies segment position our exhibitors and visitors at the cutting edge of progress. This is where innovative ideas are born and presented – with global reach and a focus on the latest trends, most creative designs and most progressive functionalities. Our platforms draw business professionals from all segments of the industry.

Consumer Goods & Leisure

Consumer goods are pure emotion – both as everyday utilitarian objects and as designer pieces. They accompany us through our lives, at home and at work. They give us pleasure and the opportunity to give pleasure to others. Frankfurt has been a venue for practical exchanges and trade with consumer goods, as well as understanding for their design, for 775 years. It all began with the first trade fairs around the Römerberg, where metal and glassware, ceramics, textiles, gifts, stationery, living accessories and decorative objects were already offered for sale – products that have been very successfully traded at the Frankfurt exhibition grounds ever since.

Markets are in constant flux, however. Buzzwords like globalisation, digitalisation and Industry 4.0, or the Internet of Things, are shaping the discussion and the future of whole sectors of industry, along with the corresponding trading structures in Germany, Europe and around the world. With its internationally leading consumer goods trade fair formats, Messe Frankfurt offers the industry precisely the right networking and business platforms from which to address the opportunities and challenges of the coming decades.

Besides the Ambiente global flagship fair for consumer goods each year in February, and Tendence as the leading novelty platform in Europe for the second half-year, four Ambiente brand events are also held in Tokyo, Shanghai and New Delhi each year. At Nordstil, held in Hamburg twice a year, Messe Frankfurt offers retailers in northern Germany a perfect regional ordering platform. Paperworld, Creative-world and Christmasworld, the globally leading trade fairs in their respective sectors, bring together the international consumer goods market in Frankfurt or – like the leading cosmetics trade fair Beautyworld – offer successful trading platforms in the growth regions of Asia and the Middle East.

Mobility & Logistics

Messe Frankfurt is continuing to invest in its international portfolio of trade fairs, events and congresses for the Automotive and Transport & Logistics sectors. In addition to expanding the worldwide network of Automechanika trade fairs with new events in Birmingham and Jeddah, Messe Frankfurt is making new acquisitions in Russia, South Africa and Turkey and – with the Scalex, Supply Chain and Logistics Exhibition – developing a new trade fair brand.

With Comtrans in Moscow, the second-largest commercial vehicle trade fair worldwide and a joint venture with the ITE Group, Messe Frankfurt is significantly expanding its expertise in the commercial vehicles segment. The Eurasia Moto Bike Expo in Istanbul and the South African Festival of Motoring are two more events that round out the portfolio in the Mobility & Logistics business segment. With the Automotive Engineering Show in India, Messe Frankfurt's events now cover the entire value chain in the automotive sector.

To provide a broader forum for discussing digital trends in the automotive sector in the future, Messe Frankfurt has created the Connected Mobility roadshow. On three continents – Europe, Asia, America – this platform will showcase innovations in and around cars.

Entertainment, Media & Creation

Live entertainment, cultural, creative, digital or media industry: in all these fields, Messe Frankfurt offers dedicated business and networking platforms aimed at successfully consolidating the high level of innovative strength of these industries in the international arena. To this end, Messe Frankfurt is investing in new trade fairs and congresses not only at the Frankfurt venue, but worldwide. As the international showcase fair for musical instruments and sheet music, music production and marketing, Musikmesse – together with Prolight + Sound – creates strong and, above all, economy-boosting marketing and sales platforms for more than 5,700 exhibitors and over 290,000 visitors. Prolight + Sound is the largest international trade fair for technologies and services for events, installation and production, with eight events in Frankfurt, Moscow, Shanghai and Guangzhou – and in 2016 for the first time in Dubai.

Also part of the portfolio of the Entertainment, Media & Creation business segment since 2014 is the Media Expo trade fair brand. This is the biggest trade fair for signage and indoor & outdoor advertising in India and is held annually in Delhi, Mumbai and – from 2016 – also in Chennai. The product categories range from indoor & outdoor advertising to solutions for digital advertising screens and visual merchandising.

Guest shows, congresses and events

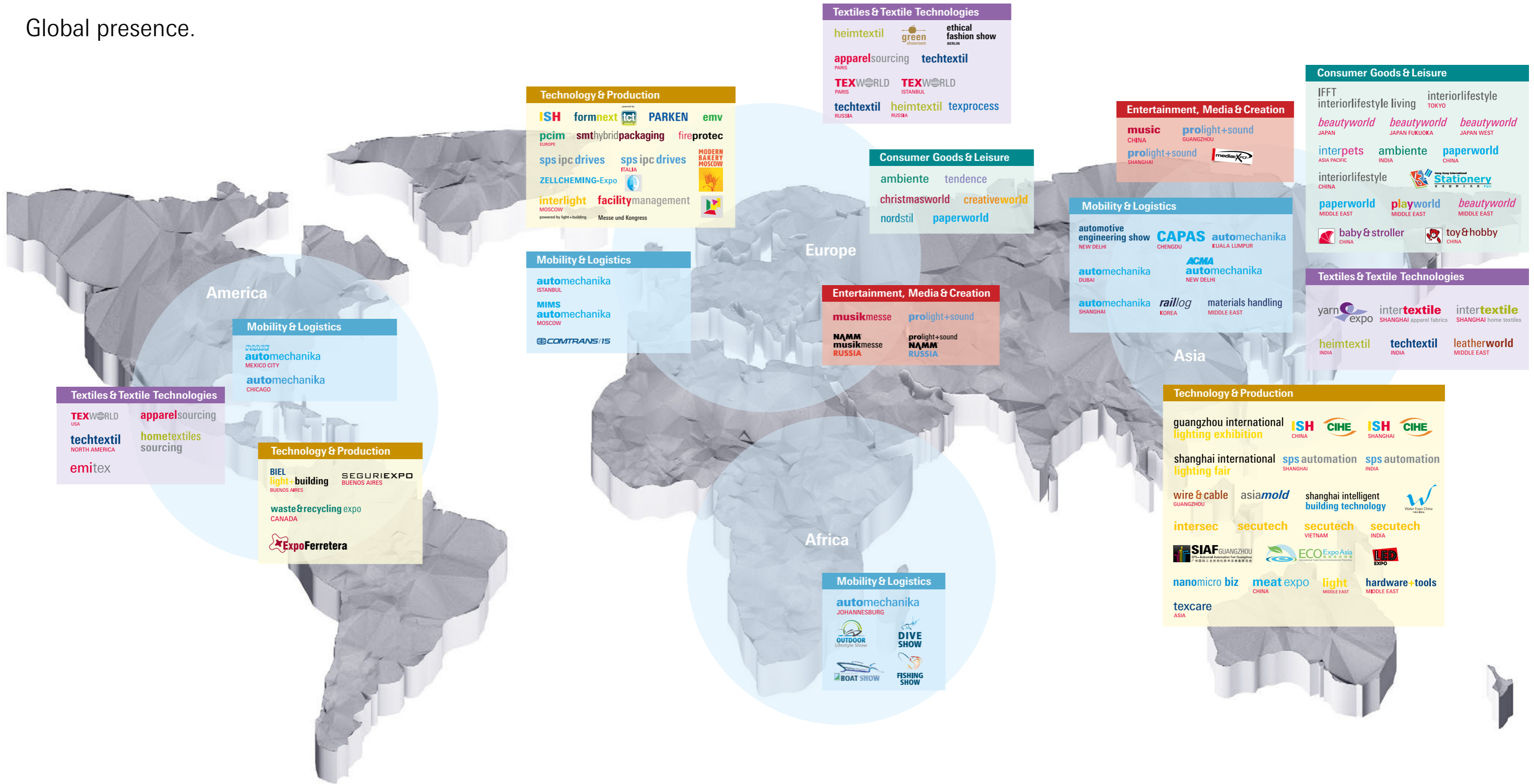
An extremely strong **guest event** year saw record capacity utilisation at the Frankfurt exhibition grounds in 2015. Due to the rotation of events, every six years the exhibition grounds are the meeting place for the three major guest events with a long tradition AACHEMA, IAA Cars and the Frankfurt Book Fair. AACHEMA, initiator of innovation and driving force of the global process industry, welcomed 3,800 exhibitors and around 166,000 visitors to the Frankfurt exhibition grounds. Messe Frankfurt and Dechema Ausstellungs-GmbH, which organises AACHEMA, will continue their successful cooperation in the future and plan to stage AACHEMA in Frankfurt until 2024.

In September, a highly successful IAA Cars recorded an increase in visitor numbers. October is traditionally the month for the Frankfurt Book Fair, which concluded in 2015 with a strong weekend open to the public and an increase in visitor numbers compared to the previous year. Messe Frankfurt welcomed a total of 23 guest events to the exhibitions grounds in Frankfurt in 2015.

According to a regular survey conducted by Congress Frankfurt, almost 100 percent of congress visitors would recommend Messe Frankfurt's **congress locations** to others. Congress Frankfurt is part of Messe Frankfurt and markets Messe Frankfurt's facilities for congresses and conventions. The exhibition grounds and the Kap Europa conference venue offer more than 90 congress and conference rooms altogether with a capacity exceeding 24,000 seats. As many as 148 congresses and conventions were held here in 2015, which were attended by around 128,500 participants. The highlights in 2015 included major international congresses such as the 68th CFA Institute Annual Meeting, the 15th International Supercomputing Conference (ISC) and the 14th European Security Conference & Exhibition ASIS. Welcoming some 15,000 participants, the 11th German Senior Citizen's Day officially opened by Chancellor Dr Angela Merkel also enjoyed a high profile. The programme featured 100 individual events, including the accompanying SenNova trade fair with 250 exhibitors.

The Festhalle festival hall has been a **focal point of events** in the Rhine-Main region for over 100 years. In 2015, top concerts by international artists such as Lionel Richie and Peter Maffay, sporting highlights such as the International Festhalle Riding Tournament and the boxing world championship with Felix Sturm, the impressive large-screen cinema "Planet Erde", show classics like "Holiday on Ice" and the radio drama event Die Drei Fragezeichen (The Three Question Marks) topped the bill. Other venues also underscored the popularity of the Frankfurt exhibition grounds as a versatile event location: In Hall 11, thousands celebrated the première of the technical event Winterworld, got creative at Kreativ Welt or admired the latest body art trends at the International Tattoo Convention. In excess of 500,000 people took advantage of the wide range of events offered by Messe Frankfurt in 2015.

Global presence.



Overall activities in 2015/Trade fairs and exhibitions in 2015

Overall activities of Messe Frankfurt in 2015

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Total	Germany	Other countries	Total
Trade fairs and exhibitions at the Frankfurt exhibition venue	38	13,592	23,698	37,290	1,311,625	1,652,777	653,270	2,306,047
Trade fairs and exhibitions in Germany outside the Frankfurt exhibition venue	9	3,468	1,409	4,877	180,410	108,077	26,542	134,619
Events outside Germany	86	31,762	16,843	48,605	1,240,629	1,490,012	240,141	1,730,153
Congresses, conventions and other activities	223	0	0	0	0	560,675	0	560,675
	356	48,822	41,950	90,772	2,732,664	3,811,541	919,953	4,731,494

Overall activities in 2015/Events in Germany in 2015

Trade fairs and exhibitions at the Frankfurt exhibition venue in 2015

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Total	Germany	Other countries	Total
■ AACHEMA		1,756	2,057	3,813	133,436	118,841	47,603	166,444
■ Ambiente		1,088	3,726	4,814	191,462	63,727	70,893	134,620
■ Book Fair ¹		2,428	4,717	7,145	80,000	155,390	120,401	275,791
■ Christmasworld		204	707	911	55,383	15,391	20,757	36,148
■ Creativeworld		71	215	286	12,036	4,201	4,231	8,432
■ Formnext powered by TCT		104	99	203	8,070	5,210	3,772	8,982
■ Heimtextil		326	2,397	2,723	123,258	21,924	45,937	67,861
■ IAA		436	667	1,103	211,690	773,311	158,389	931,700
■ IMEX		457	3,168	3,625	20,484	3,996	4,891	8,887
■ ISH		962	1,503	2,465	173,776	120,958	75,819	196,777
■ Musikmesse		407	903	1,310	36,561	43,768	21,587	65,355
■ Paperworld		284	1,352	1,636	47,100	13,534	25,753	39,287
■ Prolight + Sound		356	564	920	36,909	22,053	21,001	43,054
■ Techtexil		449	944	1,393	32,177	11,689	16,802	28,491
■ Tendence		690	410	1,100	49,393	22,513	4,953	27,466
■ Texprocess		110	163	273	14,451	5,656	7,679	13,335
■ Zellcheming-Expo		90	63	153	2,265	1,390	442	1,832
International trade fairs	17	10,218	23,655	33,873	1,228,451	1,403,552	650,910	2,054,462

¹ Messe Frankfurt estimate, unconfirmed figures provided by the organiser

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

Overall activities in 2015/Events in Germany in 2015

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Germany	Other countries	Total	
■ Cloud Expo		173	0	173	3,597	2,098	2,173	4,271
■ Cosmetics		198	26	224	6,643	15,208	0	15,208
■ Facility Management		132	7	139	3,245	4,596	173	4,769
■ Fireprotec		31	0	31	186	1,152	14	1,166
■ Other trade exhibitions	4	555	0	555	15,600	14,450	0	14,450
Trade exhibitions	8	1,089	33	1,122	29,271	37,504	2,360	39,864
■ Land & Genuss		260	10	270	5,123	22,100	0	22,100
■ Sales marts and exhibitions	12	2,025	0	2,025	48,780	189,621	0	189,621
Exhibitions open to the public	13	2,285	10	2,295	53,903	211,721	0	211,721

Trade fairs and exhibitions at the Frankfurt exhibition venue in 2015

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Germany	Other countries	Total	
■ International trade fairs	17	10,218	23,655	33,873	1,228,451	1,403,552	650,910	2,054,462
■ Trade exhibitions	8	1,089	33	1,122	29,271	37,504	2,360	39,864
■ Exhibitions open to the public	13	2,285	10	2,295	53,903	211,721	0	211,721
	38	13,592	23,698	37,290	1,311,625	1,652,777	653,270	2,306,047

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

Trade fairs and exhibitions in Germany outside the Frankfurt exhibition venue in 2015

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Germany	Other countries	Total	
■ EMV		69	34	103	1,572	2,168	475	2,643
■ Greenshowroom Ethical Fashion Show Berlin Autumn		71	73	144	1,215	1,560	840	2,400
■ Greenshowroom Ethical Fashion Show Berlin Spring		87	76	163	1,186	2,139	713	2,852
■ Nordstil (Summer Edition)		701	160	861	35,046	14,468	594	15,062
■ Nordstil (Winter Edition)		807	138	945	38,446	20,752	309	21,061
■ Parken		88	18	106	1,935	1,412	825	2,237
■ PCIM Europe (trade fair/congress)		206	211	417	11,834	5,403	3,573	8,976
■ SMT Hybrid Packaging		303	167	470	13,799	11,251	3,751	15,002
■ SPS IPC Drives		1,136	532	1,668	75,377	48,924	15,462	64,386
	9	3,468	1,409	4,877	180,410	108,077	26,542	134,619

Trade fairs and exhibitions in Germany in 2015

	Exhibitors			Net area (in m ²) incl. special show space	Visitors			
	Number of events	Germany	Other countries		Germany	Other countries	Total	
■ International trade fairs	21	11,932	24,599	36,531	1,331,033	1,471,298	674,171	2,145,469
■ Regional trade fairs	2	1,508	298	1,806	73,492	35,220	903	36,123
■ Trade exhibitions	11	1,335	200	1,535	33,607	42,615	4,738	47,353
■ Exhibitions open to the public	13	2,285	10	2,295	53,903	211,721	0	211,721
	47	17,060	25,107	42,167	1,492,035	1,760,854	679,812	2,440,666

Congresses, events and other activities in 2015

	Exhibitors			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	150				133,057	0	133,057
Conventions (concerts, sporting, religious, political and other events)	58				427,618	0	427,618
German pavilions (planning and implementation of trade fair participations)	15				0	0	0
	223				560,675	0	560,675

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

Overall activities in 2015/Events outside Germany in 2015

Technology & Production	Exhibitors				Net area (in m ²) incl. special show space	Visitors		
	Number of events	Host country	Other countries	Total		Host country	Other countries	Total
IFFA								
Modern Bakery		110	70	180	5,630	10,419	665	11,084
	1	110	70	180	5,630	10,419	665	11,084
Intersec								
Intersec		225	1,005	1,230	26,319	13,221	14,082	27,303
Secutech		354	131	485	12,810	23,702	2,527	26,229
Secutech India		91	14	105	3,414	15,234	120	15,354
Secutech Vietnam		49	61	110	1,895	4,818	454	5,272
Seguriexpo Buenos Aires		25	4	29	556	3,997	159	4,156
	5	744	1,215	1,959	44,994	60,972	17,342	78,314
ISH								
ISH China & CIHE		908	211	1,119	41,790	44,280	2,556	46,836
ISH Shanghai & CIHE		166	41	207	5,690	14,958	768	15,726
	2	1,074	252	1,326	47,480	59,238	3,324	62,562
Light + Building								
BIEL Light + Building Buenos Aires		190	43	233	6,667	26,582	922	27,504
Guangzhou International Lighting Exhibition		2,733	263	2,996	117,122	109,200	26,790	135,990
Interlight Moscow powered by Light + Building		270	249	519	11,224	27,457	2,370	29,827
LED Expo Delhi		158	98	256	4,990	15,581	299	15,880
LED Expo Mumbai		82	35	117	2,031	9,960	71	10,031
Light Middle East		44	326	370	4,560	4,435	1,693	6,128
Shanghai Intelligent Building Technology		183	11	194	5,649	20,006	583	20,589
Shanghai International Lighting Fair		286	12	298	4,614	10,824	852	11,676
	8	3,946	1,037	4,983	156,857	224,045	33,580	257,625
SPS								
SIAF – SPS Industrial Automation Fair Guangzhou		469	14	483	10,782	37,555	1,500	39,055
SPS IPC Drives Italia		350	47	397	21,692	22,750	704	23,454
SPS Automation India		55	1	56	1,374	2,822	36	2,858
SPS Automation Shanghai		13	2	15	384	855	81	936
	4	887	64	951	34,232	63,982	2,321	66,303
Texcare								
Texcare Asia		97	39	136	8,214	9,189	1,078	10,267
	1	97	39	136	8,214	9,189	1,078	10,267
Independent – Building & Energy								
Expo Ferreteria		226	12	238	5,664	15,033	177	15,210
Hardware + Tools Middle East		8	206	214	2,205	3,179	2,424	5,603
	2	234	218	452	7,869	18,212	2,601	20,813
Independent – Environment								
Eco Expo Asia		197	123	320	4,366	7,779	4,606	12,385
Waste & Recycling Expo Canada		116	71	187	3,491	1,056	217	1,273
Water Expo China		151	11	162	5,171	17,799	2,612	20,411
	3	464	205	669	13,028	26,634	7,435	34,069
Independent – Production Technology								
Asiamold		218	7	225	4,667	20,858	918	21,776
Meat Expo China		101	7	108	3,052	2,727	189	2,916
Nano Micro Biz		101	9	110	1,096	3,492	98	3,590
Wire & Cable Guangzhou		281	2	283	3,027	18,867	0	18,867
	4	701	25	726	11,842	45,944	1,205	47,149
Total Technology & Production	30	8,257	3,125	11,382	330,146	518,635	69,551	588,186

Textiles & Textile Technologies	Exhibitors				Net area (in m ²) incl. special show space	Visitors		
	Number of events	Host country	Other countries	Total		Host country	Other countries	Total
Apparel Sourcing								
Apparel Sourcing Paris (Autumn) ³		0	400	400	4,209	0	0	0
Apparel Sourcing Paris (Spring) ⁴		2	162	164	1,824	0	0	0
International Apparel Sourcing Show Autumn		5	236	241	2,540	733	79	812
	3	7	798	805	8,573	733	79	812
Heimtextil								
Heimtextil India ²		101	11	112	3,848	7,061	172	7,233
Heimtextil Russia		99	114	213	6,623	18,779	1,011	19,790
	2	200	125	325	10,471	25,840	1,183	27,023
Home Textiles Sourcing								
Home Textiles Sourcing Expo		3	117	120	1,149	447	64	511
	1	3	117	120	1,149	447	64	511
Intertextile (Apparel)								
Intertextile Shanghai Apparel Fabrics – Autumn Edition		3,700	942	4,642	101,076	54,675	11,581	66,256
Intertextile Shanghai Apparel Fabrics – Spring Edition		2,188	448	2,636	47,037	54,099	8,550	62,649
	2	5,888	1,390	7,278	148,113	108,774	20,131	128,905
Intertextile (Home)								
Intertextile Shanghai Home Textiles – Autumn Edition		1,177	225	1,402	89,463	37,617	4,431	42,048
	1	1,177	225	1,402	89,463	37,617	4,431	42,048
Techtextil								
Techtextil India		80	57	137	2,344	4,954	96	5,050
Techtextil North America (Houston)		95	50	145	1,830	1,282	237	1,519
	2	175	107	282	4,174	6,236	333	6,569
Texprocess								
Emitex		75	1	76	1,608	8,674	293	8,967
	1	75	1	76	1,608	8,674	293	8,967
Texworld								
Texworld Istanbul (Autumn)		21	107	128	1,680	4,200	800	5,000
Texworld Istanbul (Spring)		16	92	108	1,665	3,092	731	3,823
Texworld Paris (Autumn) ³		1	968	969	16,047	2,403	11,813	14,216
Texworld Paris (Spring) ⁴		1	625	626	11,355	2,100	11,539	13,639
Texworld USA (Autumn)		34	518	552	6,524	3,736	686	4,422
Texworld USA (Spring)		17	263	280	3,171	3,224	356	3,580
	6	90	2,573	2,663	40,442	18,755	25,925	44,680
Yarn Expo								
Yarn Expo Autumn		156	102	258	3,966	6,237	1,138	7,375
Yarn Expo Spring		137	101	238	4,443	19,073	1,646	20,719
	2	293	203	496	8,409	25,310	2,784	28,094
Independent – Apparel Fabrics & Fashion								
Leatherworld Middle East		10	73	83	1,237	1,695	664	2,359
	1	10	73	83	1,237	1,695	664	2,359
Total Textiles & Textile Technologies	21	7,918	5,612	13,530	313,639	234,081	55,887	289,968

² Ambiente India and Heimtextil India are held in parallel, therefore it is not possible to state how many visitors attended each fair.³ Texworld (Autumn) and Apparel Sourcing Paris (Autumn) are held in parallel, therefore it is not possible to state how many visitors attended each fair.⁴ Texworld (Spring) and Apparel Sourcing Paris (Spring) are held in parallel, therefore it is not possible to state how many visitors attended each fair.

Overall activities in 2015 / Events outside Germany in 2015

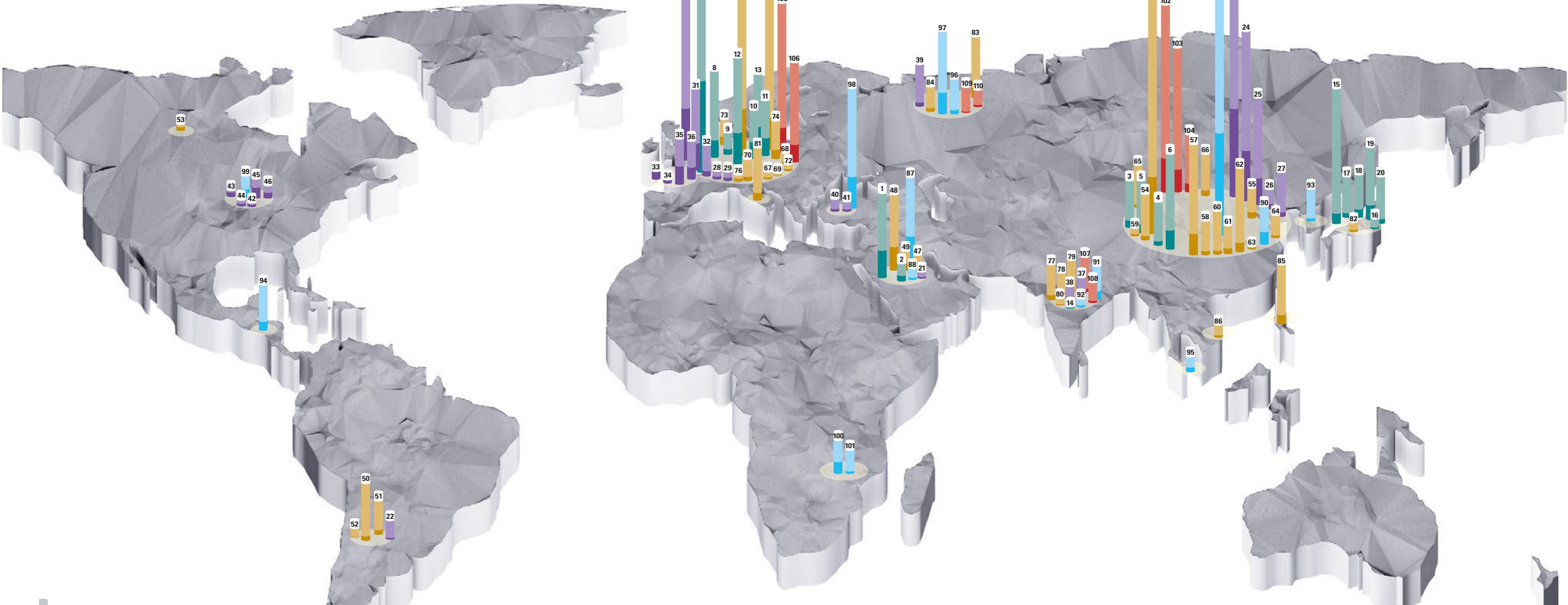
Consumer Goods & Leisure	Exhibitors				Net area (in m ²) incl. special show space	Visitors		
	Number of events	Host country	Other countries	Total		Host country	Other countries	Total
Ambiente								
Ambiente India ²		44	4	48	675	0	0	0
IFFT/Interior Lifestyle Living		378	53	431	7,803	17,459	540	17,999
Interior Lifestyle China		311	68	379	8,796	20,031	579	20,610
Interior Lifestyle Tokyo		628	141	769	11,859	29,483	643	30,126
	4	1,361	266	1,627	29,133	66,973	1,762	68,735
Beautyworld								
Beautyworld Japan		454	84	538	14,096	63,305	2,228	65,533
Beautyworld Japan Fukuoka		88	0	88	1,856	4,183	25	4,208
Beautyworld Japan West		205	25	230	5,592	18,569	415	18,984
Beautyworld Middle East		227	1,214	1,441	27,167	15,607	14,366	29,973
	4	974	1,323	2,297	48,711	101,664	17,034	118,698
Paperworld								
Hong Kong International Stationery Fair		38	187	225	2,056	10,077	10,405	20,482
Paperworld China		446	30	476	9,047	19,569	2,979	22,548
Paperworld Middle East		34	260	294	5,252	3,600	2,499	6,099
	3	518	477	995	16,355	33,246	15,883	49,129
Independent – Consumer Goods								
Toy & Hobby China		992	7	999	30,317	38,974	1,038	40,012
	1	992	7	999	30,317	38,974	1,038	40,012
Independent – Leisure & Entertainment								
Interpets Asia Pacific		185	48	233	3,424	21,508	531	22,039
	1	185	48	233	3,424	21,508	531	22,039
Total Consumer Goods & Leisure	13	4,030	2,121	6,151	127,940	262,365	36,248	298,613

² Ambiente India and Heimtextil India are held in parallel, therefore it is not possible to state how many visitors attended each fair.

Mobility & Logistics	Exhibitors				Net area (in m ²) incl. special show space	Visitors		
	Number of events	Host country	Other countries	Total		Host country	Other countries	Total
Automechanika								
ACMA Automechanika New Delhi		265	171	436	7,037	12,218	643	12,861
Automechanika Chicago		252	209	461	9,828	6,040	779	6,819
Automechanika Dubai		230	1,650	1,880	36,546	15,298	15,534	30,832
Automechanika Istanbul		824	843	1,667	40,516	33,852	12,530	46,382
Automechanika Johannesburg		147	467	614	9,723	9,157	2,000	11,157
Automechanika Kuala Lumpur		71	172	243	3,933	4,480	960	5,440
Automechanika Shanghai		4,758	670	5,428	130,705	80,071	29,615	109,686
MIMS powered by Automechanika Moscow		337	790	1,127	20,886	28,227	3,791	32,018
PAACE Automechanika Mexico City		102	368	470	9,801	18,663	439	19,102
	9	6,986	5,340	12,326	268,975	208,006	66,291	274,297
Independent Automotive								
Automotive Engineering Show		97	0	97	1,726	3,281	0	3,281
CAPAS		646	22	668	11,618	13,061	189	13,250
Comtrans		128	84	212	27,658	15,467	706	16,173
Lifestyle Shows		118	1	119	7,989	11,016	0	11,016
	4	989	107	1,096	48,991	42,825	895	43,720
Independent – Transport & Logistics								
Materials Handling Middle East		46	69	115	3,748	3,588	910	4,498
Raillog Korea		141	20	161	6,477	14,522	603	15,125
	2	187	89	276	10,225	18,110	1,513	19,623
Total Mobility & Logistics	15	8,162	5,536	13,698	328,191	268,941	68,699	337,640

Entertainment, Media & Creation	Exhibitors				Net area (in m ²) incl. special show space	Visitors		
	Number of events	Host country	Other countries	Total		Host country	Other countries	Total
Musikmesse								
Music China		1,457	325	1,782	49,686	76,495	3,973	80,468
NAMM Musikmesse Russia		47	11	58	1,157	12,365	194	12,559
	2	1,504	336	1,840	50,843	88,860	4,167	93,027
Prolight + Sound								
Prolight + Sound Guangzhou		1,143	44	1,187	65,630	60,442	3,343	63,785
Prolight + Sound NAMM Russia		76	22	98	3,115	7,433	238	7,671
Prolight + Sound Shanghai		440	17	457	14,947	23,594	1,861	25,455
	3	1,659	83	1,742	83,692	91,469	5,442	96,911
Independent – Creative & Culture								
Media Expo Delhi		138	24	162	3,979	16,207	111	16,318
Media Expo Mumbai		94	6	100	2,199	9,454	36	9,490
	2	232	30	262	6,178	25,661	147	25,808
Total Entertainment, Media & Creation	7	3,395	449	3,844	140,713	205,990	9,756	215,746

Industry meeting places for over 4 million trade fair visitors



Visitors (1:10)
Exhibitors (1:1)

- | | | | | | | | |
|--|---|--|---|--|---|---|--|
| <p>Consumer Goods & Leisure</p> <ul style="list-style-type: none"> 1 ARE Beautyworld Middle East 2 ARE Paperworld Middle East 3 CHN Interior Lifestyle China 4 CHN Hong Kong International Stationery Fair 5 CHN Paperworld China 6 CHN Toy & Hobby China 7 DEU Ambiente 8 DEU Christmasworld 9 DEU Creativeworld 10 DEU Nordstil (Summer Edition) 11 DEU Nordstil (Winter Edition) 12 DEU Paperworld 13 DEU Tendence 14 IND Ambiente India 15 JPN Beautyworld Japan | <ul style="list-style-type: none"> 16 JPN Beautyworld Japan Fukuoka 17 JPN Beautyworld Japan West 18 JPN IFFT/Interior Lifestyle Living 19 JPN Interior Lifestyle Tokyo 20 JPN Interpets Asia Pacific <p>Textiles & Textile Technologies</p> <ul style="list-style-type: none"> 21 ARE Leatherworld Middle East 22 ARG Emitex 23 CHN Intertextile Shanghai Apparel Fabrics – Autumn Edition 24 CHN Intertextile Shanghai Apparel Fabrics – Spring Edition 25 CHN Intertextile Shanghai Home Textiles – Autumn Edition 26 CHN Yarn Expo Autumn | <ul style="list-style-type: none"> 27 CHN Yarn Expo Spring 28 DEU Greenshowroom – Ethical Fashion Show Berlin (Autumn) 29 DEU Greenshowroom – Ethical Fashion Show Berlin (Spring) 30 DEU Heimtextil 31 DEU Techtextil 32 DEU Texprocess 33 FRA Apparel Sourcing Paris (Autumn) 34 FRA Apparel Sourcing Paris (Spring) 35 FRA Texworld Paris (Autumn) 36 FRA Texworld Paris (Spring) 37 IND Heimtextil India 38 IND Techtextil India 39 RUS Heimtextil Russia 40 TUR Texworld Istanbul (Autumn) 41 TUR Texworld Istanbul (Spring) | <p>Technology & Production</p> <ul style="list-style-type: none"> 42 USA Home Textiles Sourcing Expo 43 USA International Apparel Sourcing Show (Autumn) 44 USA Techtextil North America (Houston) 45 USA Texworld USA (Autumn) 46 USA Texworld USA (Spring) 47 ARE Hardware + Tools Middle East 48 ARE Intersec 49 ARE Light Middle East 50 ARG BIEL Light + Building Buenos Aires 51 ARG Expo Ferretera 52 ARG Seguriexpo Buenos Aires 53 CAN Waste & Recycling Expo Canada 54 CHN Asiamold | <ul style="list-style-type: none"> 55 CHN Eco Expo Asia 56 CHN Guangzhou International Lighting Exhibition 57 CHN ISH China & CIHE 58 CHN ISH Shanghai & CIHE 59 CHN Meat Expo China 60 CHN Shanghai Intelligent Building Technology 61 CHN Shanghai International Lighting Fair 62 CHN SIAF – SPS Industrial Automation Fair Guangzhou 63 CHN SPS Automation Shanghai 64 CHN Texcare Asia 65 CHN Water Expo China 66 CHN Wire & Cable Guangzhou 67 DEU EMV | <ul style="list-style-type: none"> 68 DEU Facility Management 69 DEU Fireprotec 70 DEU Formnext powered by TCT 71 DEU ISH 72 DEU Parken 73 DEU PCIM Europe (trade fair/congress) 74 DEU SMT Hybrid Packaging 75 DEU SPS IPC Drives 76 DEU Zellcheming-Expo 77 IND LED Expo Delhi 78 IND LED Expo Mumbai 79 IND Secutech India 80 IND SPS Automation India 81 ITA SPS IPC Drives Italia 82 JPN Nano Micro Biz 83 RUS Interlight Moscow powered by Light + Building | <ul style="list-style-type: none"> 84 RUS Modern Bakery 85 TWN Secutech 86 VNM Secutech Vietnam <p>Mobility & Logistics</p> <ul style="list-style-type: none"> 87 ARE Automechanika Dubai 88 ARE Materials Handling Middle East 89 CHN Automechanika Shanghai 90 CHN CAPAS 91 IND ACMA Automechanika New Delhi 92 IND Automotive Engineering Show 93 KOR Raillog Korea 94 MEX PAACE Automechanika Mexico City 95 MYS Automechanika Kuala Lumpur 96 RUS Comtrans | <p>Entertainment, Media & Creation</p> <ul style="list-style-type: none"> 97 RUS MIMS powered by Automechanika Moscow 98 TUR Automechanika Istanbul 99 USA Automechanika Chicago 100 ZAF Automechanika Johannesburg 101 ZAF Lifestyle Shows 102 CHN Music China 103 CHN Prolight + Sound Guangzhou 104 CHN Prolight + Sound Shanghai 105 DEU Musikmesse 106 DEU Prolight + Sound 107 IND Media Expo Delhi 108 IND Media Expo Mumbai 109 RUS NAMM Musikmesse Russia 110 RUS Prolight + Sound NAMM Russia |
|--|---|--|---|--|---|---|--|

2015 Group management report of Messe Frankfurt GmbH, Frankfurt am Main

I. Corporate profile

The core activities of the Messe Frankfurt group consist on the one hand in hosting trade fairs and exhibitions. These are staged in Germany and abroad by Messe Frankfurt Exhibition GmbH and its subsidiaries. On the other hand, via its Messe Frankfurt Venue GmbH subsidiary, the group also markets exhibition space to trade fair and congress organisers and provides the related infrastructure and services. Both operating companies are organised under the shared umbrella of the holding company, Messe Frankfurt GmbH, which in addition to group management provides administrative services for the companies at the Frankfurt am Main venue.

The focus of the events held at the Frankfurt venue is the international industry flagship shows that are deemed to be the leading showcase within their respective industry, and which present the most innovations and premieres. They bring together the relevant international range of goods and services on offer with the respective demand in Europe and worldwide. By virtue of their size and internationality, these trade fairs often have a dominant character for the respective industry sector and within the trade fair industry.

The operating activities of the foreign subsidiaries essentially comprise holding trade fairs from the group's brand portfolio for own financial account, as well as marketing Messe Frankfurt events and services worldwide. In addition, the increasing interdependence of the economy is also giving more importance to the marketing of media, digital and infrastructure services. Due to the different outreach and catchment areas of the respective events, it is extremely difficult to clearly delimit the relevant trade fair market. Although there are no fixed definitions of the overall market share reached, Messe Frankfurt is generally considered to play an important role for the industry in its core business segments, as well as being a reliable long-term partner in the international arena.

Apart from Messe Frankfurt Exhibition GmbH's and its subsidiaries' own events in Germany and abroad, many guest and congress organisers take advantage of the Frankfurt venue for their trade fairs, congresses and events. Thanks to the central location, the continuously improving infrastructure and connections, as well as the new Kap Europa congress venue, both the city and Messe Frankfurt are becoming increasingly attractive and competitive.

The Messe Frankfurt GmbH corporate group is made up of the parent, nine domestic (previous year nine) and 21 foreign (previous year 20) subsidiaries/joint ventures, as well as six branch offices. Messe Frankfurt's powerful international sales network is managed by Messe Frankfurt Exhibition GmbH and, apart from the foreign subsidiaries, is made up of 55 sales partners, who serve and cover 175 countries.

Effective from February 2015, the subsidiary in Russia together with ITE Moscow each acquired 50 percent in Media Globe Hannover Expo CJSC. It is headquartered in Moscow and operates under the name ITEMF Expo A. O. Furthermore, in the summer of the reporting period the Messe Frankfurt (H. K.) subsidiary in Hong Kong obtained the remaining 30 percent of the shares in Messe Frankfurt New Era Business Media Ltd. in Hong Kong, China. In September 2015, the Turkish subsidiary acquired 100 percent of the shares in Yeni Dünya Fuarçılık Anonim Sirketi, which was merged with Messe Frankfurt Istanbul L. S. in the reporting period.

To manage the organisation and running of the German pavilion at Expo 2015 in Milan, Messe Frankfurt Exhibition GmbH had established an office in Italy in October 2014.

II. Report on economic position

General economic trend

The economic situation in Germany was characterised in 2015 by solid and steady economic growth. According to preliminary estimates of the Federal Statistical Office, the price-adjusted gross domestic product (GDP) was on an annual average 1.7 percent higher than in the prior period. In 2014, GDP grew at a similar rate (+1.6 percent); by contrast, in 2013 growth was only 0.3 percent.¹ The upswing was driven by domestic demand, and, for the most part, by consumption, promoted by higher real income and a rise in the employment level. Finally, impetus for growth came from increased purchasing power and the further drop in oil prices. Refugee migration also contributed by boosting government expenditure on consumption, for example for the provision of accommodation and social benefits.²

The global pace of economic expansion remained subdued in 2015 and according to estimates by the International Monetary Fund (IMF) aggregated 3.1 percent. Growth in the developing and emerging economies – which contribute to global growth with 70 percent – declined for the fifth year in succession, while in the industrialised nations the economic recovery continued, albeit at a moderate pace.³ In this context, nearly all industrialised nations are profiting from the favourable raw material prices. However, across individual economies, the economic development was very heterogeneous. While the US and the UK are experiencing a mild upswing, the rate of economic expansion in the euro zone and in Japan continues to be much lower. Commodity-exporting emerging economies such as Brazil and Russia are suffering from the effects of the sharp drop in prices for oil and industrial raw materials since mid-2014. China's growth dynamic is continuing to lessen, reflecting a trend caused by structural factors that has been ongoing for the past few years. Growth in world trade, an important benchmark for the international trade fair industry with export-oriented customers, increased according to the Ifo Institute by 3.3 percent (after 3.4 percent in the previous year).⁴

Developments in the trade fair sector

Despite the heterogeneous economic environment, the German trade fairs remained on a growth course in 2015 and in some cases even topped the 2014 results. According to preliminary figures published by the Association of the German Trade Fair Industry (AUMA), Berlin, for 2015, the 164 international and national trade fairs registered some 172,000 exhibitors, a rise of around 1.5 percent compared to the respective prior events (2014: +1 percent). At almost 4 percent, the level of foreign participation again grew at an above-average rate, while the number of German exhibitors declined by 1 percent. The amount of leased space was around 1.5 percent higher in 2015 (2014: +0.3 percent) and stood at just below 6.3 million square metres. Something of a surprise was the rise in visitor numbers, which were on average 2 percent higher than for the respective prior events (2014: +0.3 percent), despite numerous strikes in the transport sector and intense media competition over purchasers' time. Preliminary results put the number of trade and private visitors at an overall 9.8 million.⁵

¹ Federal Statistical Office / Destatis: press release dated 14 January 2016

² Ifo Institute: Ifo economic forecast 2015–2017, press release dated 9 December 2015

³ International Monetary Fund: World Economic Outlook – Update, press release dated 19 January 2016

⁴ Ifo economic report 4/2015, prepared for Messe Frankfurt GmbH

⁵ AUMA Compact no. 02/2016 dated 29 January 2016

Performance ratios – trade fairs and exhibitions

The Messe Frankfurt group staged 133 trade fairs and exhibitions worldwide in the reporting year (previous year 121). Altogether, around 90,800 exhibitors (previous year 84,700) and 4.2 million visitors (previous year 3.1 million) were registered; the total net leased area was over 2.7 million square metres (previous year 2.4 million square metres). These were complemented by 208 congresses and events (previous year 230) at the Frankfurt am Main venue, which attracted around 561,000 visitors (previous year 582,000), as well as 15 German pavilions worldwide. Thus, all Messe Frankfurt group events taken together drew around 4.7 million attendees in the reporting period (previous year 3.7 million).

Overall activities of Messe Frankfurt in 2015

	Number	Exhibitors	Net area* (in '000 m ²)	Visitors (in '000)
Trade fairs and exhibitions				
– at the Frankfurt am Main exhibition centre	38	37,290	1,312	2,306
– at other venues in Germany	9	4,877	180	135
Total Germany	47	42,167	1,492	2,441
Other countries	86	48,605	1,241	1,730
Total trade fairs and exhibitions	133	90,772	2,733	4,171
Other activities	223			561
Total activities	356	90,772	2,733	4,732

* including special show space

The group's exhibition centre in Frankfurt was the venue for 38 trade fairs and exhibitions, including 11 events organised by Messe Frankfurt Exhibition GmbH and 4 exhibitions organised by MESAGO Messe Frankfurt GmbH, Stuttgart. These 15 own group events in Frankfurt recorded around 18,400 exhibitors (previous year 21,600) and over 678,000 visitors (previous year 835,000). More than 786,300 square metres (previous year 903,900) of exhibition space was booked for these own group events in Frankfurt. From the perspective of Messe Frankfurt Exhibition GmbH, the main reason for this decline compared with the previous year is that uneven years tend to have a less busy trade fair schedule due to the rotation of events. The sum of the trade fair figures for the events with a multi-year rhythm held in 2015 (ISH, Techtexil and Texprocess) is lower than the sum of the key figures for Auto-mechanika and Light + Building, which took place in 2014. Compared to the respective prior events, exhibitor figures at the trade fairs organised by Messe Frankfurt Exhibition GmbH remained consistent and the amount of net leased space increased slightly by 0.4 percent. On the visitor side, a small decline of 0.25 percent was recorded.

Furthermore, despite the difficult market situation (new rival event in Stuttgart from spring 2015 and EuroMold in Düsseldorf), the MESAGO Messe Frankfurt GmbH, Stuttgart, subsidiary successfully staged the first edition of Formnext powered by TCT at the Frankfurt venue. This event targets the growing market for additive technologies – from prototyping and modern product development and manufacturing, to integration into tool making and mould making, and establishing 3D printing as an additional manufacturing technology. A total of 203 exhibitors on a net area of 8,070 square metres, 8,982 trade visitors from around the world, 266 conference participants and numerous representatives from the national and international trade press contributed to a successful debut.

The quality of these events was reflected in the level of internationality on both the exhibitor and visitor side: 71.1 percent foreign participation among exhibitors and 47.2 percent among visitors at Messe Frankfurt's international own group events at its home venue are indicators of maximum market transparency and customer benefit on both the supply and demand side. They represent peak values in the competitive environment. By way of comparison: AUMA puts the average internationality rates for Germany as a trade fair venue provisionally at 58 percent for exhibitors and 27 percent for visitors.

In terms of guest events, 2015 ranks among the stronger years: 23 guest fairs (previous year 21), including 13 exhibitions open to the public and eight trade exhibitions were hosted at the Frankfurt exhibition venue. These events drew some 18,900 exhibitors (previous year 15,700) and 1.6 million visitors (previous year 0.6 million). Around 525,400 square metres of net exhibition space was leased (previous year 243,200). These increases are above all attributable to IAA Cars and AACHEMA, which have a two-year and a three-year rhythm respectively – a combination that only occurs every six years. What's more, both trade fairs noted a significant rise in visitor attendance. IAA Cars registered 931,700 visitors, which is a plus of around 51,000 visitors, and AACHEMA welcomed approximately 26,000 more visitors, bringing the total to 166,444. The annual Frankfurt Book Fair also took place, which presented a new concept and new hall layout with stable exhibitor and visitor participation. Also held annually, IMEX recorded a consistent level of exhibitor and visitor numbers. COSMETICA Frankfurt – trade fair for cosmetics – took place for the second time and welcomed over 15,200 visitors to the exhibition centre. With 26,400 visitors, Land & Genuss organised by the Deutsche Landwirtschafts-Gesellschaft DLG (German Agricultural Society) and the first edition of Cloud Expo rounded off the portfolio of guest events staged at the Frankfurt exhibition venue.

At other trade fair venues in Germany nine events were hosted by Messe Frankfurt Exhibition GmbH and MESAGO Messe Frankfurt GmbH, Stuttgart. In spring and autumn, Messe Frankfurt Exhibition GmbH staged the Greenshowroom and the Ethical Fashion Show in Berlin; and in Hamburg, Nordstil was also held in spring and autumn. SPS IPC Drives, PCIM Europe, SMT Hybrid Packaging (all Nuremberg), Parken (Berlin) and EMV (Stuttgart) belong to the portfolio of MESAGO Messe Frankfurt GmbH. These events in Germany outside Frankfurt counted around 4,900 exhibitors and some 134,600 visitors. The total net leased area came to around 180,400 square metres.

Foreign operations again contributed significantly to Messe Frankfurt's successful operating result: at 86 events (previous year 77), some 48,600 exhibitors (previous year 42,900) showcased their product and service portfolios to over 1.7 million visitors (previous year 1.5 million) on around 1,240,600 square metres of exhibition space (previous year 1,060,600). Thus the group's own trade fairs held outside Germany once again demonstrated their relevance in 2015. Asia remained the regional focus of overseas business with 49 events in the reporting year, 27 of which were held in China alone. Another attractive exhibition region for Messe Frankfurt was the EMEA (Europe, Middle East, Africa) economic area. 25 trade fairs were held in this region. In the Americas, the American subsidiaries of Messe Frankfurt Exhibition GmbH organised 12 trade fairs in the year under review.

As part of the optimisation of its product spectrum, Messe Frankfurt Exhibition GmbH also expanded its portfolio outside Germany in the reporting year. A total of 13 new events opened their doors for the first time in 2015: one each in Turkey, South Africa, United Arab Emirates, Argentina and the US, as well as two events in Russia and three each in China and India.

In addition to designing and staging its own events, Messe Frankfurt organised 15 German pavilions at foreign trade fairs. These relate to trade fair participations organised and held on behalf of the Federal Ministry for Economic Affairs and Energy. In the respective country they facilitate entry into the market for small and medium-sized enterprises.

On behalf of the Federal Ministry for Economic Affairs and Energy, Messe Frankfurt was responsible for organising and running the German Pavilion at Expo 2015 in Milan. Following the theme of the Expo “Feeding the Planet – Energy for life”, the pavilion promoted global thinking under the motto “Fields of Ideas”. At the same time, it raised awareness for the forces of nature as vital sources in our food chain, which we must protect more effectively and utilise intelligently in the future. Some 3 million guests visited the German Pavilion between 1 May and 31 October. Thus the maximum visitor capacity was reached. 6,000 delegation members from the worlds of politics, business and science were welcomed at the German Pavilion and some 2,000 journalists gave the project press coverage. In addition to the positive visitor reviews, Germany’s Expo pavilion was singled out for a number of prizes and awards, including the B.I.E. Award, the Red Dot Award: Communication Design 2015, the Exhibitor Magazine’s Expo 2015 Award in the categories “Best Pavilion” and “Interactivity”, the FAMAB Award in three categories (Gold respectively for the “Best Public Event” and the “Best Interactive Installation”, Bronze for the “Best Thematic Exhibition”), as well as a distinction from the German Designer Club for “Good Design”.

Congresses, conventions and Festhalle events

Apart from guest shows and exhibitions, Messe Frankfurt Venue GmbH hosted 150 congresses and meetings (previous year 138). With around 133,000 participants, the number of attendees increased accordingly compared to the previous year (116,800). 91 (previous year 50) of these congresses and meetings with around 45,950 participants were held at the new Kap Europa congress venue.

More than 427,600 guests were drawn to the 58 show events (previous year 92), held above all in the tradition-steeped Festhalle. These featured concerts, sporting events, shows, as well as company events. Sporting attractions included the BMW Frankfurt Marathon with the finishing line in the Festhalle and the German record by Arne Gabius, the world boxing championship with Felix Sturm and the International Festhalle Riding Tournament with accompanying exhibition. Musical highlights included concerts by international stars such as Peter Maffay, Queen, Simply Red and Die Fantastischen Vier, as well as the “Night of the Proms”. In the show segment, classic events such as the multi-day “Holiday on Ice”, the “Feuerwerk der Turnkunst” (“Fireworks of Gymnastics”) and the magic fascination of the Ehrlich Brothers topped the bill.

Development of the trade fair venue

Messe Frankfurt is taking the next steps in developing its exhibition grounds and infrastructure, with preparations for construction of a new hall in full swing in the reporting period. The planning application for the new hall was submitted in June and the invitation to tender for the construction work was launched on the market. Required additional work, such as moving the roundabout and connecting it to the North Entrance, was carried out during the reporting year. The aim is to further increase the turnover rate of the exhibition grounds and create more flexible utilisation possibilities through parallel occupancy of the halls and outside areas. The planned exhibition Hall 12 also paves the way for the demolition and rebuilding of Hall 5 over the next few years. Medium-term plans furthermore encompass the new South Entrance on the Europaallee, as well as an office building and a hotel.

Service management

In the context of service management, further progress was made with modernising the online platforms: following the online configurator for exhibition stands launched by Fairconstruction in the spring, the new online shop for exhibitor services went live in the autumn.

Here, all functions were implemented that users expect of modern online shops today, as well as a new personalised log-in concept that offers customers a high degree of user-friendliness.

Trade fair visitors travelling by air can now check in their baggage at the exhibition centre. Lufthansa will then forward it directly to the airport of destination. A special time-saving services package offered in cooperation with Fraport offers trade fair visitors individual transfer from the exhibition grounds directly to the airport, with private check-in.

Organisational development

The reporting period saw the start of the efficiency programme initiated in 2014. The objective is to successively analyse and optimise operating processes in all areas of Messe Frankfurt by reviewing the tasks, responsibilities and required capacities. The determined potential for flexibilisation can then be used for other tasks or in the development of new business segments.

Personnel

On 31 December 2015, the Messe Frankfurt group employed 2,244 active members of staff worldwide, 114 more than at the end of 2014. In Germany, the headcount rose from 1,272 to 1,299 and outside Germany from 858 to 945.

The renewed increase in the number of employees outside Germany is accounted for by the expansion of business in China, India and Dubai.

Corporate culture / Frankfurt Management Meeting

During the 2015 Frankfurt Management Meeting, executive staff identified the change topics that need to be addressed in order to achieve the 2020 targets. These were developed using an interactive tool. From the more than 300 suggestions submitted, the executives formed 13 clusters, which they in turn prioritised, again with the help of an interactive tool. The results of this process flowed into the annual strategy concepts of the Executive Board, resulting in a participatory form of strategy development. Next, the Vice Presidents were asked to develop operational optimisation concepts for the individual strategic benchmarks.

Initial and in-service training

Training opportunities continued to focus on promoting leadership skills for executive staff and hands-on seminars for employees. Supplementary training was offered in the area of exhibition space marketing and improving employees’ CRM skills.

In the field of CRM, Human Resources has developed a series of web-based seminars that are available to all employees. Concepts for deploying staff flexibly as and when their specific skills are required and enabling them to participate in specialised in-service training are currently being developed.

Resources and compensation management

The capacity and job approval process was further optimised, resulting in improved personnel expense management. A market-oriented compensation management concept was developed and established for executive staff.

Thanks to all employees

Overall, employees across the Messe Frankfurt group succeeded admirably in keeping up with the increasing demands of growing business activity. Once again in 2015, they demonstrated exemplary flexibility and commitment, coupled with a high level of competence. The Executive Board would therefore like to thank all employees for their efforts and the positive results achieved.

III. Description of the position of the company

Results of operations

The positive business trend is also mirrored in the development of group sales. At €647.8 million, sales in 2015 reached a new record level that was €93.6 million, or 16.9 percent, up on the previous year. In contrast to the previous year, growth within the group was generated by the German and non-German subsidiaries.

Group sales development (consolidated)

	2013 in € m	2014 in € m	2015 in € m	Change compared to	
				2014 in % ⁴	2013 in % ⁴
Germany					
Messe Frankfurt Exhibition GmbH, Frankfurt	197.6	210.5	199.7	-5.1	1.1
Messe Frankfurt Venue GmbH, Frankfurt	105.6	73.3	119.2	62.6	12.9
MESAGO Messe Frankfurt GmbH, Stuttgart ¹	27.5	27.3	31.0	13.6	12.7
Messe Frankfurt Medien und Service GmbH, Frankfurt	19.3	19.3	19.3	0.0	0.0
Accente Gastronomie Service GmbH, Frankfurt	28.2	25.9	31.8	22.8	12.8
Total Germany	378.2	356.3	401.0	12.5	6.0
Other countries					
Messe Frankfurt France S.A.S., Paris	16.0	18.4	20.6	12.0	28.8
Messe Frankfurt Italia Srl., Milan	4.9	5.4	6.9	27.8	40.8
Messe Frankfurt Istanbul L.S., Istanbul	1.6	1.9	2.4	26.3	50.0
O.O.O. Messe Frankfurt RUS, Moscow ²	8.8	8.2	8.1	-1.2	-8.0
Messe Frankfurt Middle East GmbH, Frankfurt/Dubai	18.6	22.5	33.7	49.8	81.2
Messe Frankfurt Asia Holding Ltd., Hong Kong ¹	105.5	123.9	149.0	20.3	41.2
Messe Frankfurt Inc., Atlanta ³	3.8	6.9	9.6	39.1	++
Messe Frankfurt México S.de R.L.de C.V., Mexico City	0.1	0.1	0.1	0.0	0.0
Indexport Messe Frankfurt S.A., Buenos Aires	7.3	9.9	15.1	52.5	++
South African Shows Messe Frankfurt (Pty) Ltd., Johannesburg	0.0	0.7	1.3	85.7	++
Total other countries	166.6	197.9	246.8	24.7	48.1
Group sales	544.8	554.2	647.8	16.9	18.9

¹ Sub-group

² Including ITEMF Expo A.O., Moscow

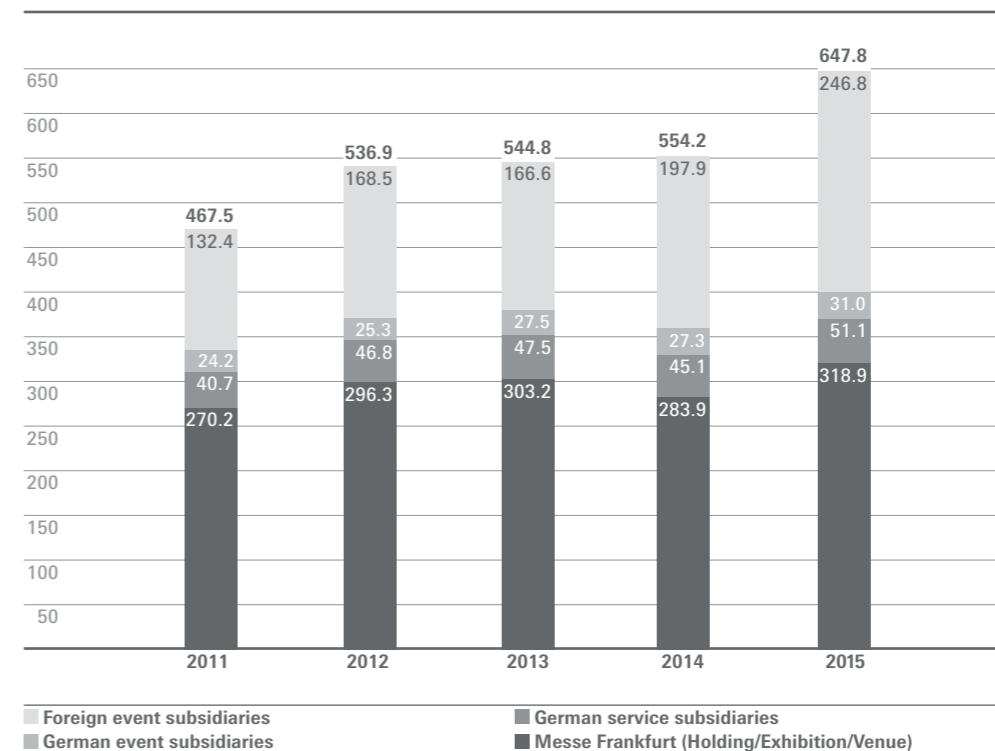
³ Including PAACE Automechanika Mexico, LLC, Atlanta

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

On the domestic front, sales were up by €44.7 million, or 12.5 percent, to €401.0 million, accounting for 61.9 percent of group sales. Although at €199.7 million, sales of Messe Frankfurt Exhibition GmbH were €10.8 million lower due to the rotation of events, this was more than compensated by the increased earnings of Messe Frankfurt Venue GmbH (€119.2 million; €+45.9 million). This development can be explained by the rotation of the flagship events with a multi-year rhythm. Whereas Messe Frankfurt Exhibition GmbH did not organise the two high sales- and earnings-generating multi-year events Automechanika and Light + Building in 2015, an odd-numbered year, Messe Frankfurt Venue GmbH held the guest event IAA Cars (two-year rhythm) and ACHEMA, which has a three-year rhythm – a combination that only occurs every six years. Accente Gastronomie Service GmbH and MESAGO Messe Frankfurt GmbH were both able to further increase their sales and contributed to the growth in sales in Germany with a consolidated €31.8 million (€+5.9 million) and €31.0 million (€+3.7 million). Messe Frankfurt Medien und Service GmbH achieved sales at the previous year's level with €19.3 million.

Thus at the Frankfurt am Main venue, consolidated sales of €370.0 million were generated, which corresponds to around 57.1 percent of group sales (2014: €329.0 million; 2013: €350.7 million).

Group sales development (consolidated) in € m



With sales of €31.0 million, MESAGO Messe Frankfurt GmbH in Stuttgart achieved a figure €3.7 million up on the previous year. This sales increase is accounted for primarily by the successful positioning of the first edition of Formnext powered by TCT, as well as by the continued positive development of SPS IPC Drives, International Exhibition & Conference for Electric Automation.

The foreign subsidiaries made a consolidated contribution to sales of €246.8 million, a rise of €48.9 million, or 24.7 percent. This accounted for 38.1 percent of group sales, compared to 35.7 percent in the previous year. This is explained in particular by the stronger sales of the subsidiaries in Asia (€+25.1 million), Dubai (€+11.2 million) and Argentina (€+5.2 million). The other subsidiaries outside Germany also contributed to the positive development with increasing or stable sales levels.

Measured against 2013, which has a more readily comparable national event structure, the picture is similar: sales revenue group-wide was up by €103.0 million, or 18.9 percent. Domestic sales made up €22.8 million, or 6.0 percent, of this figure, while sales outside Germany were a massive €80.2 million, or 48.1 percent, higher.

Group sales exceeded the target of €612.2 million forecast for the year by €35.6 million, which is equivalent to a deviation of 5.8 percent. A number of positive developments were responsible for this. First, the euro was weaker than projected for the major currencies used across the group, which led to a positive currency effect of €35.6 million. Furthermore, increased sales in connection with guest events and improved congress and show events business contributed to the overall increase in sales revenue. Among the own events organised by Messe Frankfurt Exhibition GmbH, Ambiente in particular registered a significant plus. Internationally, above all the subsidiaries in Argentina, Dubai, the US and France achieved higher sales than forecast after adjusting for currency effects. By contrast, sales in Asia, Russia and South Africa were lower than projected. Additionally, in some cases planned sales revenues from acquisitions will not be recognised until 2016.

Profits were also significantly higher than the previous year's figure for the group. With a figure of €51.8 million prior to taxes on income, earnings were up by €4.5 million, or 9.5 percent, on the previous year (€47.3 million). Compared to 2013, earnings were €2.7 million higher.

Profit development

	2013	2014	2015	Change compared to	
	in € '000	in € '000	in € '000	2014 in %	2013 in %
Earnings before taxes on income	49,135	47,332	51,829	9.5	5.5
Taxes on income	14,460	13,927	13,599	-2.4	-6.0
Consolidated net income for the financial year	34,675	33,405	38,230	14.4	10.3

Apart from operating income from the annual reversal of the equity-similar special reserve for subsidies or grants for the acquisition of fixed assets (€2.2 million), other operating income (€29.8 million; previous year €19.2 million) principally includes income arising from exchange rate fluctuations (€18.7 million; previous year €9.7 million) and the reversal of provisions (€3.5 million; previous year €5.0 million) for unperformed maintenance work which was not carried out for reasons of time, as well as income from impaired receivables (€1.1 million).

Income stands vis-à-vis operating expenses totalling €619.2 million (previous year €519.1 million), which is €100.1 million, or 19.3 percent, higher than in the prior period. Event-related expenses are the biggest expense item with €331.4 million, after €266.2 million in 2014. This corresponds to a cost/income ratio of 51.2 percent, after 48.0 percent in the prior period. Event-related expenses include all expenses directly related to events. They are in general variable costs and therefore develop by analogy with sales. As well as costs for visitor advertising, press relations, sales commissions and marketing, they also include all costs for services (for example hostess services), as well as rental of external halls and maintenance of the Frankfurt am Main exhibition grounds. The latter showed an increase of €7.2 million over the previous year as renewed high expenditure on buildings and technical equipment was necessary.

Personnel expenses developed at a rather disproportionately low rate. The €15.8 million, or 12.1 percent, increase in personnel expenses was due to the rise in the average number of employees (+122), as well as to salary adjustments and the impacts of collectively agreed salary increases at the Frankfurt venue. Despite the strong expansion of business, the personnel costs ratio decreased from 23.6 percent in the previous year to 22.6 percent in the reporting year. Depreciation, amortisation and write-downs also showed an increase of €3.5 million to €55.5 million. This is explained by the investment measures implemented in the period under review. Other operating expenses were recognised in the amount of €85.8 million, an increase of €15.5 million over the previous year. This account includes all expenses that are not directly related to events, such as office expenses, interim agency staff, expenses related to exchange rate differences, as well as consulting and corporate marketing. The increase results in particular from higher expenses related to exchange rate differences, as well as disposals of fixed assets and expenses for interim agency staff.

At €-1.9 million, the financial result/net interest income is slightly better than in the previous year (€-2.4 million). While at €1.5 million, interest income showed an increase of €0.1 million, interest expenses fell by €0.4 million to €3.5 million compared to the previous year. Interest expenses result primarily from the bank loan taken out by Messe Frankfurt Venue GmbH to finance the building of Hall 3. Interest expenses have declined in line with scheduled repayments totalling €10.3 million.

This produces an improved result from ordinary operating activities of €56.4 million, after €51.1 million in the previous year.

Net of taxes on income (€13.9 million) and other taxes (€4.6 million), the group recognised consolidated net income for the year of €38.2 million, which is a new record result in the company's history after 2008 (€35.9 million) and 2013 (€34.7 million).

This led to a return on sales after taxes of 5.9 percent, after 6.0 percent in the previous year. In relation to equity at the beginning of the year (€453.2 million), this results in a return on equity of 8.4 percent (previous year 7.8 percent).

Earnings were also higher than forecast. The main reason for this was the €35.6 million increase in sales above target, which was predominantly currency-related. Other operating income was also higher due to the reversal of provisions and income related to other accounting periods. These additional revenues were initially countered by higher event-related expenses and personnel expenses outside Germany, also due to currency effects. Higher expenses were also incurred at the Frankfurt venue as a result of plant maintenance and additional provisions for maintenance and building modernisations. Furthermore, it was necessary to make greater provision to compensate for anticipated losses for events in the subsequent year. Lastly, impairment losses were recognised on event rights and on goodwill, and a slightly negative balance arose from currency translation gains and losses. Profit after taxes was €8.2 million higher overall than originally targeted.

The development in the operating performance is mirrored in the EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation) earnings indicator. This was €109.3 million in the reporting year, after €101.7 million in the previous year, which is also a new all-time high for the group. As a percentage of sales, the EBITDA margin for the financial year is 16.9 percent (previous year 18.4 percent).

EBITDA development

	2013	2014	2015	Change compared to	
	in €'000	in €'000	in €'000	2014	2013
Consolidated net income for the financial year	34,675	33,406	38,230	4,824	3,555
Taxes on income	14,460	13,927	13,599	-328	-861
plus financial result	2,609	2,373	1,926	-447	-683
Depreciation, amortisation and write-downs	56,402	52,034	55,516	3,482	-886
Group EBITDA	108,146	101,740	109,271	7,531	1,125
EBITDA margin	19.9%	18.4%	16.9%		

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 net income for the financial year of €26.8 million, after €25.3 million in the previous year. Despite lower other operating income (€-0.4 million), this development can for the most part be attributed to an improved financial result (€+3.6 million). €1.2 million lower material costs, personnel expenses up by €1.6 million and other operating expenses also up by €2.0 million are billed to the subsidiaries via the intercompany administrative charge, resulting in an increase in sales revenues to €50.0 million. The development of the financial result is explained on the one hand by the improved net interest income (€+0.1 million), as well as by higher profit transfers from the subsidiaries (€+3.9 million) under the profit and loss transfer agreements with Messe Frankfurt Exhibition GmbH and with Messe Frankfurt Venue GmbH. Including income tax allocation, these companies transferred €22.6 million and €8.9 million respectively to the parent. In the prior reporting period, a bottom-line net investment income of €28.0 million was recognised.

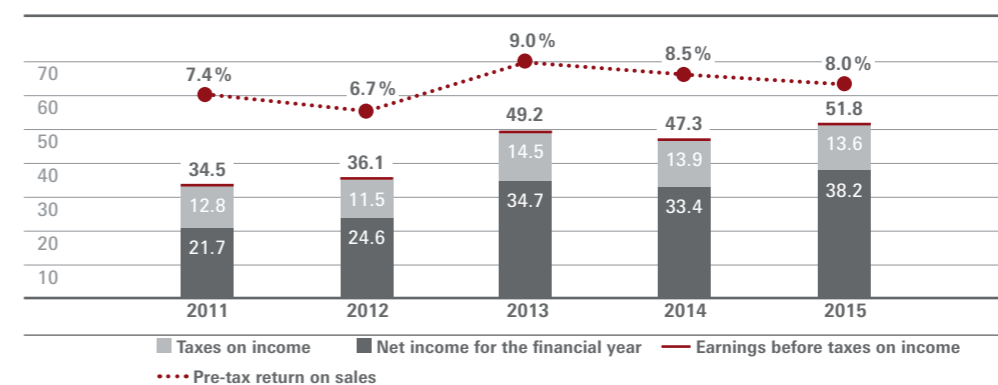
Messe Frankfurt Exhibition GmbH reported earnings before taxes on income and profit transfer of €22.6 million (previous year €26.2 million). The decrease compared to the previous year is mainly explained by the fact that from the perspective of Messe Frankfurt Exhibition GmbH, odd-numbered years tend to produce lower profits due to the multi-year rhythm of some events. For example, the sales total of the multi-year events held in the 2015 reporting period (ISH, Techtexil and Texprocess) is lower than the total of the Automechanika and Light + Building multi-year events held in 2014. This led to sales before consolidation of €237.1 million, which is €6.9 million lower than the previous year's level. Despite lower event-related expenses due to the rotation of events (€-3.4 million), as well as decreases in depreciation, amortisation and write-downs (€-0.8 million), in conjunction with personnel expenses (€+0.5 million) and other operating expenses (€+1.2 million), the operating result was €-4.8 million (previous year €-0.8 million). By contrast, standing at €25.6 million, the financial result improved by €0.5 million due to higher investment income from the subsidiaries. This relates in particular to higher investment income from the subsidiaries in China and Dubai, and for the first time from the USA, compared to the previous year.

For **Messe Frankfurt Venue GmbH**, the 2015 financial year was more profitable due to the rotation of events, since the major guest events International Motor Show IAA Cars and AACHEMA both took place. In conjunction with enhanced congress and event business, it was thus possible to more than offset the lower sales – also determined by the events calendar – of the affiliated company Messe Frankfurt Exhibition GmbH. In line with this trend, sales revenues before consolidation amounted to €210.8 million in the reporting year (previous year €174.9 million). Expenses came to €208.8 million, compared to €179.1 million in the previous year. This increase (+16.6 percent) resulted in particular

from higher event-related expenses, which grew by €25.6 million to €112.6 million, and, in addition to the rotation of events, is attributable to provisions for maintenance and building modernisations. Personnel expenses rose year-on-year by €0.6 million, or 3.2 percent, to €19.8 million as a result of collectively agreed salary increases. Other operating expenses, which primarily include administrative charges of Messe Frankfurt GmbH, incidental office space costs, as well as rental and lease expenses, with €41.7 million, increased compared to the previous year (€38.1 million). The reason for this, apart from higher administrative charges and IT costs, was a rise in expenses from the disposal of fixed assets (€+1.7 million), as well as in prior-period expenses (€+0.8 million). Depreciation, amortisation and write-downs, on the other hand, were slightly below the previous year's level (€34.8 million) and stood at €34.7 million. At €6.3 million, the financial result was €1.0 million higher year-on-year. On the one hand, bottom-line net interest income improved from €-4.9 million to €-4.3 million, while on the other hand profit transfers from the Messe Frankfurt Medien und Service GmbH and Accente Gastronomie Service GmbH subsidiaries rose by €0.4 million compared to the previous year to €10.5 million in total. After deducting property tax amounting to €3.1 million, this leads to a rise in earnings before income taxes and profit and loss transfers of €7.3 million, to stand at €8.9 million, after €1.6 million in the previous year.

The operating results of the **German and foreign subsidiaries** of Messe Frankfurt Exhibition GmbH showed a differentiated development, which produced a bottom-line net retained profit in the reporting year of €31.1 million, after €23.5 million in the previous year. The Asian sub-group contributed a major share of this, with €18.2 million, after €12.6 million in 2014. This increase is explained in particular by the development of the subsidiary in Hong Kong. Other notable contributors to group profit were Messe Frankfurt Middle East GmbH with its branch office in Dubai with €6.0 million (previous year €5.2 million), as well as France with €2.0 million (previous year €1.8 million) and the subsidiary in Turkey with €1.9 million (previous year €1.4 million). While the subsidiaries in South Africa, the USA and Mexico, as well as Messe Frankfurt New Era in Hong Kong, posted net losses, all other event and marketing companies recognised positive results for the year. The domestic subsidiary MESAGO Messe Frankfurt GmbH in Stuttgart, with earnings before income taxes and profit transfer of €5.9 million (previous year €8.8 million), was also an important contributor to group profit.

Consolidated earnings before taxes on income and pre-tax return on sales (in € m)



Net worth 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 €45.5 million (previous year €55.8 million). €16.8 million of this investment amount was apportioned to intangible assets in particular in the form of trade fair rights and goodwill, through the acquisition of shares in the companies ITEMF Expo A. O. in Russia, Yeni Dünya Fuarçılık Anonim Sirketi in Turkey and Messe Frankfurt New Era Business Media Ltd. in Hong Kong (China). The remaining additions related to software licences. A further €28.8 million was invested in tangible assets, with €17.8 million of this amount being accounted for by assets under construction, principally the new Hall 12, technical upgrading of Hall 6 and the extension of the Via Mobile. An investment amount of €7.2 million was recognised for equipment and office supplies, and €1.8 million for operating facilities in the halls. The remaining additions to fixed assets relate to smaller infrastructure measures. Net of depreciation, amortisation and write-downs amounting to €55.5 million and disposals of fixed assets, bottom-line fixed assets of €587.4 million (previous year €599.7 million) are shown in the balance sheet at year's end 2015, which corresponds to a share of around 66 percent of total assets (€888.0 million).

Current assets increased by €37.5 million to €297.9 million. In particular, securities increased by €22.1 million and the amount of cash-in-hand and bank balances by €16.2 million. Trade receivables, on the other hand, were on balance €0.9 million lower than in the previous year.

On the equity and liabilities side, €475.5 million is shown in the balance sheet under Group equity on the basis of the earned net income for the 2015 financial year (€38.2 million), profit distributions (€17.1 million) and the change in minority interests (€1.1 million), as well as the changes in equity resulting from foreign currency translation differences (€+2.3 million), which is €22.3 million higher than the previous year's figure (€453.2 million). This corresponds to an equity ratio of around 53.5 percent and leads to a tier 1 equity/fixed assets ratio of around 81 percent. Together with the equity-similar special reserve for subsidies or grants for the acquisition of fixed assets (€19.0 million), as well as the deferred income items for the most part also available over the long term of €21.8 million, and medium- and long-term provisions (€32.0 million), the tier 2 equity/fixed assets ratio increases to 93 percent.

At €90.3 million, provisions are €6.8 million higher than in the previous year. Apart from the separately disclosed provisions for pensions and taxes (€+0.4 million and €−0.8 million respectively over the previous year), these primarily include provisions for claims from employees, deferred maintenance and building modernisation commitments, anticipated losses from events in the subsequent year, as well as outstanding invoices totalling €58.8 million (€+7.2 million compared to the previous year).

Group liabilities amount to €270.9 million (previous year €272.7 million). This corresponds to around 31 percent of total equity and liabilities, and leads to a debt/equity gearing ratio of around 57 percent, compared to around 60 percent in the previous year. In the course of 2015, Messe Frankfurt Venue GmbH made scheduled repayments on loans in an amount totalling €10.1 million. On the other hand, payments on account received from exhibitors for the trade fairs in Q1 2016 increased by €8.9 million compared to the prior period. Furthermore, other liabilities were €0.7 million higher due to a rise in the VAT burden and trade payables decreased by €1.3 million as per the balance sheet date.

Financing

The cash flow from investing activities (€80.6 million) as well as from financing activities (€30.5 million) was financed from available liquidity as well as from the positive cash flow from operating activities (€110.3 million), resulting in a decrease in cash funds of €1.0 million to €164.7 million.

Development of cash funds

Cash flow statement (condensed)	2013 in € m	2014 in € m	2015 in € m
Cash funds at beginning of period	109.9	138.8	165.7
Cash flows from operating activities	103.0	115.4	110.3
Cash flows from investing activities	−19.6	−59.0	−80.6
Cash flows from financing activities	−54.5	−30.3	−30.5
Net change in cash funds	28.9	26.1	−0.8
Effect on cash funds of changes in the reporting entity structure	0.0	0.8	−0.2
Cash funds at end of period	138.8	165.7	164.7

Previous year's figures have been adapted to conform with German Accounting Standard DRS 21.

IV. Report on post-balance sheet date events

In February 2016, the shareholders of Messe Frankfurt GmbH approved a €40 million capital increase of Messe Frankfurt Venue GmbH to finance the construction of Hall 12.

At the end of March 2016, Messe Essen GmbH and Messe Frankfurt Exhibition GmbH agreed to hold the leading international trade fair REIFEN, which to date has been held in Essen, parallel to Automechanika in Frankfurt from 2018. REIFEN ideally complements the portfolio of the leading global Automechanika brand. This will offer the industry a shared date and the retail and workshop sectors will find the entire spectrum of expertise and services consolidated at a single venue. It is intended to implement this new concept not only in Frankfurt, but also at the other 14 Automechanika trade fairs worldwide.

In March 2016, DECHEMA Ausstellungs-GmbH as the organiser of ACHEMA and Messe Frankfurt Venue GmbH agreed to continue their successful collaboration for the next three events and extended the contract until 2024 accordingly.

After completion of fiscal 2015 and up to preparation of the consolidated financial statements and group management report, no other events having a material impact on the position of the group occurred.

V. Report on expected developments, opportunities and risks

Germany's macroeconomic output increased slightly during 2015 without any major fluctuations – a trend that the Ifo Institute estimates is likely to continue in 2016. This trend is largely being driven by the favourable current economic climate in Germany. Very low lending rates mean that financing conditions for new business and building investments are extremely advantageous. Moreover, expansionary financial and social policy impulses are set to continue, not least because of the substantial rise in government spending and transfers in connection with the migration of refugees. The mainstay of the upswing, however, will continue to be private consumption – among other things because the renewed drop in oil prices gives consumers more scope for spending.⁶

For 2016, the Association of the German Trade Fair Industry (AUMA) is anticipating a similarly positive development for the 185 international and national trade fairs as in 2015.⁷ This projection for the development of individual trade fairs is consistent with the results of an AUMA survey among trade fair organisers within the scope of the survey conducted among trade associations by the Institut der deutschen Wirtschaft – IW (Cologne Institute for Economic Research), in which AUMA was included. The results reveal that trade fair organisers' sales forecasts for domestic and international business, adjusted for fluctuations in the exhibition schedule, are slightly above the 2015 results.⁸

In line with the AUMA_MesseTrend 2016 survey, exhibiting companies in Germany intend to invest 4.6 percent more in trade fair participations in 2016/2017 than was the case in 2014/2015. According to AUMA estimates, higher trade fair budgets will also not infrequently have to absorb higher prices. Despite this, the survey shows that as a marketing instrument trade fairs continue to enjoy a very high level of acceptance within the German economy. This is borne out by the fact that 84 percent of exhibitors questioned consider trade fair participation to be an important or very important part of their B-to-B communication. When it comes to the number of trade fair participations, a slightly opposing trend can be observed nationally and internationally. Some two thirds of exhibiting companies are planning the same number of trade fair participations in Germany in 2016/2017 as in the past two years. About 19 percent expect to attend more and 16 percent fewer events. Thus for the first time in years there are more companies planning to attend a higher number of domestic events than companies planning to attend fewer. In the past few years, the share was roughly equal. On foreign markets, many companies are focusing on continuity, with three quarters aiming to keep attendance rates stable. However, it is striking that only 9 percent are planning to attend more trade fairs, while 17 percent intend to reduce foreign participations. This probably reflects uncertainties over how some foreign markets are shaping up. By contrast, companies are obviously finding the prospect of participating at trade fairs in Germany increasingly attractive.⁹

Market, industry and event risks

The Messe Frankfurt group is as a whole reliant on the general economic situation and developments in the sectors in which events are either already established or new events are planned. Messe Frankfurt attempts to secure the loyalty of event organisers, exhibitors and visitors through long-term customer retention strategies. Ongoing globalisation and the growing importance of foreign operations are also demanding optimised globally coordinated customer approach and customer care systems.

Apart from the general risk resulting from cyclical fluctuations, Messe Frankfurt at the same time seeks to identify resulting opportunities, aimed for example at further growth through acquisitions or cooperation agreements and at strengthening profitability. These projects and their associated risks were managed by introducing corresponding personnel and organisational measures to ensure a successful implementation of the new events and business segments in Germany and abroad.

With a view to the further internationalisation of event business, two directions are pursued: on the one hand Messe Frankfurt is making every possible effort to enhance the internationality of its flagship fairs in Frankfurt. On the other hand – in addition to continuously developing established products – Messe Frankfurt is also forging ahead with the organisation of events outside Germany. In fiscal 2016, eight new events are planned group-wide, three of which will make their debut in Asia, two in the Middle East and one each in Europe, the USA and South Africa.

The economic problems being experienced in major event sectors worldwide, combined with structural difficulties such as ongoing concentrations in the retail sector, represent a serious challenge across the globe for brands such as Tendence or Musikmesse. Many companies in these sectors have either disappeared from the market altogether or are reducing or cancelling their trade fair participations. It is intended to compensate these developments through new concepts, consolidation and intensified acquisition measures.

Changes in individual sectors or event locations offer opportunities for own new developments.

Risks outside Germany

Although Messe Frankfurt does not host any trade fairs in politically risk-prone regions, wars or terrorist activities nevertheless pose a general risk. Uncertainty over future political developments in North Africa could, however, pose difficulties for the subsidiary in Dubai in winning exhibitors and visitors for its events. The same goes for events organised by the subsidiary in Istanbul due to the political tensions there, as well as in Russia following events in the Ukraine.

Experience shows that once they have successfully established a subsidiary or marketing company, internationally operating exhibiting companies frequently leave it up to them to decide whether to participate at foreign events.

Even in the boom regions like China, the market is in the meantime experiencing consolidation and mergers, which can lead to declining exhibitor numbers in the affected sectors.

The exhibition market in Europe is largely saturated. Furthermore, the economic situation in some regions remains volatile, also affecting some subsidiaries (Russia, Argentina, Middle East). This implies an inherent risk of losing events and, consequently, market shares in the countries concerned, further exacerbated by difficult-to-plan political decisions affecting the exhibition sector in some countries.

Messe Frankfurt and its subsidiaries counter this with their quality standards and an international sales network, making it possible despite these obstacles to organise high-quality 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 local exhibition infrastructures and exhibition site operators. On the other hand, this also allows the subsidiaries greater flexibility, making it easier for them to respond to regional shifts in the market and economic sectors with a change of venue. Challenges lie in finding suitable timeslots and in the quality of sufficient hall facilities. The severely tightened security requirements that trade fair organisers have to meet also harbour risks.

⁶ Ifo economic report 4/2015, prepared for Messe Frankfurt GmbH

⁷ AUMA Compact no. 02/2016 dated 29 January 2016

⁸ Institut der deutschen Wirtschaft Köln (Cologne Institute for Economic Research): further information to press release no. 77 dated 27 December 2015

⁹ AUMA: press release on AUMA_MesseTrend dated 7 January 2016

Additional risks arise in the case of events organised or marketed together with a partner. Despite extensive checks at the outset of cooperation, unforeseeable errors of judgement cannot be ruled out.

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

Subsidiaries that depend strongly on the marketing of individual events such as Tendence or Texworld are collaterally affected if these events experience a negative trend.

Site/construction risks

The ongoing modernisation of the exhibition centre in Frankfurt am Main is a prerequisite for fulfilling growing customer needs. Risks may arise as a result of additionally required construction and maintenance measures that only come to light in the course of refurbishment work or unexpectedly become necessary at short notice as a result of security regulations.

The risk of catastrophes, pandemics or crises jeopardising individual events or the exhibition centre is countered by corresponding insurance policies and security measures, such as coordinated group-wide emergency plans and communication measures, as well as the activities of the Operation & Security Center.

Administrative risks

In its financing activities, the company as a matter of principle pursues a conservative strategy with respect to interest rate risks. The aim is to avoid interest rate risks that have a negative impact on earnings as far as possible. However, advantage is taken of opportunities presented by the respective market situation to reduce or minimise interest expenses. It is in general only permitted to make use of derivatives in connection with underlying transactions.

The company applies hedge accounting in order to reduce earnings fluctuations resulting from foreign currency risks as far as possible. The use of foreign-currency derivatives is tied to underlying transactions or binding budget assumptions. They are above all applied in the case of distribution payouts by foreign subsidiaries and intercompany investments. Four currency hedges were in place across the group at the balance sheet date. One of these served to hedge a second tranche of the purchase price for the company in South Africa. The other three transactions were based on intercompany investments in HKD and USD of the Asia Holding and Messe Frankfurt Middle East.

The group as far as possible eliminates liquidity risks and the default risk on receivables by invoicing its services and demanding payment ahead of the event. Furthermore, the group entities also have adequate credit control and effective arrears collection systems in place. Defaults on receivables therefore only occur in exceptional cases.

Other risks

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

Risk management system

The Messe Frankfurt group has consolidated all 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.

Risk management overview

In view of the underlying economic conditions and the continued importance of trade fairs and exhibitions in the marketing mix of exhibiting companies, the management of Messe Frankfurt GmbH believes the company is well positioned to leverage opportunities that arise and adequately manage risks.

Expected developments

In principle, Messe Frankfurt sees opportunities for growth nationally as well as internationally, in particular in the following areas of action:

- Increased capacity utilisation at the Frankfurt venue
- Further internationalisation of the trade fair brands through rollouts in the defined markets
- Increased market share for services, both in terms of hardware (stand construction, catering, advertising) and increasingly in the field of digital services

Against this background, Messe Frankfurt GmbH is again anticipating a positive exhibition year in 2016. This optimism is fuelled by the keen interest and stable demand experienced at the major spring-time fairs at home and abroad in 2016 and the corresponding demand for space. Although in particular the strong own events Automechanika and Light + Building, as well as IFFA and Texcare International take place in 2016, the rhythm of the major guest events IAA Cars and AACHEMA means slightly lower capacity utilisation of the exhibition grounds is predicted in the ongoing financial year. Outside Germany, the exhibition calendar and new events are expected to generate stable business at the previous year's level.

For 2016, the Messe Frankfurt group anticipates slightly lower sales than in the previous year of € 640 million. In terms of earnings, however, net operating profit is expected to increase to around € 40 million.

Frankfurt am Main, 31 March 2016

Wolfgang Marzin

Detlef Braun

Uwe Behm

Consolidated financial statements of
Messe Frankfurt GmbH, Frankfurt am Main
Consolidated balance sheet at 31 December 2015

Assets	Notes	At 31.12.2014 in € '000	At 31.12.2015 in €	in €
A. Fixed assets	(1)			
I. Intangible fixed assets		50,365	51,706,340.65	
II. Tangible fixed assets		549,362	535,656,152.60	
III. Financial assets		20	20,451.68	
		599,747		587,382,944.93
B. Current assets				
I. Inventories	(2)			
1. Raw materials, consumables and supplies		320	368,686.75	
2. Work in progress – services		318	213,073.17	
3. Goods		490	559,309.48	
4. Prepayments (inventories)		0	21,594.92	
		1,128		1,162,664.32
II. Receivables and other assets				
1. Trade receivables	(3)	13,257	15,979,220.31	
2. Other receivables and other assets	(4)	35,294	31,654,162.95	
		48,551		47,633,383.26
III. Securities	(5)	39,698		61,803,927.30
IV. Cash-in-hand, bank balances and cheques	(6)	171,063		187,288,586.21
		260,441		297,888,561.09
C. Prepaid expenses		3,091		2,637,335.21
D. Deferred tax assets	(7)	182		115,874.52
		863,460		888,024,715.75
Equity and liabilities				
A. Group equity	(8)			
I. Subscribed capital		180,000	180,000,000.00	
II. Capital reserves		112,148	112,148,640.00	
III. Revenue reserves				
– other revenue reserves		83,386	83,535,952.28	
IV. Foreign currency translation differences		–2,423	436,349.68	
V. Retained profits carried forward		40,081	57,152,545.91	
VI. Group profit		30,222	33,218,384.92	
VII. Minority interests		9,768	8,985,359.14	
		453,182		475,477,231.93
B. Negative consolidation difference	(9)	0		1,505,726.45
C. Equity-similar special reserve for subsidies/grants for the acquisition of fixed assets	(10)	23,263		21,116,000.00
D. Provisions				
I. Provisions for pensions and similar obligations		10,817	11,248,280.36	
II. Provisions for taxes		21,125	20,304,263.75	
III. Other provisions	(11)	51,601	58,775,913.03	
		83,543		90,328,457.14
E. Liabilities	(12)			
I. Liabilities to banks		67,770	57,642,167.43	
II. Payments received on account of orders		168,919	177,810,365.51	
III. Trade payables		27,840	26,555,208.38	
IV. Other liabilities		8,177	8,849,359.26	
		272,706		270,857,100.58
F. Deferred income	(13)	25,999		23,899,925.03
G. Deferred tax liabilities	(14)	4,767		4,840,274.62
		863,460		888,024,715.75

Consolidated income statement
of Messe Frankfurt GmbH for the financial year
from 1 January 2015 to 31 December 2015

	Notes	2014 in € '000	in € '000	2015 in €	in €
1. Sales	(16)	554,189		647,824,784.05	
2. Decrease in stock of work in progress	(17)	–811		–104,887.38	
3. Other operating income	(18)	19,204		29,812,350.11	
			572,582		677,532,246.78
4. Event-related expenses	(19)	266,177		331,437,793.45	
5. Personnel expenses	(20)	130,671		146,480,607.49	
6. Amortisation and write-downs of intangible fixed assets, depreciation and write-downs of tangible fixed assets	(21)	52,034		55,516,260.54	
7. Other operating expenses	(22)	70,230		85,777,605.72	
			519,112		619,212,267.20
8. Financial result	(23)		–2,373		–1,925,644.84
9. Result from ordinary activities			51,096		56,394,334.74
10. Taxes	(24)		17,690		18,164,586.58
11. Consolidated net income for the year			33,406		38,229,748.16
12. Profit attributable to minority interests			–3,650		–5,378,464.90
13. Loss attributable to minority interests			466		367,101.66
14. Group profit			30,222		33,218,384.92

Explanatory notes to the 2015 consolidated annual financial statements of Messe Frankfurt GmbH for the financial year from 1 January 2015 to 31 December 2015

General disclosures

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

Wherever individual items of the balance sheet and income statement have been grouped together in the interests of clarity of presentation, these items are shown and explained separately in the notes. For the same reason, disclosures relating to the inclusion in other items and “of which” information are also included in the notes.

Companies included in the consolidated financial statements

In addition to Messe Frankfurt GmbH, as parent, the consolidated financial statements also include the following subsidiaries, over which Messe Frankfurt GmbH directly or indirectly has a controlling influence by virtue of the fact that it holds the majority of the voting rights:

Messe Frankfurt Venue GmbH, Frankfurt am Main/Germany
 Messe Frankfurt Medien und Service GmbH, Frankfurt am Main/Germany
 Accente Gastronomie Service GmbH, Frankfurt am Main/Germany
 Messe Frankfurt Exhibition GmbH, Frankfurt am Main/Germany
 Messe Frankfurt Middle East GmbH, Frankfurt am Main/Germany
 MESAGO Messe Frankfurt GmbH, Stuttgart/Germany
 MESAGO Messemanagement GmbH, Stuttgart/Germany
 Mesago PCIM GmbH, Stuttgart/Germany
 Messe Frankfurt France S.A.S., Paris/France
 Messe Frankfurt Italia Srl., Milan/Italy
 Messe Frankfurt Istanbul L.S., Istanbul/Turkey
 O.O.O. Messe Frankfurt RUS, Moscow/Russia
 ITEMF Expo A.O., Moscow/Russia
 Messe Frankfurt Asia Holding Ltd., Hong Kong/China
 Messe Frankfurt (H.K.) Ltd., Hong Kong/China
 Messe Frankfurt (Shanghai) Co. Ltd., Shanghai/China
 Guangzhou Guangya Messe Frankfurt Co. Ltd., Guangzhou/China
 Guangzhou Li Tong Messe Frankfurt Co. Ltd., Guangzhou/China
 Messe Frankfurt New Era Business Media Ltd., Hong Kong/China
 Messe Frankfurt New Era Advertising (Shenzhen) Co. Ltd., Shenzhen/China
 Mesago Messe Frankfurt Corporation, Tokyo/Japan
 Messe Frankfurt Trade Fairs India Pvt. Ltd., Mumbai/India
 Messe Frankfurt Korea Ltd., Seoul/South Korea
 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
 South African Shows Messe Frankfurt (Pty) Ltd., Johannesburg/South Africa

Effective from 2 September 2015, Messe Frankfurt Istanbul L.S., Istanbul/Turkey acquired 100 percent of the shares in Yeni Dünya Fuarçılık Anonim Sirketi, Istanbul/Turkey. As of 20 October 2015, the company was merged with Messe Frankfurt Istanbul L.S., Istanbul/Turkey.

With effect from 9 September 2015, Messe Frankfurt (H.K.) Ltd., Hong Kong/China, acquired the remaining shares (30 percent) in Messe Frankfurt New Era Business Media Ltd., Hong Kong/China.

An adjustment item is disclosed in group equity as “Minority interests” to indicate shares held by minority shareholders in the equity capital carried in the balance sheet.

Furthermore, the following companies jointly managed with non-group entities are also included in the consolidated financial statements proportionately to the shares in their capital held:

SMT/ASIC/Hybrid MESAGO Messe & Kongreß GmbH & Co. oHG, Nuremberg (75 percent)
 PAACE Automechanika Mexico LLC, Atlanta/USA (50 percent)
 ITEMF Expo A.O., Moscow/Russia (50 percent)

Effective 6 February 2015, O.O.O. Messe Frankfurt RUS, Moscow/Russia, acquired a 50-percent holding in Media Globe Hannover Expo CJSC, Moscow/Russia, and renamed the company ITEMF Expo A.O.

Consolidation principles and currency translation

The balance sheet date for the consolidated financial statements is 31 December 2015. Messe Frankfurt Trade Fairs India Pvt. Ltd., Mumbai/India, and ITEMF Expo A.O., Moscow/Russia, prepare their financial statements to 31 March and 30 September each year, respectively, and are included in the consolidated annual accounts of the parent on the basis of interim financial statements drawn up on 31 December 2015. For all other subsidiaries included in the accounts, the balance sheet date is 31 December 2015.

Acquisition accounting used the book-value method to consolidate subsidiaries by eliminating the carrying amounts of the investments against the proportionate equity of the subsidiaries attributable to the parent at the time of acquisition, where the acquisition process occurred in a financial year commencing before 1 January 2010. From 2010, the revaluation method has been used.

In the case of jointly managed undertakings all consolidation steps were carried out proportionate to the ownership interests pursuant to Section 310 HGB.

Receivables, liabilities, expenses and income items between companies included in the consolidated financial statements were netted. Provisions relating to intra-group transactions as well as gains and losses arising from intra-group deliveries and services were eliminated.

Where acquisition accounting resulted in goodwill, this was amortised systematically in accordance with Section 309 (1) HGB, 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. In accordance with Section 301 (3) HGB, a negative difference arising on consolidation was included as a separate item on the equity and liabilities side of the balance sheet below Group equity as Negative consolidation difference.

End-of-year financial statements of the foreign subsidiaries prepared in a foreign currency were translated in compliance with Section 308a HGB. All balance sheet items of the included foreign group entities, with the exception of Group equity (subscribed capital, reserves, retained profits carried forward), which was carried at historical rates, were translated into euros at the respective mid-rate on the reporting date. Differences arising from the translation of equity as a result of changes in the exchange rate compared to the previous year were included as not affecting income in Group equity under Foreign currency translation differences.

Expenses and income during the reporting period were translated at the mid-rate. The net income for the year shown in the translated income statement was carried over into the consolidated balance sheet and included as not affecting income in Group equity under Foreign currency translation differences.

Accounting and measurement policies, currency translations

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.

Purchased intangible fixed assets were recognised at cost, less (where subject to wear and tear) amortisation over their useful life.

Tangible fixed assets were recognised at cost, less depreciation through use and, where applicable, write-downs. Depreciation for use was calculated on a straight-line basis according to unchanged principles. In the case of technical retrofits of halls already fully depreciated, a useful life of 10 years was assumed. New additions were amortised or depreciated on a pro rata temporis basis in the year of acquisition. 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).

Low-value assets with a net value of up to €150 per item were expensed in the year of acquisition. Assets with purchase costs above €150 to €410 net were written off in full in the year of acquisition, with their immediate disposal being assumed.

Under Financial assets, shares and ownership interests were stated at cost or, where a permanent impairment loss appears probable, at their lower fair value.

Inventories were valued at the lower of cost or market value on the balance sheet date.

Receivables were disclosed at nominal value on the balance sheet date. Identified individual risks were recognised through valuation allowances.

Other assets were shown in the balance sheet at nominal value.

The corporation tax credit of the domestic group companies was stated at present values in line with the Act on Fiscal Measures accompanying the Introduction of the Societas Europaea and on Amending Further Tax Provisions (SEStEG).

Within the Messe Frankfurt group, derivative financial instruments are in principle only used to hedge the risks inherent in an underlying transaction. Provided the conditions of Section 254 HGB are met, hedges are applied and, pursuant to Section 254, Sentence 1 HGB, in these cases Section 249 (1), Section 252 (1), Nos. 3 and 4, Section 253 (1), Sentence 1 and Section 256a HGB are not applied.

Securities were stated at the lower of cost or fair value taking all identifiable risks into account.

Liquid assets were disclosed at nominal value.

The equity-similar special reserve for subsidies or grants for the acquisition of fixed assets was set up in fiscal 2000 and relates to a grant made by the City of Frankfurt am Main in connection with the "Rebstockgelände" car park. The write-back of the special reserve was recognised in income, corresponding to the depreciation of the related fixed assets over a useful life of 25 years. Advantage was taken of the possibility to exercise the retention option pursuant to Section 67 (3) EGHGB (Act Introducing the German Commercial Code). Thus the special tax-allowable reserve in accordance with Sections 247 (3) and 273 HGB in the version valid until 28 May 2009 has also been retained for financial statements from 2010.

Provisions are in principle recognised in the payable amount determined by applying sound commercial judgement (i.e. including future costs and price increases). They take account of all identifiable risks and contingent liabilities, as well as anticipated losses from pending transactions. Provisions with a residual term of more than one year are discounted.

Pension provisions and similar obligations are disclosed in accordance with the Projected Unit Credit Method (PUC method) based on the "2005 G actuarial tables" compiled by Prof. Klaus Heubeck. For discounting purposes, the average market interest rate of 3.89 percent (previous year 4.53 percent) with a residual term of 15 years was applied across the board in accordance with the German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung) of 18 November 2009. An anticipated rate of pension progression of 2.0 percent was assumed.

For Accente Gastronomie Service GmbH, Frankfurt am Main, pension provisions are recognised in accordance with the modified actuarial cost method on the basis of the "2005 G actuarial tables" compiled by Prof. Klaus Heubeck. For discounting purposes, the average market interest rate of 3.89 percent (previous year 4.53 percent) with a residual term of 15 years was applied across the board. Anticipated pay rises of 2.5 percent (previous year 2.5 percent) and a rate of pension progression of 2.0 percent (previous year 2.0 percent) were assumed. Fluctuation was given consideration with a flat rate of 1.8 percent (previous year 1.8 percent).

Some employees of the Messe Frankfurt group have concluded deferred compensation agreements pursuant to Section 1a (2) BetrAVG (German Company Pensions Act). The level of benefits was calculated pursuant to Section 253 (1), Sentence 3 HGB on the basis of the fair value of the reinsurance cover taken out. The market value of the reinsurance with a value (amortised cost) of €1.170 million (previous year €1.089 million) was netted against the repayment amount of the debt.

Provisions for partial retirement recognised in Other provisions were valued in line with the pronouncements of the IDW RS HFA 3 (accounting methods for partial retirement obligations under IAS and HGB) and the rules of the German Commercial Code (HGB), based on an interest rate pursuant to Section 253 (2), Sentence 2 HGB of 3.89 percent (previous year 4.53 percent). Anticipated pay rises were taken into account by applying a salary trend of 2.0 percent (previous year 2.0 percent). In respect of social security contributions, taking account of the income thresholds for pension and unemployment insurance (West) and for health and long-term care insurance, a contribution rate of 19.025 percent (previous year 19.025 percent) was assumed.

Jubilee benefits recognised in Other provisions were valued in accordance with the Projected Unit Credit Method. Under this method, the provision amount is defined as the actuarial present value of all pro rata benefits attributed to employee service up to the balance sheet date. The discount rate is 3.89 percent (previous year 4.53 percent). Employer's contributions to the statutory pension plan accruing on payment of the jubilee benefit were stated at a flat rate of 14.5 percent (previous year 14.5 percent) of the jubilee payments made.

Provisions for taxes comprise outstanding taxes not yet assessed for the financial year.

The provision for record-keeping obligations was calculated on a full cost basis – with a deduction of 20.0 percent for documents voluntarily kept. An inflation rate of 1.0 percent (previous year 1.0 percent) and an average archiving period (multiplier) of 4.5 years were assumed. Discounting was performed for a period of 4.5 years with the Deutsche Bundesbank (central bank of the Federal Republic of Germany) discount rate of 2.64 percent (previous year 3.36 percent).

Provisions for restoration obligations were recognised for obligations towards DBAG for constructed facilities on and over the railway property and tracks. The provisions were pro-rated over the anticipated useful lives of the facilities of 40 years on the basis of cost estimates determined in previous years, using the Federal Statistical Office's official construction cost index for the construction of non-residential buildings, other structures and maintenance work on residential buildings. The repayment amount was calculated assuming future price increases of 2 percent annually (previous year 3.5 percent), based on the anticipated remaining useful lives. The value of the obligation was discounted based on the anticipated useful lives, applying interest calculation numerators of between 3.36 percent and 3.99 percent (previous year between 4.15 percent and 4.59 percent).

Other provisions include all contingent liabilities and anticipated losses from pending transactions. Provision was also made for possible indemnification claims by commercial agents, taking advantage of the retention option pursuant to Section 67 EGHGB.

Liabilities were carried at their repayment amount.

Asset and liability items denominated in foreign currencies were in principle translated at the mid-rate as at the reporting date. For assets and liabilities with a residual term of over one year, the imparity and realisation principle (Section 252 (1), No. 4 HGB) and the purchase cost principle (Section 253 (1), Sentence 1 HGB) were applied.

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.

For the recognition of deferred taxes under Section 274 (1) HGB resulting from temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their respective tax bases, or resulting from tax losses carried forward, the amounts of the resulting tax assets and liabilities were determined as in the previous year using the tax rates at the time of the expected reduction of the differences of an underlying 31.9 percent, and were not discounted.

At 31 December 2015, future tax liabilities resulting from temporary differences were recognised primarily for the equity-similar special reserve for subsidies or grants for the acquisition of fixed assets, deferred income, as well as purchased concessions and industrial rights.

Additional deferred tax liabilities relate to land and buildings as well as liabilities and provisions. Deferred tax assets and liabilities were netted. The deferred tax assets included in the netting were recognised in particular on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and tax accounting for the items land and buildings, purchased concessions and industrial rights, receivables and provisions. The remaining deferred taxes after netting were not capitalised based on the existing recognition option.

Deferred taxes determined under Section 306 HGB were not netted out; where the temporary difference is expected to reverse in Germany, the underlying tax rate is 31.9 percent.

Changes in the accounting and measurement policies

In the reporting period, Messe Frankfurt Venue GmbH commissioned a report to determine the current value of its contractual obligations to provide for the maintenance, renewal and restoration of the railway bridges on the exhibition grounds that are owned by third parties. This yielded an addition to the existing provision for renovations in the amount of €1.386 million. This results from the updated replacement costs in connection with an adjusted estimated useful life of the facilities, as well as from the subsequent discounting. In addition, on the basis of the report, a provision for renovations in the amount of €3.408 million was recognised for the first time for the additional railway bridges built in 1998.

Furthermore, the report ascertained that the railway bridges on the exhibition grounds that are owned by third parties are in need of maintenance work and a corresponding provision was recognised for this in the amount of €3.228 million.

Notes to the consolidated balance sheet

(Amounts in € '000 unless otherwise stated)

(1) Fixed assets

The classification of the combined fixed asset headings disclosed in the consolidated balance sheet and their development trend are presented in the Statement of changes in fixed assets in the annex to these notes. Additions to intangible fixed assets result primarily from acquired event hosting rights, additions to tangible fixed assets primarily from additions to land and buildings, operating facilities, as well as other inventories. Goodwill on consolidation and disclosed hidden reserves are shown under Additions in the statement of changes in fixed assets.

The average useful life per asset class is classified as follows:

Asset item	Useful life
Purchased concessions, industrial and similar rights and assets and licences in such rights and assets	3–5 years
Goodwill	15 years
Land, land rights and buildings, incl. buildings on third-party land	10–40 years
Technical equipment and machinery	5–10 years
Other equipment, operating and office equipment	3–15 years

(2) Inventories

This covers raw materials, consumables and supplies, invoiceable input for events in subsequent years and merchandise.

(3) Trade receivables

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

(4) Other assets

	Total		Due after more than one year	
	31.12.2014	31.12.2015	31.12.2014	31.12.2015
Taxes	15,731	17,206	3,760	2,334
Prepayments	7,040	5,619	414	0
Other	12,523	8,829	304	306
	35,294	31,654	4,478	2,640

Taxes are principally advance payments of taxes on income and receivables arising from corporation tax credits based on the new German Act on Fiscal Measures Accompanying the Introduction of the Societas Europaea and on Amending Further Tax Provisions (SEStEG) amounting to €12.762 million (previous year €10.902 million) and VAT receivables in the amount of €4.369 million (previous year €4.682 million).

Other assets include receivables from the shareholder City of Frankfurt am Main in the amount of €912,000 (previous year €736,000).

(5) Securities

Securities relate to bonds, registered bonds and commercial papers.

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

	31.12.2014	31.12.2015
Cheques and cash-in-hand	890	826
Bank balances	170,173	186,462
Total cash	171,063	187,288

Bank balances include recognition of fixed-term deposits in the amount of €93.982 million (previous year €121.498 million).

The deviation from cash funds recognised in the cash flow statement in the amount of €164.721 million (previous year €165.662 million) is €22.568 million (previous year €5.401 million) and results from time deposits having a residual term of more than three months at the time of acquisition.

(7) Deferred tax assets

Deferred tax assets are formed due to consolidation procedures pursuant to Section 306 HGB and include deferred taxes from the future amortisation of concessions.

(8) Equity

The classification of equity and minority interests is annexed to the consolidated financial statements.

(9) Negative consolidation difference

The negative consolidation difference pursuant to Section 301 (3) HGB arising from the acquisition of the remaining shares in Messe Frankfurt New Era Business Media Ltd., Hong Kong/China was recognised in line with German Accounting Standard DRS 4.41a as income over the remaining weighted average useful life of the assets acquired or disclosed by applying the revaluation method.

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

The special reserve relates to a grant made by the City of Frankfurt am Main in connection with the "Rebstockgelände" car park. The write-back of the special reserve was recognised in income, corresponding to depreciation of the car park over a useful life of 25 years.

(11) Other provisions

Other provisions primarily include outstanding purchase invoices, contractual repair and renovation obligations, anticipated losses from pending transactions, as well as claims from employees.

(12) Liabilities

	Due within one year		Due between one and five years		Due after more than five years	
	31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015
Liabilities to banks	10,128	57,642	57,642	0	0	0
Payments received on account of orders	168,919	177,810	0	0	0	0
Trade payables	25,133	25,941	2,707	614	0	0
Other liabilities	8,176	8,848	0	1	0	0
– of which taxes	(4,357)	(5,557)	(0)	(0)	(0)	(0)
– of which social security	(352)	(442)	(0)	(0)	(0)	(0)
Total liabilities	212,356	270,241	60,349	615	0	0

To hedge the foreign currency risk of a liability arising from the purchase of the shares (56 percent) in South African Shows Messe Frankfurt (Pty) Ltd., Johannesburg/South Africa (underlying transaction), Messe Frankfurt Exhibition GmbH concluded a congruent forward exchange contract on 1 July with a maturity date of 2016. Since the offsetting changes in value of the cash flows from the underlying transaction and the forward exchange contract potentially cancel each other out, Messe Frankfurt Exhibition GmbH combined these in a micro hedge and, pursuant to Section 254 HGB, opted not to apply Section 249 (1), Section 252 (1), Nos. 3 and 4, Section 253 (1), Sentence 1 and Section 256a HGB for the period of the term of the contract. At the balance sheet date, the anticipated purchase price liability had decreased; however, the concluded congruent forward exchange contract had not been adjusted. For the resulting ineffective portion of the portfolio hedge, the general accounting and measurement principles were applied. This gave rise to anticipated losses of €11,000.

Hedging relationships were recognised in the annual financial statements of Messe Frankfurt GmbH for the hedging of exchange rate risks arising from intra-group foreign currency liabilities (HKD 40 million, term of maturity up to January 2016, HKD 20 million, term of maturity up to May 2016, as well as USD 3 million, term of maturity up to February 2016) through foreign exchange swaps contracted by Messe Frankfurt GmbH. Since the offsetting changes in value of the cash flows from the underlying transaction and the forward exchange contract potentially cancel each other out, Messe Frankfurt GmbH opted not to apply Section 249 (1), Section 252 (1), Nos. 3 and 4, Section 253 (1), Sentence 1 and Section 256a HGB in its annual financial statements for the period of the term of the contract pursuant to Section 254 HGB. Due to the elimination of the underlying transactions, the general accounting and measurement policies are applied for these financial instruments in the annual financial statements.

At the balance sheet date, one financial instrument showed a positive market value, while two financial instruments all in all resulted in anticipated losses amounting to €93,000.

Liabilities to banks are secured by a first-rank registered land charge, the assignment of rights and claims arising from the property insurance (in particular fire) relating to the mortgaged property, as well as through an ownership clause.

Trade liabilities include liabilities to the shareholder City of Frankfurt am Main in the amount of €14,000 (previous year €8,000).

(13) 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 are disclosed under Liabilities as Deferred income. The three partial deferred income amounts are written back on a straight-line basis over the specified terms.

(14) Deferred tax liabilities

Deferred tax liabilities primarily arise from the disclosure of hidden reserves in the context of applying the revaluation method for capital consolidation and due to temporary differences from the measurement of property.

(15) Other financial obligations and contingent liabilities

Other financial obligations total €154.981 million (previous year €155.868 million). These are primarily made up of open purchase orders related to investments, obligations arising from rent and lease contracts, obligations relating to the acquisition of additional company shares, as well as ground rents for three building lease contracts.

The company administrates fiduciary accounts for events hosted by guest organisers and for the Frankfurt Music Prize Foundation. The balance of the fiduciary accounts at the end of the period is €250,000.

Notes to the consolidated income statement

(Amounts in € '000 unless otherwise stated)

The consolidated income statement is prepared in accordance with the total cost (nature of expense) format.

(16) Sales

According to type	2014	2015
Stand rents	335,775	360,844
Halls, site and other rents	27,656	48,040
Admission fees and participation fees	11,849	11,420
Services and other income	178,909	227,521
	554,189	647,825

According to region	2014	2015
Germany	356,313	400,929
Europe excl. Germany	33,960	37,977
Asia	146,384	182,679
America	16,852	24,953
Africa	680	1,287
	554,189	647,825

(17) Decrease stock of work in progress

This item relates to expenses arising from the settlement of services relating to events in 2015, capitalised in the previous year.

(18) Other operating income

This account mainly includes prior-period income from the reversal of provisions (€3.546 million; previous year €5.019 million), income from prior years relating to other accounting periods (€1.489 million; previous year €1.495 million) and from recoveries on receivables already written off (€1.455 million; previous year €1.024 million), as well as income from exchange rate differences (€18.651 million; previous year €9.673 million) and income from the pro rata temporis reversal of the equity-similar special reserve for subsidies or grants for the acquisition of fixed assets (as in the previous year €2.147 million). The item also includes the reversal of a write-down on brand rights of €800,000.

(19) Event-related expenses

	2014	2015
Cost of raw materials, consumables and supplies and of purchased materials	7,441	9,879
Cost of purchased services	258,736	321,559
	266,177	331,438

Cost of purchased services comprises in particular expenses for hall and site rental, hall fitting, maintenance of the exhibition grounds and expenses for event-related communication.

They include prior-period expenses for the maintenance of plant and inventories in the amount of €364,000. The expenses relate to measures which, contrary to original expectations, do not lead to capitalised assets.

(20) Personnel expenses / employees

	2014	2015
Wages and salaries	108,131	121,103
Social security, post-employment and other employee benefit costs	22,540	25,377
– of which in respect of old-age pensions	(5,850)	(7,546)
	130,671	146,480

Employees (active, annual average)	2014	2015
Vice presidents	38	34
Employees	1,780	1,892
Wage-earning employees	188	202
	2,006	2,128

The proportionately consolidated companies pursuant to Section 310 HGB have a total of six (proportionately three) employees on average.

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

Amortisation and write-downs of intangible fixed assets result principally from rights and licences as well as goodwill. Write-downs were also recognised in the amount of €2.387 million on brand rights, as well as for tangible fixed assets in the amount of €348,000 on no longer required building components and fixtures, in particular due to the planned start of construction of the new Hall 12 in 2016.

(22) Other operating expenses

Other operating expenses amounting to €85.778 million principally include rental and lease expenses and office costs, legal, consulting and auditing costs, expenses for promotional activities and allowances for bad debts. Expenses arising from currency translation differences and prior-period expenses are included with €18.813 million (previous year €9.997 million) and €2.926 million (previous year €967,000), respectively.

(23) Financial result

	2014	2015
Investment income	8	1
Other interest and similar income	1,473	1,548
Interest and similar expenses	3,854	3,475
Total financial result	–2,373	–1,926

Interest and similar expenses principally include interest on the loan taken out to finance the building of Hall 3.

(24) Taxes

	2014	2015
Deferred taxes	–20	–1,463
Taxes on income	13,947	15,062
Other taxes	3,763	4,566
	17,690	18,165

Reconciliation of expected income tax expense

	2014	2015
Earnings before taxes (financial accounts)	47,332	51,829
Expected income tax expense (group tax rate 31.9%; previous year 31.9%)	15,111	16,546
Effects of changes in tax rates	–133	–32
Tax-free income/trade tax deductions	–704	–417
Non-deductible business expenses/trade tax additions, incl. Section 8 (1) GewStG (German Trade Tax Act)	2,544	2,035
Taxes attributable to previous years recognised in the reporting period	–896	–3,173
Effects of deviating tax rates	–1,970	–2,203
Effects of non-recognisable/deductible income taxes	109	0
Effects of consolidation	117	–567
Effects of options under Section 274 (1) HGB	–190	1,047
Other effects	–61	363
Recognised income tax expense	13,927	13,599
Effective group tax rate (%)	29.4	26.2

Other disclosures

Disclosures relating to the cash flow statement

Cash funds recognised in the cash flow statement comprise cash-in-hand, current bank balances and fixed-term deposits with a maturity of less than three months.

The deviation from liquid funds recognised in the consolidated balance sheet in the amount of €187.289 million (previous year €171.063 million) is €22.568 million (previous year €5.401 million) and results from time deposits having a residual term of more than three months at the time of acquisition.

The presentation in the cash flow statement was adjusted accordingly.

Cash funds comprise €982,000 accounted for by companies consolidated proportionately. These are not subject to any restraints on disposal.

Non-cash income primarily results from the reversal of deferred income for building leases amounting to €2.099 million, the reversal of the equity-similar special reserve for subsidies or grants for the acquisition of fixed assets amounting to €2.147 million, as well as currency translation differences.

Expenditure for the acquisition of shares in ITEMF Expo A.O., Moscow/Russia (formerly: Media Globe Hannover Expo CJSC, Moscow/Russia), Yeni Dünya Fuarçılık Anonim Sirketi, Istanbul/Turkey and the remaining shares in Messe Frankfurt New Era Business Media Ltd., Hong Kong/China totalled €8.698 million. At the respective time of acquisition, the companies had liquid assets amounting to €805,000.

In the financial year, an amount of €13 million was distributed to the shareholders and €4.121 million to minority interests.

Disclosures relating to the consolidated statement of changes in equity

No parts of the earned group equity were barred from distribution at the balance sheet date of 31 December 2015.

Auditors' fees

The auditors' fees for the financial year for auditing the accounts of the group and the group entities amounted to €719,000, of which €353,000 is apportionable to BDO AG Wirtschaftsprüfungsgesellschaft Frankfurt am Main and Stuttgart. The auditors did not provide any other services.

Remuneration of the members of the executive bodies

The remuneration of the members of the Executive Board comprises a fixed and a variable component. The fixed remuneration is made up of a fixed annual salary and a guaranteed year-end bonus. For the purposes of pension provision the company makes contribution payments to insurances. In addition, the individual members of the Executive Board receive non-cash benefits that are individually taxed. These primarily include provision of a company car and insurance benefits for business travel at standard market rates.

The following table shows the remuneration of the members of the Executive Board in fiscal 2015:

in €'000	Fixed remuneration		Variable remuneration	Pension provision	Non-cash benefits	Total
	Fixed annual salary	Guaranteed year-end bonus				
Wolfgang Marzin	308	60	123	70	13	574
Uwe Behm	265	60	123	70	15	533
Detlef Braun	265	60	123	70	10	528
Total						1,635

Provisions for each Executive Board member amounting to €114,000 for variable bonuses were recognised in 2015. These take account of components with a long-term incentive effect and are derived from socio-economic agendas for the Frankfurt venue, as well as from financial targets of the group.

The members of the Executive Board were promised benefits in the case of premature termination of their term of office by the General Meeting without serious cause. A two-year non-competition covenant was also agreed with the Executive Board members in the case of termination of their service, for which a compensation payment was agreed.

The remuneration and expense allowance paid to members of the Supervisory Board amounted to a total of €44,000 (previous year €45,000).

Superannuation benefits and retirement annuities, as well as interim payments and indemnifications of €872,000 (previous year €911,000) were paid to former members of the Executive Board and surviving dependents. Pension provisions totalling €8.792 million (previous year €8.624 million) were recognised for the latter group of persons at 31 December 2015.

No loans or advances were granted to members of the Executive Board or members of the Supervisory Board in fiscal 2015.

Executive board

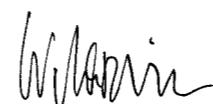
The following were appointed to the Executive Board:

Wolfgang Marzin, Diplom-Betriebswirt HWF – President and Chief Executive Officer
(Graduate in Business Administration, University of Applied Sciences)

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

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

Frankfurt am Main, 31 March 2016



Wolfgang Marzin



Detlef Braun



Uwe Behm

Consolidated statement of changes in equity of Messe Frankfurt GmbH

in € '000	Equity of the parent						Total
	Subscribed capital	Capital reserves	Revenue reserves	Currency translation differences	Profit brought forward	Consolidated net income for the financial year attributable to the parent	
At 31.12.2014	180,000	112,149	83,386	-2,423	70,303	0	443,415
Allocation to reserves	0	0	150	0	-150	0	0
Dividends paid	0	0	0	0	-13,000	0	-13,000
Currency translation	0	0	0	2,859	0	0	2,859
Other changes	0	0	0	0	0	0	0
Consolidated net income for the financial year	0	0	0	0	0	33,218	33,218
At 31.12.2015	180,000	112,149	83,536	436	57,153	33,218	466,492

Minority interests			Group equity	
Before currency translation differences	Currency translation differences apportionable thereto	Profit apportionable thereto	Total	Total
8,201	1,567	0	9,768	453,183
0	0	0	0	0
-4,121	0	0	-4,121	-17,121
0	-544	0	-544	2,315
-1,129	0	0	-1,129	-1,129
0	0	5,011	5,011	38,229
2,951	1,023	5,011	8,985	475,477

Consolidated cash flow statement of Messe Frankfurt GmbH

in € '000	2014	2015
Consolidated net income for the financial year	33,406	38,230
Depreciation, amortisation and write-downs (+) of fixed assets	52,034	55,516
Increase (+)/decrease (-) in provisions	-2,224	6,758
Other non-cash expenses (+) and income (-)	-1,627	-4,525
Proceeds (-)/expense (+) from disposal of fixed assets	929	2,716
Increase (-)/decrease (+) in inventories	842	-35
Increase (-)/decrease (+) in trade receivables and other assets not attributable to investing or financing activities	-463	1,869
Interest expense (+)/interest income (-)	2,381	1,927
Interest received (+)/paid (-)	941	1,063
Other investment income (-)	-8	-1
Income tax expense (+)/income tax income (-)	13,947	15,062
Income taxes paid	-12,097	-15,035
Increase (+)/decrease (-) in trade payables and other liabilities not attributable to investing or financing activities	27,311	6,774
Cash flows from operating activities	115,372	110,319
Intangible fixed assets/ tangible fixed assets		
- Capital expenditures	-39,402	-35,125
- Proceeds from disposal of fixed assets	5,623	2,280
Interest received (+)	308	150
Dividends received (+)	8	1
Payments for acquisition of consolidated companies	-7,246	-8,630
Balance between cash inflows /outflows from financial investments (securities held as current assets)	-18,337	-39,272
Cash flows from investing activities	-59,046	-80,596
Cash payments (-) to the owners of Messe Frankfurt GmbH and minority shareholders	-16,855	-17,121
Cash repayments (-) of bank loans	-9,773	-10,257
Interest paid (-)	-3,630	-3,140
Cash flows from financing activities	-30,258	-30,518
Net change in cash funds	26,068	-795
Effect on cash funds of changes in the reporting entity structure	787	-146
Cash funds at beginning of period	138,807	165,662
Cash funds at end of period	165,662	164,721

Previous year's figures have been adapted to conform with German Accounting Standard DRS21.

Annexes to the notes to the consolidated financial statements of Messe Frankfurt GmbH

Statement of changes in fixed assets

in € '000	Cost					At 31.12.2015
	At 1.1.2015	Additions	Disposals	Transfers	Currency translation differences	
I. Intangible fixed assets						
1. Purchased concessions, industrial and similar rights and assets and licences in such rights and assets	120,069	13,751	1,522	0	1,283	133,581
2. Goodwill	69,607	3,003	0	0	1,217	73,827
	189,676	16,754	1,522	0	2,500	207,408
II. Tangible fixed assets						
1. Land, land rights and buildings, incl. buildings on third-party land	1,245,455	1,993	7,479	182	184	1,240,335
2. Technical equipment and machinery	107,909	1,775	940	1,374	0	110,118
3. Other equipment, operating and office equipment	105,028	7,240	1,781	78	229	110,794
4. Prepayments and assets under construction	5,367	17,792	1,562	-1,634	0	19,963
	1,463,759	28,800	11,762	0	413	1,481,210
III. Financial assets						
Investments	20	0	0	0	0	20
	20	0	0	0	0	20
	1,653,455	45,554	13,284	0	2,913	1,688,638

in € '000	Depreciation, amortisation and write-downs (cumulative)					Carrying amounts		
	At 1.1.2015	Additions	Disposals	Transfers	Currency translation differences	At 31.12.2015	At 31.12.2014	At 31.12.2015
I. Intangible fixed assets								
	88,950	13,316	1,294	-11	120	101,081	31,119	32,500
	50,361	3,721	0	0	539	54,621	19,246	19,206
	139,311	17,037	1,294	-11	659	155,702	50,365	51,706
II. Tangible fixed assets								
	748,770	26,859	5,380	0	137	770,386	496,685	469,949
	81,959	4,495	554	0	0	85,900	25,950	24,218
	83,668	7,126	1,695	11	157	89,267	21,360	21,527
	0	0	0	0	0	0	5,367	19,963
	914,397	38,480	7,629	11	294	945,553	549,362	535,657
	0	0	0	0	0	0	20	20
	0	0	0	0	0	0	20	20
	1,053,708	55,517	8,923	0	953	1,101,255	599,747	587,383

Supervisory Board of Messe Frankfurt GmbH

Peter Feldmann

(Chairman)

Executive mayor,
City of Frankfurt am Main,
Frankfurt am Main

Tarek Al-Wazir

(1st Vice-chairman)

Hessian Minister of Economics,
Energy, Transport and Regional
Development, Wiesbaden

Wolfgang Dimmer

(2nd Vice-chairman)

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

Jörn Apfelstädt

Chairman of the Works Council
Accente Gastronomie Service
GmbH, Frankfurt am Main

Uwe Becker

Councillor of the City of
Frankfurt am Main,
Frankfurt am Main

Peter Beuth

Hessian Minister of the Interior
and Sport, Wiesbaden

Britta Böcher

Vice-chairwoman of the
Works Council
Messe Frankfurt GmbH,
Frankfurt am Main

Olaf Cunitz

Mayor of the City of
Frankfurt am Main,
Frankfurt am Main

Bernd Ehinger

President of the Frankfurt-
Rhine-Main Chamber of Crafts,
Frankfurt am Main

Jürgen Engel

Bad Sooden-Allendorf
(until 20 August 2015)

Markus Frank

Councillor of the City of
Frankfurt am Main,
Frankfurt am Main

Prof. Dr Gottfried Honnefelder

Director of Berlin University
Press GmbH & Co. KG,
Berlin / Cologne
(until 20 August 2015)

Jetta Katharina Junk

IT specialist Messe Frankfurt
GmbH, Frankfurt am Main
(from 20 August 2015)

Alexander Kaiser

Senior project manager
MESAGO Messe Frankfurt
GmbH, Stuttgart
(from 20 August 2015)

Christian Klingler

Baar, Switzerland

Alexander Neumann

Member of the Works Council
Messe Frankfurt GmbH,
Frankfurt am Main
(until 20 August 2015)

Andreas Pipperek

Director Project Research
Messe Frankfurt GmbH,
Frankfurt am Main
(from 20 August 2015)

Dr Lutz Raettig

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

Heinrich Riethmüller

President of the Börsenverein
des Deutschen Buchhandels e.V.
(German Publishers & Book-
sellers Association)
Frankfurt am Main
(from 20 August 2015)

Christiane Rüdiger

Director Application Manage-
ment Messe Frankfurt GmbH,
Frankfurt am Main
(from 20 August 2015)

Peter Saalmüller

Idstein
(until 20 August 2015)

Dr Thomas Schäfer

Hessian Minister of Finance,
Wiesbaden

Manuel Stock

Councillor of the City of
Frankfurt am Main,
Frankfurt am Main

Peter Thomaschewski

Liederbach
(until 20 August 2015)

Prof. Dr Martin Viessmann

CEO of Viessmann Werke
GmbH & Co. KG, Allendorf

Hamid Yazdtschi

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

Auditor's 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 2015 to 31 December 2015. The preparation of the consolidated financial statements and the group management report in compliance with the provisions set forth under German commercial law is the responsibility of 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 German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) (Institute of Public Auditors in Germany). Those standards require that we plan and perform the audit such that misstatements and violations materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report can be detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-relevant internal control system and the evidence supporting the amounts and disclosures in the consolidated year-end financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in the consolidated financial statements, the determination of the entities to be included in consolidation, the accounting and consolidation policies used and significant estimates made by the legal representatives of the company, 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 audit opinion.

Our audit did not lead to any reservations.

In our opinion, based on the findings of 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 view of the group's position and accurately presents the opportunities and risks of future development.

Frankfurt am Main, 19 May 2016

BDO AG
Auditors

pp Dr Rosien
Auditor

pp Tewes
Auditor

Report of the Supervisory Board

The Supervisory Board of Messe Frankfurt GmbH regularly informed itself of the development and position of the company through written and oral reports furnished by the Executive Board and satisfied itself of the due and proper conduct of business by the Executive Board.

Meetings of the Supervisory Board

The Supervisory Board convened two regular meetings in 2015.

Activities of the Supervisory Board

The Supervisory Board was concerned with the current business development, transactions requiring Supervisory Board approval and corporate planning. The focus of discussions and decisions taken were the corporate strategy, current national and international business developments, the company's overall economic position, as well as the risk situation, including the risk management policy.

In addition to regular reporting, the following issues were discussed in detail and – where necessary – appropriate resolutions were passed:

- In a written procedure, the Supervisory Board appointed the Chairman of the Supervisory Board and the Vice-chairpersons, as well as the members of the Investment Committee, the Finance and Audit Committee, the Building Committee and the committee chairpersons.
- The Supervisory Board discussed the economic situation of Messe Frankfurt México S. de R. L. de C. V. and approved a capital reduction by setting off the loss carry-forwards with the share capital, as well as a capital increase of the company in 2015 by Messe Frankfurt Exhibition GmbH.
- The Supervisory Board discussed the acquisition of shares in Yeni Dünya Fuarçılık Anonim Sirketi, Istanbul by Messe Frankfurt Istanbul Uluslararası Fuarçılık Ltd. Şti. and the subsequent merger of Yeni Dünya Fuarçılık Anonim Sirketi (Yeni Dünya) with Messe Frankfurt Istanbul Uluslararası Fuarçılık Ltd. Şti. (MFI) and issued a proposed resolution to the shareholders.
- The Supervisory Board also approved the acquisition of 50 percent of the shares in Interauto Exhibition O.O.O. by O.O.O. Messe Frankfurt RUS and the merger of Interauto Exhibition with ITEMF Expo A.O. and issued a proposed resolution to the shareholders.
- Furthermore, the Supervisory Board approved a capital increase of Messe Frankfurt Venue GmbH by Messe Frankfurt GmbH and issued a proposed resolution to the shareholders.

Work of the Committees

The activity of the Supervisory Board was facilitated by the preparation and support of the Committees. The Committee Chairpersons regularly reported to the Supervisory Board on the work of the respective Committees. The Committees make recommendations to the Supervisory Board on resolutions relating to decisions of considerable financial or strategic relevance.

The Investment Committee held two meetings during fiscal 2015. At its meetings, it gave detailed attention to business transactions and the economic situation, as well as to the financial statements of the subsidiaries and investments in associates of Messe Frankfurt Venue GmbH and Messe Frankfurt Exhibition GmbH. Furthermore, the aforementioned capital measure for Messe Frankfurt México S. de R. L. de C. V. as well as the share acquisitions were discussed in detail.

The Financial and Audit Committee met for two regular meetings and one extraordinary meeting during the reporting year. At its meetings, it discussed the transactions and economic development of Messe Frankfurt Venue GmbH, Messe Frankfurt Exhibition GmbH and their subsidiaries, Messe Frankfurt GmbH and the Messe Frankfurt group. With respect to the aforementioned companies, the Financial and Audit Committee also examined in detail the capital increase of Messe Frankfurt Venue GmbH, the financial statements and consolidated financial statements, as well as the management reports of the individual entities and of the group.

The Building Committee convened once in 2015. At its meeting, it focused on current building projects relating to the development of the exhibition grounds.

Conflicts of interest

The Supervisory Board is not aware of any conflicts of interest on the part of individual members of the Supervisory Board during the financial year.

Annual financial statements and consolidated annual financial statements

The single-entity financial statements of Messe Frankfurt GmbH and the consolidated financial statements for the year ended 31 December 2015 have been examined and issued an unqualified audit opinion by BDO Wirtschaftsprüfungsgesellschaft. The audit contract was awarded by the Chairman of the Supervisory Board in accordance with the resolution passed by the shareholders, the City of Frankfurt and the State of Hesse, of 20 August 2015.

The single-entity and consolidated financial statements and management reports have been prepared in accordance with the provisions set forth in the German Commercial Code (HGB) applicable to large companies limited by shares and examined by the auditor. The Financial and Audit Committee discussed the single-entity financial statements of Messe Frankfurt GmbH and the consolidated annual financial statements, the management reports, as well as the audit reports at its meeting of 13 June 2016 in the presence of the auditors and recommended that the Supervisory Board approve the statements. At the meeting on 7 July 2016, the Chairperson of the Financial and Audit Committee commented on the recommendation and submitted its proposal to the Supervisory Board, which extensively reviewed the single-entity and consolidated financial statements and management reports at its financials meeting on 7 July 2016 in the presence of the auditor, who reported on the key audit findings.

Furthermore, the Financial and Audit Committee and the Supervisory Board read and took note of the reports of the auditor, BDO Wirtschaftsprüfungsgesellschaft, on its review of the appropriateness of the management and the economic situation pursuant to Section 53 of the German Law on Budgetary Principles (HGrG) for the 2015 reporting period. The auditor concluded that the Executive Board has established a risk management system according to the statutory provisions that allows developments which could place the continued existence of the company at risk to be identified at an early stage. The Financial and Audit Committee assured themselves of the effectiveness of the risk management systems in place.

Publishing details

As recommended by the Financial and Audit Committee, the Supervisory Board has approved the findings of the audit and recommended that the General Meeting adopt the single-entity financial statements of Messe Frankfurt GmbH and the consolidated annual financial statements for the year ended 31 December 2015 and approve and accept the report of the Executive Board on the position of Messe Frankfurt GmbH and the group management report for the 2015 financial year.

Personnel matters

As laid down in the Articles of Association of Messe Frankfurt GmbH, following the ratification of the actions of the Supervisory Board and the adoption of the 2015 annual financial statements, the Supervisory Board was due for re-election.

As a result of the election of employees' representatives to the Supervisory Board by the employees of Messe Frankfurt, Messrs Jürgen Engel, Alexander Neumann, Peter Saalmüller and Peter Thomaschewski retired from the Supervisory Board. Ms Jetta Katharina Junk, Mr Alexander Kaiser, Mr Andreas Pipperek and Ms Christiane Rüdiger were newly elected to the Supervisory Board. The remaining employees' representatives on the Supervisory Board were re-elected for another term. From among the shareholders' representatives on the Supervisory Board, Prof. Dr Honnefelder retired from the Supervisory Board. He was succeeded by Mr Heinrich Riethmüller. The remaining shareholders' representatives on the Supervisory Board were reappointed or re-elected by the shareholders. The Supervisory Board thanks the retiring members for their many years of commitment on this Board.

The Supervisory Board would also like to thank the Executive Board for the trust-based cooperation and all employees for the good work done and their contribution to the successful 2015 financial year.

Frankfurt am Main, 7 July 2016
For the Supervisory Board

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Chairman

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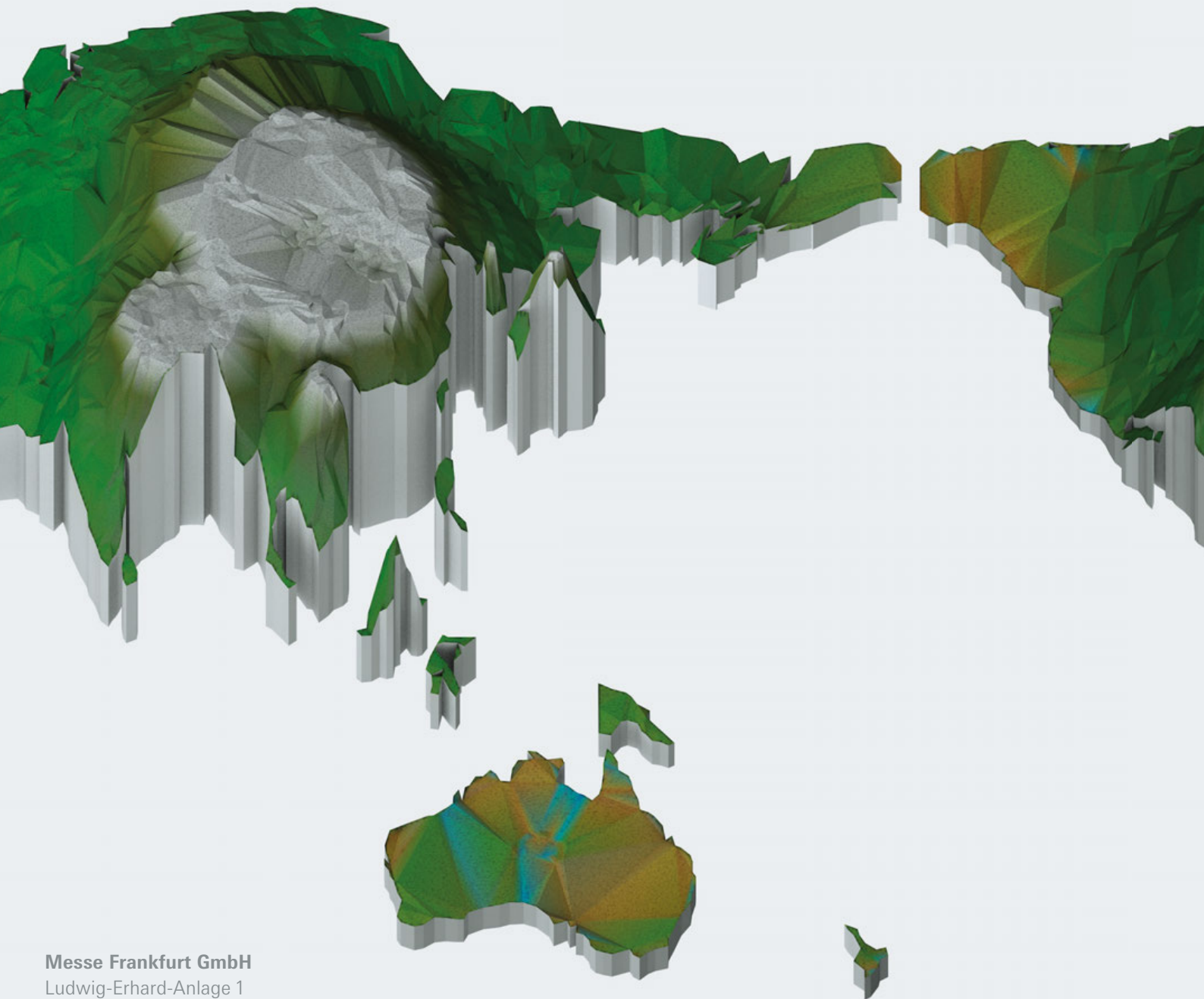
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