

Annual Report 2012

Introduction	4
Key figures for the Messe Berlin group and the venues in Berlin in 2012	7
Trade fair statistics 2012	8
The year's events in 2012	10
Group cash flow statement for Messe Berlin GmbH	33
Situation report 2012 for the group and Messe Berlin GmbH	34
Group and annual financial statements for 2012	50
Group balance sheet Messe Berlin GmbH	
Group profit and loss statement Messe Berlin GmbH	
Equity schedule	
Appendix 2012: Group and Messe Berlin GmbH	
Balance sheet Messe Berlin GmbH	
Profit and loss statement Messe Berlin GmbH	
Audit certificate	88
Corporate governance report for the financial year 2012	90
Report of the Supervisory Board 2012	98
Imprint	102

Introduction



Berlin is one of the most dynamic major cities in the world. It is a trendsetter that fascinates many people. In terms of its touristic and economic attraction it is the place to be. As one of the city's driving economic forces Messe Berlin is part of the city's heart and soul and contributes in no small measure to the positive image of the German capital.

Last year Messe Berlin consolidated its position among the top ten international players in the trade fair and congress business.

In a year packed with events this was evidenced by the company's highest turnover to date, which reached 247 million euros. In particular, leading events such as the International Green Week, Fruit Logistica, ITB Berlin, IFA and InnoTrans strengthened their position in the market. More than 2.3 million visitors, including over 650,000 trade visitors, attended the 95 in-house and guest events of the Messe Berlin group and the exhibition venues in Berlin. As in previous years the share of trade visitors at these events remained high, at around 66 per cent.

In Asia, a growth market, ITB Asia in Singapore and Asia Fruit Logistica in Hong Kong were able to strengthen their market position again.

Face-to-face communications are the lifeblood of the trade fair and congress business. This is where experiencing innovative products comes alive, where exhibitors and potential customers negotiate business deals. The digital world offers helpful support and accordingly Messe Berlin provides the right setting for such complex communications. It is the reason why for many years people around the world have valued doing business with us. Last year we invested in a new exhibition venue in Berlin. September witnessed the inauguration of the grounds at ExpoCenter Airport, directly adjacent to Willy Brandt Airport, with the holding of the ILA Berlin Air Show. The cancellation at short notice of the opening of BER posed a huge challenge for every employee involved. Nevertheless the ILA Berlin Air Show succeeded in making an impressive debut. The reactions to the multi-purpose trade fair and event venue were positive throughout. Further improvements are currently being made to the infrastructure of the grounds with the creation of additional parking areas and the organisation of transport links to the grounds.

July 2012 witnessed the foundation laying ceremony for the CityCube Berlin on the site of the former Deutschlandhalle. This multi-purpose venue, suitable for hosting conferences, will open in the first quarter of 2014. From the very start demand was high for bookings for all kinds of events, be they shows, general meetings or congresses.

The success of a company is also always the result of outstanding teamwork. As such we would like to thank our employees whose high commitment and flexibility contributed in no small measure to the company's success in 2012. We would also like to thank all our customers, exhibitors and visitors for the trust they have placed in us and for the outstanding cooperation.

We are confident that the trade fair and congress business in the metropolitan region of Berlin has a bright future. Our wide-ranging portfolio of events will ensure that the success story continues.

Yours sincerely,

Raimund Hosch
Chief Executive Officer

Dr. Christian Göke
Chief Operating Officer

Key figures for the Messe Berlin group And the trade fair venues in Berlin in 2012

Trade fairs	2012
Overall area in m ²	2,156,800
Number of trade fairs and exhibitions	95
Number of exhibiting companies	34,880
Number of visitors / participants	2,352,600

Congresses**	2012
Number of congress events	511
Total number of congress participants	approx. 167,280
<i>of which</i>	
<i>out-of-town participants</i>	<i>approx. 70%</i>

Finances (in mi. €)	2012
Turnover (group)	247
Turnover by Messe Berlin GmbH	172
Annual profits of the group	5.9
Annual profits of Messe Berlin GmbH	4.6
Earnings before tax (EBT), trade fairs and congresses	57.6
EBT, facility management / exhibition grounds	- 50.0

Personnel *	2012
Employees of the group	719
<i>of which</i>	
<i>trainees</i>	33
Employees of Messe Berlin GmbH	383
<i>of which</i>	
<i>trainees</i>	23

* annual averages

** incl. conference events & shows

Trade fair statistics 2012

Events	Organiser	Dates 2012	Sq. metres overall *	Exhibiting companies *	Visitors/ participants *
International Green Week Berlin	Messe Berlin GmbH	20.1. – 29.1.	115,000	1,630	420,000
FRUIT LOGISTICA	Messe Berlin GmbH	8.2. – 10.2.	109,200	2,500	56,000
FRESHCONEX	Messe Berlin GmbH	8.2. – 10.2.	2,300	80	11,000
bautech	Messe Berlin GmbH	21.2. – 25.2.	36,500	800	57,000
ITB Berlin	Messe Berlin GmbH	7.3. – 11.3.	160,000	10,650	172,100
Laser Optics Berlin	Messe Berlin GmbH	19.3. – 21.3.	5,500	150	3,000
conhIT	Messe Berlin GmbH	24.4. – 26.4.	12,000	270	5,400
LinuxTag	Messe Berlin GmbH	23.5. – 26.5.	2,400	120	12,600
YOU	Messe Berlin GmbH	8.6. – 10.6.	40,000	240	115,000
IFA	Messe Berlin GmbH	31.8. – 5.9.	165,000	1,400	240,000
ILA	Messe Berlin GmbH	11.9. – 16.9.	150,000	1,300	230,000
InnoTrans	Messe Berlin GmbH	18.9. – 21.9.	161,400	2,500	126,100
belektro	Messe Berlin GmbH	17.10. – 19.10.	24,200	240	15,200
IMPORT SHOP BERLIN	Messe Berlin GmbH	7.11. – 11.11.	18,900	600	40,000
Boat and Fun Berlin	Messe Berlin GmbH	23.11. – 28.11.	48,700	700	32,400
HIPPOLOGICA Berlin	Messe Berlin GmbH	13.12. – 16.12.	18,500	180	21,800
16 Events held by the Messe Berlin group at its venues in Berlin			1,069,600	23,360	1,557,600
38 Guest events at venues in Berlin			395,000	4,400	264,000
54 Events at venues in Berlin			1,464,600	27,760	1,821,600
RegioAgrar Bayern, Augsburg	E.G.E. European Green Exhibitions GmbH	7.2. – 9.2.	13,300	130	8,000
ASIA FRUIT LOGISTICA, Hongkong	Global Produce Events GmbH	5.9. – 7.9.	12,000	340	5,700
MeLa – Trade Exhibition for Agriculture and Food, Fisheries, Forestry, Hunting and Horticulture, Mühlenggeez	Messe- und Ausstellungszentrum Mühlenggeez GmbH	13.9. – 16.9.	170,000	1,100	71,400
International Suppliers Fair, Wolfsburg	Messe-, Ausstellungs- und Dienstleistungsgesellschaft Wolfsburg mbH	10.10. – 12.10.	31,000	780	49,000
ITB Asia, Singapur	Messe Berlin (Singapore) Pte. Ltd.	17.10. – 19.10.	12,000	870	8,500
36 additional Messe Berlin group events at other locations	E.G.E. European Green Exhibitions GmbH, MAZ GmbH		453,900	3,900	388,400
95 Events held by the Messe Berlin group and at venues in Berlin			2,156,800	34,880	2,352,600

* partially rounded off

The year's events in 2012

Events held by the Messe Berlin group

In 2012, the Messe Berlin group achieved a turnover of around 247 million euros, the highest in the company's history to date. Compared with 2010, a year with a similar number of events, turnover increased by about 14 per cent.

Besides the exceptional number of events it was the large building projects that also stood in the foreground of business activities. On 5 July, at the groundbreaking ceremony, three blows of the hammer marked the beginning of construction of the CityCube Berlin. In the meantime structural work has finished on the new multi-purpose trade fair and congress hall and events have already been scheduled for early 2014.

Located adjacent to BER, the capital's future airport, in July 2012 Berlin ExpoCenter Airport became available for the ILA and new trade fairs. With its permanent halls covering more than 20,000 square metres and a large outdoor display area with space for additional temporary display halls it is the perfect venue to complement ExpoCenter City – previously known as the Berlin Exhibition Grounds. In September 2012 Berlin ExpoCenter Airport was inaugurated with the ILA Berlin Air Show, prompting positive reactions throughout.

As in previous years in 2012 Messe Berlin's programme of events was spearheaded by a range of leading international fairs: the International Green Week Berlin, FRUIT LOGISTICA, ITB Berlin, IFA, the ILA Berlin Air Show and InnoTrans. Specialised subsidiaries guarantee comprehensive services at national and international level.

The 54 trade fairs and exhibitions that took place in Berlin – of which 16 were in-house events – attracted more than 1.8 million visitors. As in previous years, the percentage of foreign trade visitors was consistently high: around two-thirds of trade visitors (more than 650,000 in all) came from abroad.

In Asia, a growth market, both ITB Asia in Singapore and Asia Fruit Logistica in Hong Kong were able to strengthen their market position.

Guest events

2012 was a year packed with unusual events. It was dominated by new and in particular international events and by the canvassing efforts to attract trade fairs to ExpoCenter Airport, the new grounds in Selchow. All the while market adjustments are still taking place, accompanied by cancellations of events.

In 2012 a total of 38 events were held, not including floor space rentals and film shoots. Highlights included the Youth Meeting of the Taizé Community, corporate events such as the VW Dealer Forum and the CBR Brand Days, as well as Coil Winding, the European Attraction Show (EAS) and Asian Apparel Expo, international trade fairs held every year which underline the international dimension of the event portfolio. As a result of the huge increase in exhibitors and visitors, compared with previous events at other international trade fair venues, the chances of attracting these exhibitions to the Messe Berlin grounds on a recurring basis have increased. Towards the end of the year a 5-year contract was signed with the new organisers of Coil Winding, I2I, which ranks as one of the largest guest events.

Messe Berlin will continue along this path, attracting larger and international events and focusing on long-term agreements with organisers, in a bid to consolidate this trend.

In the penultimate year of regular business at the ICC Berlin Messe Berlin Conventions achieved one of the best results in the 33-year history of the venue. With a turnover of more than 22 million euros Messe Berlin Conventions made a significant contribution to the positive results achieved by Messe Berlin. 511 events took place, marking the fourth best result to date. A total of 167,280 participants attended these events, of whom around 70 per cent came from abroad, underlining the leading role of Messe Berlin Conventions in the international congress business.

The following events were among the outstanding highlights on the calendar of congresses in 2012: the German Cancer Congress (10,450 participants), the German Orthopaedics and Traumatology Congress (11,000), the European League Against Rheumatism (16,000), and the European Association for the Study of Diabetes (18,127 participants).

Congresses



**International
Green Week Berlin – Exhibition
for the Food Industry,
Agriculture and Horticulture
20. 1. – 29. 1. 2012**

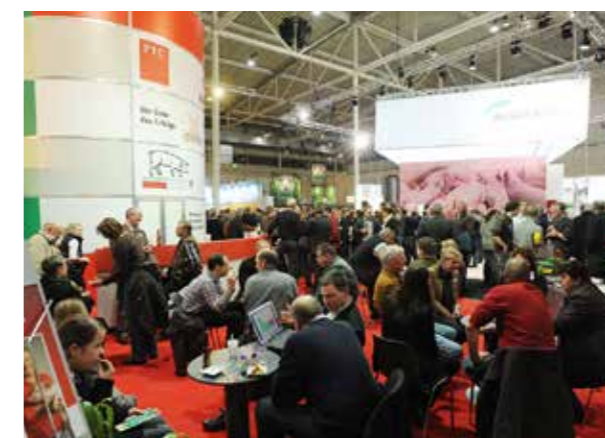


www.greenweek.com

The International Green Week Berlin 2012 (IGW) consolidated its position as the world's largest exhibition for agriculture, the food industry and horticulture and as the leading trade fair for wider business in agriculture. Attendance at this year's Green Week was higher than during the last four years. From 20 to 29 January more than 420,000 visitors (2011: 415,000) flocked to the display halls on the Berlin Exhibition Grounds. At 111 euros, consumer spending per head was slightly higher than in 2011 (110 €). Exhibitor turnover was around 47 million euros. Compared with last year's event trade visitor numbers rose by 5,000 (+5 %) and reached more than 105,000.

Some 70 ministers of agriculture from all parts of the world and representing around half of the global population travelled to Berlin. In comments, representatives of the official national displays unanimously emphasised the fair's good opportunities for exhibiting products and establishing new leads. With close to 1,630 exhibitors from 56 countries occupying a display area of 115,000 square metres the world's largest exhibition for agriculture, the food industry and horticulture lived up to the record figures of previous years.

The next International Green Week will take place from 18 to 27 January 2013.



www.regioagrار.de



**RegioAgrar Bayern –
Agricultural exhibition in
Augsburg
7.2.–9.2.2012**

RegioAgrar Bayern, which took place in the Schwabenhalle in Augsburg from 7 to 9 February 2012, was an all-round success. Exhibitors, visitors and organisers alike were extremely impressed with the three-day event.

Close to 8,000 trade visitors and 130 exhibitors attended the fair. With its three-day programme of fascinating events RegioAgrar Bayern is clearly on course for further success.

The next RegioAgrar Bayern will take place in Augsburg from 5 to 7 February 2013.



**FRUIT LOGISTICA –
International Trade Fair
for Fruit and Vegetable
Marketing
8.2.–10.2.2012**



www.fruitlogistica.com

As the leading event of the international fruit marketing industry FRUIT LOGISTICA fulfilled high expectations. From 8 to 10 February the industry's leading decision-makers took part in this fruit marketing summit in Berlin. Exhibitors and trade visitors were highly satisfied with their business results and exhibitor participation reached a new record. As in 2011 more than 56,000 trade visitors from 139 countries came to find out about the products and services of the entire fruit marketing chain. 80 per cent of visitors were from abroad.

Occupying more than 109,200 square metres of floor space (2011: 98,900), and marking the highest participation to date, close to 2,500 exhibitors (2011: 2,450) from 84 countries exhibited the complex logistics that ensure year-round supplies of top-quality fresh fruit and vegetables to consumers all over the world. 90 per cent of exhibitors came from abroad.

The next FRUIT LOGISTICA will take place from 6 to 8 February 2013.



www.freshconex.com



**FRESHCONEX –
International Trade Fair
and Congress for Fresh-cut
Convenience
8.2.–10.2.2012**

The fifth edition of FRESHCONEX attracted 11,000 industry experts from all over the world, who from 8 to 10 February 2012 came to find out about the many products and services of around 80 exhibitors from 15 countries. A high proportion of the trade visitors attending Europe's only trade fair for the fresh-cut convenience market for fruit and vegetable products came from abroad and in a decision-making capacity.

The FRESHCONEX Business Forum at this three-day event provided visitors with a concise overview of the latest trends in this market for highly sensitive fresh produce. Its organisers were the Fresh Convenience Magazine (GB) and the United Fresh Produce Association (USA).

In February 2013 the FRESHCONEX displays became a fully integrated part of FRUIT LOGISTICA.

bautech

bautech –International
Trade Fair for Building
and Construction
Technology
21.2.–25.2.2012



www.bautech.com

The exhibitors, associations, guilds and building industry institutions attending bautech 2012 were all highly satisfied with the fair.

Around 57,000 trade visitors came to find out about the latest products and services of 800 exhibitors from 22 countries. As the International Trade Fair for Building and Construction Technology drew to a close both the exhibitors and trade visitors (of whom 12 % came from abroad) gave a positive assessment of the event. At bautech 2012 the upbeat mood in the German building industry provided a positive impetus for the metropolitan region of Berlin and its neighbouring federal States. The focus of this year's exhibition on the Berlin Exhibition Grounds was on topics such as sustainable construction methods, energy efficiency and climate protection.

The combination of the fair with the following list of events was very well received: SolarEnergy, BioGas World, Build IT, Grünbau Berlin – with a section on public outdoor spaces, metall IT – with a metalworking trade section and a new forum for the real estate and housing industry (FIW).

The next bautech will take place from 18 to 21 February 2014.



www.itb-berlin.com



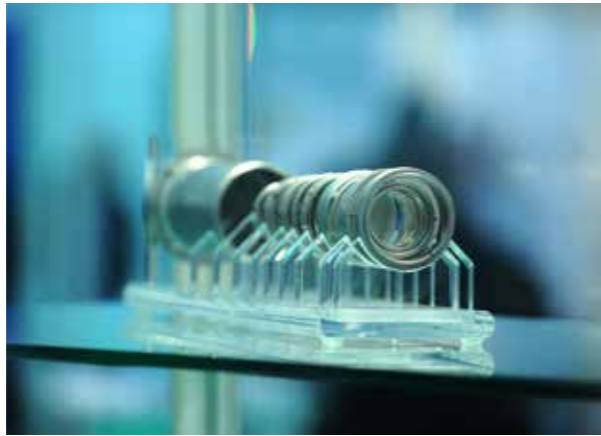
ITB Berlin – The World's
Leading Travel Trade Show
7.3.–11.3.2012

Significant growth in trade visitor numbers, an increase in the volume of exhibitor business and a huge rise in attendance at the ITB Berlin Convention were the dominant features of the 46th edition of ITB Berlin. 113,000 trade visitors (of whom around 40 % came from abroad) came to find out about the international travel industry's wide range of products displayed by 10,650 exhibitors from 187 countries. Close to 59,000 members of the public also took a keen interest in the wide-ranging selection of products and services. Overall, some 172,100 visitors (2011: 170,800) attended the show on the Berlin Exhibition grounds.

For the first time, ITB Berlin organised a reception for bloggers from around the world on the eve of the opening of the fair. Specially organised events of interest to bloggers attracted more than 120 participants from over 10 countries.

The ITB Berlin Convention proved to be a major visitor attraction and reported a further increase in attendance. A topical programme of events and papers given by high-ranking figures ensured visitor numbers exceeded 17,000, an increase of more than 20 per cent. From 07 to 09 March 2012 more than 200 leading experts and established entrepreneurs gathered at the world's largest tourism convention to highlight new trends and best practices.

The next ITB Berlin will take place from 6 to 10 March 2013.



www.laser-optics-berlin.de

Laser optics Berlin 2012 reported growth in exhibitor numbers, floor space and congress participants. This was the first time the Optics and Photonics Congress was held in collaboration with the Optical Society (OSA), the leading science and technology institution, and the organisers' assessments were very positive. The combination with microsys berlin – Micro-optics and Micro-optical Systems was also a first-time event and proved very successful. The collaboration with the optical industry from the local region of Warsaw and with the optics Valley laser association of Wuhan (China) added a further international dimension to the fair.

Around 3,000 trade visitors came to Laser optics and microsys berlin in search of the latest science information and to find out about high-tech products. The proportion of foreign visitors rose to almost 30 per cent.

From 19 to 21 March around 150 exhibitors from twelve countries presented their innovative products and services on a display area covering 5,500 square metres. This represented a 38 per cent increase over the previous event in 2010.

The next Laser optics Berlin will take place from 18 to 20 March 2014.



www.conhit.com



conhIT – Connecting
Healthcare IT
24.4.–26.4.2012

A trade visitor increase of around 20 per cent, exhibitor growth of 12 per cent and two fully booked display halls: these were the figures that summed up the three days of conhIT – Connecting Healthcare IT 2012. A total of 5,400 trade visitors (2011: 4,500) from 46 countries, including high-ranking delegations of experts from Europe, Saudi Arabia and Korea, took the opportunity that conhIT offered to find out about the latest developments in healthcare IT. The industrial fair, congress, academy and networking events provided visitors and exhibitors with many opportunities to exchange information, further their knowledge and put forward their own ideas.

conhIT targets decision-makers in IT departments, management, in the medical profession, nursing, doctors, doctors' networks and medical care centres who need to find out about the latest developments in IT and healthcare, meet members of the industry and make use of opportunities for high-level advanced training.

The next conhIT will take place from 9 to 11 April 2013.



LinuxTag –
International Meeting
place of the Open
Source Community
23.5.–26.5.2012



www.linuxtag.org

In 2012, Europe's leading trade fair and conference on Linux and open source software reported an attendance increase of almost 10 per cent compared with the previous event. Over a period of four days the 12,600 visitors from around the world who had come to the Berlin Exhibition Grounds experienced a wide-ranging and extensive programme of events.

Audiences packed the halls to listen to the four keynote speeches as well as the other 200 lectures which made up the open programme of papers. 187 experts from 17 countries presented listeners with information on the latest Linux and open source developments. Visitors flocked to the stands of around 40 companies and 80 independent projects taking part in the exhibition.

The participation of three new events in this year's event marked a first: they were the business formats open Minds Economy and open valley berlin, as well as Rootcamp Berlin.

The new open valley format berlin featured a presentation of IT innovations and success stories "made in Berlin". Rootcamp Berlin was the first specifically designated bar camp event for Linux and oSS users and administrators.

The next LinuxTag will take place from 22 to 25 May 2013 in Berlin.



YOU – The leading event
for youth culture
music – sports – lifestyle
– education
8.6.–10.6.2012

www.you.de

From 8 to 10 June 2012 around 115,000 young people, teachers and parents attended the 14th edition of Europe's largest trade fair for young people, which for the first time took place in early summer. Occupying a display area of 40,000 square metres around 240 exhibitors presented the latest trends in music, sports, lifestyle and education.

YOUr – jobaktiv, an educational event coorganised by YOU and the Federal Employment Agency, celebrated its debut. It provided young people with an opportunity to make direct contact with potential employers, find out about a wide range of careers and receive advice from experts on career choices and how to put together their applications.

A new music arena also opened for the first time and featured a colourful programme of events.

The next edition of YOU will take place from 31 May to 2 June 2013.



**IFA 2012 – CONSUMER
ELECTRONICS UNLIMITED**
31.8.–5.9.2012



www.ifa-berlin.com

From 31 August to 5 September 1,400 exhibitors presented their wide-ranging displays of product debuts on an area covering 165,000 square metres, which was 3 per cent larger than in 2011. 240,000 visitors (2011: 238,000) attended the world's leading trade fair for consumer electronics and home appliances in Berlin, which ended with record results.

The figures proved highly satisfactory for gfu and Messe Berlin, the co-organisers of IFA. More than 142,300 trade visitors (+7 %) attended the fair, of whom 42,800 (+11 %) came from abroad. Thus, IFA was able to underline its role as a globally important event for the industry, retailers and the media.

In 2012 IFA was able to strengthen its position still further. The high volume of orders placed and innumerable product debuts on display offered renewed proof of IFA's role as the world's leading event for this industry. At over 3.8 billion euros the volume of orders placed rose yet again, and with the innovations that were on show IFA cemented the basis for further market growth.

With more than 6,000 journalists in attendance, of whom some 2,300 came from abroad, IFA was once again a global media event. In addition to numerous German broadcasters the news desks of many TV networks from around the world were also present and reported from the Global Broadcasting Center at IFA.

The next IFA will take place from 6 to 11 September 2013.



www.asiafruitlogistica.com



ASIA FRUIT LOGISTICA
HongKong – International
Trade Fair for Fruit and
Vegetable Marketing in Asia
5.9.–7.9.2012

The sixth edition of ASIA FRUIT LOGISTICA 2012 underlined its importance for the fruit and vegetable marketing industry with a significant increase in trade visitors of around 7 per cent compared with the previous event.

More than 5,700 high-ranking trade visitors (+8 %) from 64 countries came to find out about the products and services of 340 exhibitors from 30 countries, who represented the entire value chain of fresh produce.

From 05 to 07 September the three-day event took place in the AsiaWorld Expo Centre in Hong Kong. Key topics at the supporting Asiafruit Congress included the dynamic rate of economic growth in Asia and its impact on the global industry for fresh produce. The three-day congress was organised by Asiafruit Magazine.

The next ASIA FRUIT LOGISTICA will take place in Hong Kong from 4 to 6 September 2013.



www.ila-berlin.com

ILA 2012 - The International Air Show Berlin, which was the debut event on the new exhibition grounds at Berlin ExpoCenter Airport, was an unqualified success. 1,300 exhibitors (2010: 1,200) from 46 countries gave an impressive display of high-tech products from every branch of the aerospace industry, marking a participation record in the 100-year-plus history of the ILA. As at the last ILA, around 230,000 trade visitors and members of the general public attended the event, and during the show were entertained with a programme of flying displays totalling 36 hours of action. At 125,000, trade visitor numbers remained both stable and high. Conceptual changes at the ILA comprised new sections and topics such as UAS (Unmanned Aircraft Systems) and eco-efficient flight, which met with keen interest. The UAS section exhibited a comprehensive range of products, spanning small unmanned systems to large-scale devices for civil and military uses. Taking as its slogan 'Space for Earth', the Space Pavilion focused on the innovative capabilities of the spaceflight industry. Over the course of the event 282 different aircraft went on display both in the air and on the ground. They included an Airbus A-380 and Boeing 747-8, the world's two largest airliners, as well as an Airbus Beluga, with a cargo volume larger than that of any other transporter in the world. The programme of flying displays featured the world's most modern military transporter, the A-400M. An x3 Eurocopter Hybrid Demonstrator and Elektra one Solar aircraft were also on display, each marking its air show debut. For the first time, the national aerobatics teams of Turkey and Poland, the partner country of the ILA, provided impressive displays.

The next International Aerospace Exhibition Berlin Brandenburg will take place on the exhibition grounds at Berlin ExpoCenter Airport from 20 to 25 May 2014.



www.mela-messe.de



**MeLa – Exhibition for
Agriculture and Food,
Fisheries, Forestry, Hunting
and Horticulture
in Mühlengiez
13.9.–16.9.2012**

The 22nd Trade Exhibition for Agriculture and Food, Fisheries, Forestry, Hunting and Horticulture in the federal State of Mecklenburg-West Pomerania took place in the Trade Fair and Exhibition Centre in Mühlengiez. Attendance at MeLa 2012 reached a new record. Over the course of the four-day event around 71,400 visitors (10 % more than in 2011) flocked to the exhibition grounds in Mühlengiez in the district of Rostock.

Exhibitor numbers also marked a new record. Around 1,100 exhibitors (+10 %) were represented, more than at any previous event in the 22-year history of the fair. They provided visitors with a comprehensive overview of livestock breeding and of the latest technical advances.

The next MeLa will take place in Mühlengiez from 12 to 15 September 2013.



**InnoTrans –
International Trade Fair for
Transport Technology
18. 9. – 21. 9. 2012**



www.innotrans.com

The ninth edition of InnoTrans, which took place from 18 to 21 September, boasted an increase in trade visitors, exhibitors, international participation and business volume. Orders were placed totalling more than 1.8 billion euros.

During the period reserved for professionals, 126,100 trade visitors (around 18 % more than in 2010) from 140 countries came to find out about the latest products and services of 2,500 companies (approx. +9 %) from 49 countries representing the global rail industry. These were the figures with which InnoTrans 2012 broke its previous record from 2010.

115 vehicles, some celebrating their trade fair debut, were exhibited on the outdoor display site, which featured 3,500 metres of rail track.

In a representative survey both exhibitors and trade visitors said they were highly satisfied with the fair. More than 90 per cent of exhibitors said they would recommend the fair to others. The same percentage said they would be back for the next event. The response from trade visitors was the same: more than 90 per cent said they were highly satisfied and that they would be back for InnoTrans 2014.

The next InnoTrans will take place from 23 to 26 September 2014.



www.izb-online.com



**IZB –
The International
Suppliers' Fair, Wolfsburg
10. 10. – 12. 10. 2012**

The seventh International Suppliers Fair (IZB), which took place in Wolfsburg from 10 to 12 October 2012, was able to consolidate its position as the communication and business platform of the automotive suppliers' industry.

Around 49,000 visitors and 780 exhibitors (around 7 % more than in 2010) from 28 countries, including from this year's partner countries Argentina and Brazil, were very satisfied with the fair.

Sustainable production, alternative drive trains and materials as well as networked vehicles were the key topics discussed on the stands and at the forums and congresses of the supporting programme at the IZB.

The next IZB will take place in Wolfsburg in autumn 2014.



ITB Asia,
Singapur –
The Trade Show for
the Asian Travel Market
17. 10. – 19. 10. 2012



www.itb-asia.com

From 17 to 19 October 2012 ITB Asia took place at the Sands Expo and Convention Center, Marina Bay Sands, in Singapore. Some 8,500 visitors attended the three-day event, around 13 per cent more than in 2011. Trade visitors and buyers representing a total of 92 countries attended the fair. 870 exhibitors (16 % more than in 2011) displayed the entire range of products and services the travel industry had to offer.

In 2012 ITB Asia was able to secure new partnerships with leading travel industry experts for the programme of congress events. Among those collaborating for the first time were the World Tourism Organization (UNWTO), the MCI, the National Association of Travel Agents Singapore (NATAS), Panacea Publishing Asia, the Global Business Travel Association (GBTA) and the Asia Cruise Association (ACA). Collaboration was intensified with the knowledge partners WTTCC, PhoCusWright, TTG Asia Media and Web in Travel. ITB Asia featured an outstanding 3,700-minute long programme of conference events.

From 23 to 25 October 2013 ITB Asia will be back at the fully refurbished Suntec Singapore Convention Centre, where it will occupy a second floor of displays.



www.belekro.com

belekro

**belekro – Trade Fair for
Electrical Engineering,
Electronics and Lighting
17. 10. – 19. 10. 2012**

An increase in visitor and exhibitor numbers as well as floor space were the hallmarks of belekro 2012, which came to a successful conclusion. Over a period of three days a total of 15,200 visitors (1 % more than in 2010) came to the Berlin Exhibition Grounds to see the Trade Fair for Electrical Engineering, Electronics and Lighting. 240 exhibitors from ten countries presented their latest products and services, including many which made their trade fair debuts.

In terms of the type of trade visitor attending, there were notable differences compared with the previous event two years ago. At 55 per cent, members of the skilled trades and industry continued to represent the main target audience. However, at 10 per cent, there was a threefold increase in the number of planners and architects. Visitors representing the real estate industry rose to 5 per cent.

For the majority of visitors the Electrical Engineering and Electronics sections were the main attraction, followed by the lighting displays, a major crowd-puller at this event in the capital. In a survey, around 93 per cent of the visitors polled said they were satisfied with their visit, approximately the same figure as in 2010.

The next belekro will take place from 15 to 17 October 2014.



**IMPORT SHOP BERLIN –
A WORLD FULL OF BEAUTY
7.11.–11.11.2012**



www.importshop-berlin.com

Around 40,000 visitors attended the 51st edition of the Import Shop Berlin, of whom more than 90 per cent took home items they had purchased at the fair. As in 2011, their average spending totalled 141 euros. The 600 exhibitors (10 % more than in 2011) from 59 countries who took part in the event achieved a turnover of around 5.8 million euros.

More than 96 per cent of the visitors said they were satisfied with their visit and over 95 per cent said they would recommend it to others.

Next year, and for the first time, the Import Shop will be held alongside Kreativ Tage Berlin.

The next Import Shop Berlin will take place from 13 to 17 November 2013.



www.bootundfun.de



**Boat & Fun Berlin 2012
23.11.–28.11.2012**

Around 700 exhibitors presented their products and services at Boat and Fun Berlin. Bucking the current industry trend, Boat and Fun Berlin 2012 reported an increase in exhibitors (+8 %), floor space (+4,000 square metres) and exhibitors from abroad (17 countries).

For the first time, this year's event featured an innovative online platform where users can buy and sell boats 365 days a year. A week after its launch the site had already registered 70,000 page hits.

For the 32,400 visitors to the fair one of the main attractions was a pool 1,000 square metres in size, specially built for Boat and Fun Berlin, where visitors could test their skills at cable wakeboarding.

The next Boat and Fun Berlin will take place from 20 to 24 November 2013.



www.hippologica.de

Equestrian fans witnessing the event-packed 21st HIPPOLOGICA Berlin, which took place over a period of four days, were fascinated by the event. The International Exhibition for Equestrianism, which takes place every year, featured first-class sporting events, numerous experts and a wide-ranging display of high-quality equestrian products.

From 13 to 16 December a total of 21,800 visitors came to the Berlin Exhibition Grounds. 180 exhibitors from five countries presented their products and services on an area covering five display halls. For the first time, exhibitors from Sweden and the Netherlands were also represented at the fair.

With its outstanding programme of high-class dressage and show jumping events, driving trials for pairs, as well as national handicap dressage championships, this exhibition provided impressive proof of its standing as Berlin's leading equestrian event.

The next HIPPOLOGICA Berlin will take place from 12 to 15 December 2013.

Statement of changes in financial position Messe Berlin GmbH

	2012 TEUR	2011 TEUR
Net earnings for the period (including minority shareholders' share of earnings) before extraordinary items	5,920	1,038
Write-downs on capital asset items	4,771	5,988
Increase (prev. year decrease) in reserves	16,825	-2,470
Other income not affecting balance sheet	-290	-290
Profits (prev. year losses) from disposal of capital asset items	-15	158
Increase in stocks, claims and other assets which are not classified as investment or financing activities	-85	-1,793
Decrease in payables and other liabilities which are not classified as investment or financing activities	-425	-4,572
Cash flow from current business activity	26,701	-1,941
Payments-in from disposal of capital assets	112	4
Payments-out for investment in capital assets	-27,083	-23,030
Payments-out for investment in intangible assets	-916	-1,930
Payments-out for investment in financial assets	-200	-1,225
Payments-out for acquisition of consolidated companies less liquid funds	0	-492
Payments-in from sale of shares in consolidated companies less liquid funds	14	0
Cash flow from investment activity	-28,073	-26,673
Payments-in from raising financial credit	2	16,500
Payments-out to minority shareholders	-709	-428
Cash flow from financing activity	-707	16,072
Change in financial resources	-2,079	-12,542
Financial resources at the start of the period	67,719	80,261
Financial resources at the end of the period	65,640	67,719

Situation Report 2012

Group and Messe Berlin GmbH

Preliminary remarks

Messe Berlin – the company

Overall economic situation

Slowdown in trade fair market growth in 2012, however figures remain positive

Business progress

General assessment of the business and profits in 2012

High proportion of trade visitors at home and abroad

Positive business results abroad

Work completed on the basic structure of the lower halls at the CityCube Berlin

Merger of Messewelten GmbH with Messe Berlin GmbH

Launch of ExpoCenter Airport with the ILA as the debut event

Conventions

Situation of the company and the group

Operating results of Messe Berlin GmbH and the group

In-house events

Congresses and guest events

Subsidiaries at home and abroad

Service companies

Special factors affecting the operating results Financial and assets situation

Risk management

Risk policy

Risk management system

Risk areas

Future prospects, opportunities and risks associated with future expansion

Marketing the exhibition grounds at Berlin ExpoCenter Airport

Opening of the CityCube Berlin

Risks associated with the exhibition grounds

Basic agreement

Planning basis for expected development of business

Expected development of the economic situation

Expected development of business and earnings

Expected financial and assets situation

Addendum

Messe Berlin – the company

In terms of turnover, Messe Berlin is among the world's ten leading trade fair companies and has been operating on the market for trade fairs and congresses since 1822. Over 100 regional, national and international events, organised in-house and externally, take place annually on the Berlin Exhibition Grounds in Germany and at venues around the world.

The Berlin Exhibition Grounds (ExpoCenter City – ECC) cover an overall area of 160,000 square metres in size. They include the International Congress Center Berlin (ICC Berlin), Europe's largest and multi-award winning conference venue. The grounds are leased from the Land of Berlin, the main shareholder in Messe Berlin GmbH. Located in Selchow next door to Berlin/Brandenburg BER, the capital's future airport, a new exhibition and event venue was established in June 2012 (ExpoCenter Airport – ECA). These grounds feature temporary hall space of up to 50,000 square metres and an outdoor display area of up to 129,000 square metres in size. Messe Berlin GmbH is the owner of three permanent halls covering 21,000 square metres, which are available for rent, and is the sole lessee of the grounds in Selchow.

Messe Berlin is a service-oriented and professional all-round service provider which offers its exhibitors and visitors a comprehensive range of services as well as expert and individual support at the venues in question. In addition to competent teams with long years of experience in the trade fair and congress business, individual Messe Berlin departments and subsidiaries provide services for exhibitors and visitors. They include areas such as stand construction, ticketing, catering and technical services tailored to the needs of individual events. Messe Berlin has an international network of 85 foreign representatives at its disposal in more than 150 countries.

As a company that operates worldwide Messe Berlin is conscious of its social and environmental responsibilities and takes care to protect resources in all the activities it undertakes. Its management principles are based on the responsible and sustainable creation of added value. The management regards the trust which its customers and the general public place in it as fundamental to its aims of increasing the long-term value of the company. Messe Berlin abides by internal regulations based on a code of conduct with which it aims to prevent legal infractions such as corruption and to minimise potential non-compliance risks affecting the company.

Preliminary remarks

Overall economic situation

Slowdown in trade fair market growth in 2012, however figures remain positive

Due to a slowdown in economic growth and as a result of the eurozone crisis the overall economic situation has worsened. Despite this, based on the information currently available, the Association of the German Trade Fair Industry (AUMA) expects the 2012 statistics for exhibitors and rented floor space to reveal marginal growth in both areas. The decline in economic output in parts of southern Europe and the corresponding drop in consumption and investment is offset by positive growth in eastern Asia. According to preliminary statistics collected by AUMA, in 2012 161 trade fairs took place attended by some 180,000 exhibitors, 1.5 % more than at corresponding events in previous years (2011: +3.1 %). At +2.5 %, the increase in the number of foreign exhibitors was above average. Germany's relatively positive climate for consumers and investment attracted foreign industry. At 0.5 %, domestic participation in trade fairs rose only marginally.

In 2012 the amount of floor space rented out – the key factor in determining a trade fair company's turnover – was around 7 million square metres, 1.5 % more than at corresponding previous events. The current data available indicates that overall attendance at trade fairs was approximately 1 % below the figure for corresponding previous events. According to AUMA this does not indicate a long-term trend, but instead reflects the problems of a number of individual industries.

Business progress

General assessment of the business and profits in 2012

In the financial year 2012 the Messe Berlin group achieved a turnover of EUR 247 million, the highest in the company's history to date. In particular, leading events such as the International Green Week, Fruit Logistica, ITB Berlin, IFA and InnoTrans strengthened their position in the market. Compared with the financial year 2010, a year packed with events, the group's turnover rose by approximately EUR 30 million, an increase of around 14 %. The turnover target was exceeded by around EUR 17 million. At EUR 7.6 million before tax, the group's earnings target was exceeded by 2.4 million. Thus, compared with the financial year 2010, earnings before tax increased by 4.1 %.

From 2011 to 2012 the amount of rented floor space rose by 9.9 %, exhibitor numbers increased by around 13.1 % and visitor attendance grew by approximately 18.7 %. Taking 2010 as the base year, which because of Messe Berlin's events schedule is a meaningful point of reference, figures also improved in every key area. Thus, the amount of rented floor space rose by around 4.3 %, while exhibitor numbers increased by approximately 1.6 % and attendance grew by around 2.3 %.

High proportion of trade visitors at home and abroad

In 2012 more than 1.8 million visitors attended the in-house and guest events held at Messe Berlin. As in previous years, the proportion of foreign trade visitors remained consistently high. Two-thirds of the more than 650,000 trade visitors came from abroad.

Positive business results abroad

Messe Berlin's business results abroad were equally positive. In Asia, a growth market, both ITB Asia in Singapore (+13.2 % rented floor space compared with 2011) and Asia Fruit Logistica in Hong Kong (+8.8 % rented floor space) were able to strengthen their position as market leaders.

Work completed on the basic structure of the lower halls at the CityCube Berlin

Messe Berlin is expanding its existing hall capacity with the construction of the CityCube Berlin, a new congress hall suitable also for exhibitions, on the site of the former Deutschlandhalle next to the south entrance of the grounds. Demolition work on the Deutschlandhalle, which had commenced in the financial year 2011, was completed in March 2012. In April 2012 excavation work began in preparation for construction of the CityCube Berlin. Currently, most of the work on the lower halls has been completed.

Merger of Messewelten GmbH with Messe Berlin GmbH

In August 2012 the decision was taken to merge Messewelten GmbH with Messe Berlin GmbH, with retroactive effect from 01 January 2012. In autumn 2012, for the first time, Messe Berlin GmbH organised Boat & Fun as an in-house event. This event had previously been held by Messewelten GmbH.

Launch of ExpoCenter Airport with the ILA as the debut event

In the financial year 2011 ExpoCenter Airport Berlin Brandenburg GmbH, in which Messe Berlin GmbH holds 50 % of shares along with ZukunftsAgentur Brandenburg GmbH, began construction of ECA, the new exhibition grounds next door to Berlin/Brandenburg BER, the capital's future airport. Featuring three permanent halls built by Messe Berlin, the venue was completed on time in June 2012. September 2012 witnessed the inauguration of the grounds with the holding of the ILA Berlin Air Show.

Due to the indefinite postponement at short notice of the opening of the capital's new airport BER, originally scheduled for June 2012, the fashion show PANORAMA, which had previously been intended as the July 2012 debut event, was moved to January 2013.

Conventions

For more than 33 years the ICC Berlin has successfully played host to large-scale international congresses and other events. Consequently, Europe's largest congress centre has been the nine-time recipient of the World Travel Award as well as other accolades. As of November 2012 Messe Berlin Conventions became the division responsible for the company's congress business. Following the closure of the ICC Berlin, which requires restoration work, starting in early 2014 the CityCube Berlin will take on the market as Berlin's new venue for trade fairs and congresses.

Operating results of Messe Berlin GmbH and the group

Compared with business in the financial year 2011 there was a marked improvement in the operating results of Messe Berlin. As well as being due to the many events scheduled in 2012 this was also because of the very good progress made by the group's leading international fairs. Parallel with these positive developments the subsidiaries also reported better results than originally planned and in comparison with 2011. Compared with 2011, group turnover rose to EUR 246.8 million, an increase of 35.5 %. Expenditure on materials rose slightly disproportionately, to EUR 158.8 million, an increase of 37.7 %.

The wage increases that took place during the course of the financial year were reflected in a 3.6 % rise in personnel costs. The operative results before interest, write-downs and tax rose to EUR 14.3 million, an increase of EUR 5.6 million. (64.4 %). The annual results rose significantly, reaching EUR 5.4 million. The group's earnings before interest, tax, depreciation and amortisation (EBITDA) rose to 5.8 %, an increase of 1 %.

Messe Berlin group	2012	2011	Comparison of changes (prev. year)	
	mi. €	mi. €	mi. €	%
Sales revenues	246.8	182.1	64.7	35.5
Change in holdings				
Incomplete services	0.0	-0.1	0.1	100.0
Other operating revenues	6.5	6.2	0.3	4.8
Expenditure on materials	-158.8	-115.3	-43.5	37.7
Personnel costs	-46.6	-45.0	-1.6	3.6
Other operating expenditure	-33.6	-19.2	-14.4	75.0
EBITDA	14.3	8.7	5.6	64.4

Depreciation on assets	-4.8	-6.0	1.2	-20
Interest income	-1.3	-0.5	-0.8	> 100.0
Taxes	-2.2	-1.1	-1.1	100.0
Minority earnings	-0.6	-0.7	0.1	-14.3
Jahresergebnis	5.4	0.4	5.0	> 100.0
EBITDA as % of turnover	5.8%	4.8%		

Messe Berlin GmbH, the parent company of the group, is responsible for the main share of turnover and results. Messe Berlin generated approximately 70 % of the group's turnover and around 85 % of its results. Compared with 2011, Messe Berlin's profits increased by 2.3 %.

Messe Berlin GmbH	2012	2011	Comparison of changes (prev. year)	
	mi. €	mi. €	mi. €	%
Sales revenues	171.9	128.2	43.7	34.1
Other operating revenues	8.3	7.2	1.1	15.3
Material costs	-120.8	-91.3	-29.5	32.3
Personnel costs	-26.6	-25.8	-0.8	3.1
Other operating costs	-32.1	-20.1	-12.0	59.7
Income from investments	9.5	6.4	3.1	48.4
EBITDA	10.2	4.6	5.6	> 100.0
Depreciation on assets	-3.7	-4.4	0.7	-15.9
Interest income	-0.8	-0.4	-0.4	50.0
Extraordinary income	0.2	0.0	0.2	> 100.0
Taxes	-1.3	0.0	-1.3	> 100.0
Annual results	4.6	-0.2	4.8	> 100.0
EBITDA as % of turnover	5.9%	3.6%		

In-house events

In the financial year 2012 Messe Berlin held a total of 16 in-house events (group total 28), which generated sales revenues from floor space rentals and admissions equalling EUR 102 million (for Messe Berlin) and EUR 113 million (for the group). The company's leading trade fairs made the most significant contribution to turnover. They were: IFA – Consumer Electronics Unlimited and InnoTrans – the International Trade Fair for Transport Technology, Innovative Components, Vehicles and Systems, followed by the International Tourism Exchange ITB Berlin and Fruit Logistica – the International Trade Fair for Fruit and Vegetable Marketing. InnoTrans and IFA generated results which significantly exceeded the forecasts. The cancellation of PANORAMA, whose scheduled debut was postponed due to the delayed opening of BER, had a negative impact with an ensuing earnings loss of EUR 3.0 million.

The ILA Berlin Air Show 2012 passed its test with flying colours at ExpoCenter Airport, the new exhibition grounds. 1,234 international aerospace companies exhibited their products and services in display halls covering 50,000 m², on an outdoor display site measuring 100,000 m², as well as in 45 chalets. Exhibitors and trade visitors were highly satisfied with the exhibition grounds, logistics and transport links. The compact layout of the halls, with sections in close proximity to one another, was a feature that was well received. Higher safety requirements, complex approval procedures, additional surfacing and numerous installations, resulting from the delayed opening of BER, were the main reasons for cost overruns in this area.

Congresses and guest events

The group's congresses and guest events generated a turnover and contribution margin that exceeded the forecasts.

225,000 participants attended the 511 congresses, conferences and shows of Messe Berlin GmbH. Around 70 % of the 147,000 delegates who took part in the congresses came from abroad. Events were held at the ICC Berlin, Palais am Funkturm and Marshall Haus, all established venues, as well as at the multi-purpose exhibition halls on the southern section of the grounds. Europe's largest rheumatology congress (EULAR) and the annual conference of the European Association for the Study of Diabetes (EASD) took place here.

More than 200,000 visitors attended the 38 guest events held on the Berlin Exhibition Grounds in 2012. The events organised by the Congress Division are extremely diverse and include highly specialised trade fairs such as CWIEME Berlin, the world's largest coil winding exhibition, Einstieg Berlin, an event for career starters, Cosmetics, and MINERALIS, an international exchange for minerals, fossils and jewellery. Among the events which debuted in 2012 were the European Attraction Show and ASIA APPAREL Expo – BERLIN.

Subsidiaries at home and abroad

In 2012 the K.I.T Group GmbH and its subsidiaries generated an annual turnover of EUR 35.3 million, thereby exceeding the forecasts by EUR 6.7 million. One of the highlights of the financial year 2012 was the organisation of the public viewing event at the European Football Championship on Berlin's Straße des 17. Juni. The K.I.T. group's turnover abroad was EUR 10.1 million.

Turnover abroad for the Messe Berlin group reached a total of EUR 18.6 million, an increase of around 35.4 %. Among the group's most successful in-house events abroad were ITB ASIA in Singapore and ASIA FRUIT LOGISTICA in Hong Kong.

Service companies

ExpoCenter Airport Berlin Brandenburg GmbH, a subsidiary, purchases and commercially exploits properties in the vicinity of Berlin/Brandenburg BER, the new airport, develops these properties and leases them for exhibitions and other events. Messe Berlin has signed an operating agreement with ExpoCenter Airport Berlin Brandenburg GmbH. The turnover (EUR 1.6 million) and results (TEUR 42) generated by ExpoCenter Airport Berlin Brandenburg GmbH are mainly the results of this operating agreement.

As a result of implementing cost savings, Capital Facility GmbH & Co. KG, the subsidiary mainly responsible for the technical maintenance of Messe Berlin's facilities, generated a turnover of EUR 1.4 million, a figure which exceeded the forecasts.

Parallel with the very positive results and success of the trade fair business in 2012, Capital Catering GmbH, the catering service subsidiary, and MB Capital Services GmbH (responsible for stand construction, marketing advertising space and sales of admission tickets) reported good turnover and an increase in results. Capital Catering GmbH generated a turnover of EUR 13.5 million and EUR 0.9 million in earnings before tax for Messe Berlin GmbH.

Capital Services GmbH attracted additional orders for stand construction and advertising space at IFA, ITB and InnoTrans, the group's leading trade fairs. Turnover in these areas exceeded the forecasts and reached EUR 3.6 million and EUR 1.0 million respectively. Overall, Capital Services GmbH and its subsidiary CSG Team GmbH generated EUR 25.2 million in sales revenues and annual results equalling EUR 4.9 million.

Special factors affecting the operating results

The high costs incurred by the maintenance and repairs on the exhibition grounds as well as the ICC Berlin continue to have an adverse effect on the results of Messe Berlin GmbH and the group.

Messe Berlin group	Actual 2012		
	Group total	of which real property	of which trade fairs and events
	mi. €	mi. €	mi. €
Sales revenues	247.0	16.2	230.8
Directly allocatable expenditure	-179.2	-39.6	-139.6
Contribution margin	67.8	-23.4	91.2
Personnel costs	-42.9	-17.9	-25.0
Other expenditure and income	-17.3	-8.7	-8.6
Earnings before tax (EBT)	7.6	-50.0	57.6

A rise in the costs incurred by maintenance and repairs and by the large number of events led to an increase in the reserves required to comply with maintenance obligations towards the lessor, the Land of Berlin, from EUR 8.7 million to EUR 24.7 million.

Financial and assets situation

The main factors influencing the financial situation in 2012 were the CityCube Berlin and Berlin ExpoCenter Airport construction projects.

The positive results achieved by the group totalling EUR 5.9 million (before minority interests), with write-downs amounting to EUR 4.8 million, an increase in reserves amounting to EUR 16.8 million as well as a reduction in other assets and increase in other liabilities amounting to EUR 0.8 million, produced a cash flow totalling EUR 26.7 million from ongoing business activities.

The expenditure on investments in fixed assets (minus EUR 28.2 million) resulted mainly from building measures on the CityCube Berlin (minus EUR 15.2 million) and payments during the

financial year necessary in order to complete the ExpoCenter Airport construction project (minus EUR 7.2 million). Overall, the financial capital of the group declined by EUR 2.1 million.

Group cash flow statement (summary)	2012	2011
	mi. €	mi. €
Cash flow from ongoing business activities	26.7	-1.9
Cash flow from investment activities	-28.1	-26.7
Cash flow from financing activities	-0.7	16.1
Changes in financial resources as cash item	-2.1	-12.5
Changes, due to consolidated entry, in financial resources as per 1 January	67.7	80.2
Financial resources as per 31 December	65.6	67.7

The financial resources of Messe Berlin (whose annual group surplus totalled EUR 4.6 million) increased by EUR 6.1 million due to the high cash flow resulting from ongoing business activities.

Messe Berlin GmbH cash flow statement (summary)	2012	2011
	mi. €	mi. €
Cash flow from current business activities	26.0	-4.7
Cash flow from investment activities	-19.9	-22.2
Cash flow from financing activities	0.0	8.0
Changes in financial resources as cash item	6.1	-18.9
Financial resources as per 1 January	40.9	59.8
Financial resources as per 31 December	47.0	40.9

The financial and assets situation of the group is as follows:

Messe Berlin group	2012	2011	Comparison of changes (prev. year)	
	mi. €	mi. €	mi. €	%
Long-term assets	83.4	60.0	23.4	39.0
Short-term assets	91.7	93.8	-2.1	-2.2
Assets	175.1	153.8	21.3	13.8
Equity capital	51.8	46.5	5.3	11.4
Long-term outside capital	35.1	35.7	-0.6	-1.7
Short-term outside capital	88.2	71.6	16.6	23.2
Liabilities	175.1	153.8	21.3	13.8

Due to investment in building projects the balance sheet total for the group rose by EUR 21.3 million. Long-term assets amounting to EUR 83.4 million are fully covered by equity capital amounting to EUR 51.8 million and long-term outside capital valued at EUR 35.1 million. The equity ratio has declined from 30.2 % to 29.6 %. The short-term assets amounting to EUR 91.7 million in particular concern claims from supplies and services (EUR 15.3 million), other assets (EUR 9.0 million) and liquid funds (EUR 65.6 million).

The group's long-term outside capital figures include long-term loans taken out to finance the building projects. These loans amount to EUR 25 million (EUR 8 million for Messe Berlin GmbH and EUR 17 million for ExpoCenter Airport Berlin Brandenburg GmbH, proportionately: EUR 8.5 million). The loans are earmarked for a specific purpose and are refinanced through KfW funding. All the loans are for 20 years and interest is charged at 3.49 % p.a. (fixed interest rate for 10 years) or 3.69 % (fixed interest rate for 20 years).

Due to investment activities the balance sheet total for Messe Berlin GmbH also rose by EUR 21.3 million. It amounts to EUR 150.5 million, EUR 79.1 million (53 %) of which are contained in assets. Financial assets account for EUR 10.9 million. The equity ratio figure for Messe Berlin GmbH is 34 % (2011: 36 %).

Risk policy

The business activities of Messe Berlin inevitably involve risks which despite great care cannot be entirely avoided. Messe Berlin's topmost priority where risk policy is concerned is to exploit existing opportunities and to only undertake such business risks as can be expected to reasonably contribute to the company's added value. The emphasis is on the avoidance of undue risks.

Risk management system

Regular confrontation with risk situations and the obligation to submit regular reports ensures that staff in higher positions gain a heightened awareness of their sense of duty. In order to identify, assess and document risks within the group Messe Berlin applies a standardised risk management system which is regularly reviewed to determine its efficacy and appropriateness.

The basic principles of the risk management system are laid down in an organisational directive. All main risks are classified at divisional and subsidiary level.

The findings obtained during the classification process form the basis for estimating current and future risk situations within the group. Risk management is an ongoing process. In addition to regular monthly reports, accompanied by a permanent, year-end extrapolation at all levels within the group, a half-yearly group risk report is submitted to the management and the Supervisory Board for certain individual risks, depending on their severity.

The development of risks within the group of companies is monitored using early warning indicators. Economic fluctuations are shown as risk factors affecting the business development. In the course of the annual economic planning process the various opportunities and risks associated with all future business activities are assessed and any changes in the market or in the competitive situation are taken into consideration. Entrepreneurial risks incurred when expanding business activities and in the course of new projects are only entered into if it is certain that they can be adequately controlled.

Risk areas

The typical risks faced by a trade fair company include exhibitor and visitor numbers that fail to meet expectations, pricing pressure at guest events and the loss of trade fairs to other venues. For Messe Berlin risks associated with the grounds and with construction work are of primary concern.

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

Marketing the exhibition grounds at Berlin ExpoCenter Airport

While the availability of the new exhibition venue with its direct proximity to the airport and city centre is expected to provide opportunities for Messe Berlin, the indefinite postponement of the opening of Berlin/Brandenburg BER, the capital's new airport, also presents a marketing risk.

The debut event of PANORAMA, the new fashion show, had to be rescheduled from July 2012 to January 2013. Money was invested in a marketing campaign and a shuttle service connecting Berlin Tegel Airport so that PANORAMA was able to successfully celebrate its January debut. At present, the indications are that it will again take place on the new exhibition grounds in July 2013. A further (guest) event has been secured for the period of August/September 2013. Rental agreements for minor events are being negotiated for 2013 as well as for 2014, when the ILA will be taking place at Berlin ExpoCenter Airport.

However, in order for any substantial bookings to be taken an announcement must be made that will set a definite date for commencement of operations at BER.

Opening of the CityCube Berlin

Construction of the new CityCube Berlin is going almost according to plan. According to the experts, the slight delay in completing the basic structure will have only a minor effect on the time schedule. The CityCube Berlin is due to be completed in the first quarter of 2014.

Parallel with the closure of the ICC Berlin in 2014 all congress events previously held there will move to the new hall. Thus, Messe Berlin will be able to ensure that high-quality, global-standard international congresses continue to take place even after the ICC Berlin has closed. Consequently, there is currently no perceptible risk that the congress business might lose some events due to the ICC closing.

The marketing campaign to attract business to the CityCube Berlin is going very well. Occupying some 33,000 square metres in all, its hall area covers more than 13,000 square metres and it features numerous smaller ancillary rooms for conferences. Bookings for large-scale medical congress have already been taken up to 2020.

In order to finance the CityCube Berlin the company plans to take out loans in the order of EUR 45 million. It is expected that with the current cost of construction and that of already awarded CityCube contracts the planned expenditure of EUR 76 million, plus additional services to speed up work, will be sufficient. Thus, any risk of construction cost overruns is regarded as relatively low.

Risks associated with the exhibition grounds

Among the unforeseeable risks potentially facing the company is that of restoration work becoming necessary on the ICC Berlin following technical damage. Due to the condition of the technical installations there is a possibility that urgent repairs in addition to the normal work otherwise necessary may be required in order to ensure that congress operations continue inside the building until the ICC's planned closure for restoration in early 2014.

Basic agreement

The basic agreement signed by the Land of Berlin and Messe Berlin, and which expired at the end of 2012, is to be renewed for another five years at the beginning of 2013. The new basic agreement will contain a number of important changes. In particular, the decision by the Land of Berlin to reduce the amount paid to Messe Berlin for a part-reduction in the cost of maintenance and repairs on the exhibition grounds by EUR 4 million p.a. to EUR 10 million is due to take effect. With the cost of maintaining the exhibition grounds rising annually this funding cut poses a serious challenge to Messe Berlin. The company's leading international trade fairs continue to flourish and the earnings they achieve in excess of forecasts will in part be able to offset this cut. However, significant cost savings must also be made at source, in particular where upkeep, restoration and repairs on the exhibition grounds are concerned.

Planning basis for the expected development of business

The future development of the earnings, finance and assets situation is being planned on the basis of assumptions that, at the present time, appear plausible and sufficiently probable, although the economic background is still one of great uncertainty. Consequently, the actual development may differ significantly from the assumptions already made, and from the ensuing planning and predicted trends.

Expected development of the economic situation

According to the Federal Ministry of Economics' 2013 business report the federal government's forecast for 2013 is for marginal growth at around 0.4 %. Following a weak start to the year, the German economy is predicted to grow considerably faster in the second half, so that year-on-year, the gross domestic product (GDP) in the last quarter of 2013 is forecast to exceed the 2012 figure by approximately 1.25 %. In 2013 the unemployment rate will be close to the previous year's figure, alternatively there may be a slight increase. The amount of disposable household income is forecast to rise by 2.3 %.

However, if as forecast by the Bundesbank the inflation rate is 0.8 %, then consumer spending power will reach only around 1.4 %.

According to the industry association AUMA, Germany's trade fair organisers are cautiously optimistic about the prospects of 2013 and expect trade fair results to remain similar to those at events in previous years.

Expected development of business and earnings

The 2013 events calendar features less trade fairs and congresses. Despite this, 2012 provided a good basis for business to continue successfully at Messe Berlin. Further growth opportunities will arise when operations commence at BER, the capital's major airport.

With less events scheduled in the financial year 2013, the Messe Berlin group expects group turnover to reach around EUR 183 million (Messe Berlin GmbH: approximately EUR 130 million) and a tax shortfall of around EUR 5.7 million (Messe Berlin GmbH: EUR minus 6,4 million).

In the financial year 2014, due to the cycle of events, turnover and results will increase compared with 2013. The company forecasts a group turnover figure of around EUR 241 million (Messe Berlin GmbH: approximately EUR 174 million) and earnings before tax of EUR 5.0 million (Messe Berlin GmbH: EUR 2.2 million).

Expected financial and assets situation

The cuts decided on by the Land of Berlin to reduce the amount paid to Messe Berlin for the cost of maintenance and repairs on the exhibition grounds by EUR 4 million p.a. as well as the construction projects undertaken by the group are the dominant factors that will determine how the financial and assets situation develops.

The group's balance sheet includes long-term loans amounting to EUR 16.5 million which serve to finance the exhibition grounds at ExpoCenter Airport. These loans will be paid back by the financial years 2014 and 2015. It is planned to take out further loans in the order of EUR 45 million in order to finance the construction of the CityCube Berlin in the first quarter of 2013. Corresponding agreements have already been negotiated. Thus, based on the current situation the company has sufficient liquid funds to meet the planning schedule under the prevailing economic conditions. No factors resulting from company operations are expected to impact on the financial situation in the new financial year.

Addendum

The International Green Week Berlin and Fruit Logistica, the first large-scale international trade fairs to take place in 2013, were a success.

Since 1 January 2013 no other events have taken place that could foreseeably exert a significant impact on the financial and assets situation and operating results of the Messe Berlin GmbH group.

28 February 2013

Raimund Hosch

Dr. Christian Göke

Group financial statement and annual statement for 2012

Group balance sheet
Messe Berlin GmbH
as of 31 December 2012

Assets	31. 12. 2012		31. 12. 2011	
	TEUR	TEUR	TEUR	TEUR
A. Capital assets				
I. Intangible assets				
1. Rights and licences acquired against payment	2,403		2,040	
2. Value as going concern	0		28	
3. Payments made on account	0	2,403	150	2,218
II. Fixed assets				
1. Land, titles to land, incl. buildings on other premises	50,007		27,502	
2. Technical installations and machinery	5,142		2,146	
3. Operating and business equipment	4,207		4,617	
4. Payments on account and installations under constr.	20,098	79,454	22,224	56,489
III. Financial assets				
1. Shares in associated companies	26		51	
2. Shareholdings	37		26	
3. Securities	42		42	
4. Payments made on account	1,400	1,505	1,200	1,319
		83,362		60,026
B. Liquid assets				
I. Stocks				
1. Raw, auxiliary and operating materials	727		191	
2. Work in progress	58		573	
3. Goods	149		155	
4. Payments made on account	781	1,715	2,917	3,836
II. Claims and other assets				
1. Claims from supplies and services	15,341		10,564	
2. Claims against partners	0		1,860	
3. Other assets	9,003	24,344	9,606	22,030
III. Cash in hand, balances with financial institutions		65,640		67,719
		91,699		93,585
C. Deferred revenue		24		125
D. Active balances from appointment of assets		34		41
		175,119		153,777

Liabilities	31. 12. 2012		31. 12. 2011	
	TEUR	TEUR	TEUR	TEUR
A. Equity capital				
I. Subscribed capital	20,708		20,708	
II. Capital reserves	12,578		12,578	
III. Other earnings reserves	109		109	
IV. Net group earnings	16,505		11,136	
V. Differences in equity capital resulting from currency conversion	41		23	
VI. Adjustment items for interests of other shareholders	1,791		1,949	
		51,732		46,503
B. Balance from capital consolidation		65		97
C. Special items contributions to assets		4,256		4,545
D. Provisions				
1. Provisions for pension or similar obligations	14,329		14,697	
2. Provisions for tax	1,993		1,210	
3. Other provisions	47,790		31,379	
		64,112		47,286
E. Liabilities				
1. Liabilities to financial institutions	16,502		16,500	
2. Down payments received on orders	24,339		25,935	
3. Liabilities from supplies and services	8,160		6,193	
4. Liabilities to companies with shared ownership	6		0	
5. Other liabilities (from taxes TEUR 897, prev. year TEUR 886, for social security TEUR 40, prev. year TEUR 45)	3,961		4,529	
		55,968		53,157
F. Deferred revenue		1,986		2,189
		175,119		153,777

Group profit and loss account
Messe Berlin GmbH
For the period from
1 January to 31 December
2012

	TEUR	2012 TEUR	TEUR	2011 TEUR
1. Sales revenues	246,751		182,087	
2. Increase (prev. year: reduction) in stock of work in progress	12		-103	
3. Other operating revenues (revenues from currency conversion TEUR 31 (prev. year TEUR 16))	6,473	253,236	6,217	188,201
4. Material costs				
a) Cost of raw, auxiliary and operating materials and goods brought in	-16,096		-12,906	
b) Cost of buying in services	-142,748	-158,844	-102,396	-115,302
5. Personnel costs				
a) Wages and salaries	-38,534		-36,158	
b) Social security contributions and costs for benefits (of which, for pensions TEUR 1,594, prev. year TEUR 2,886)	-8,011	-46,545	-8,876	-45,034
6. Write-downs on intangible assets and fixed assets		-4,771		-5,988
7. Other operating expenses (costs of currency conversion TEUR 48, prev. year TEUR 34)		-33,568		-19,270
8. Other interest and similar earnings		336		633
9. Interest and similar expenditures (of which costs from discounting provisions TEUR 1,078, prev. year TEUR 1,030)		-1,687		-1,105
10. Yield from normal business activities		8,157		2,135
11. Extraordinary earnings		0		1
12. Taxes from income and earnings		-2,223		-1,086
13. Other taxes		-14		-12
14. Annual group surplus		5,920		1,038
15. Profits share of other shareholders		-551		-661
16. Group profit		5,369		377
17. Profit carried over from previous year		11,136		10,759
18. Net group profit		16,505		11,136

Scope of equity capital for
the financial year 2012

	Subscribed capital	Capital reserve	Group equity generated	Currency conversion	Parent company's equity capital	Minorities' equity capital	Group equity capital
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
1. 1. 2012	20,708	12,578	10,868	0	44,154	1,665	45,819
Annual group surplus	0	0	377	0	377	660	1,037
Other results	0	0	0	23	23	0	23
Distribution of profits	0	0	0	0	0	-428	-428
Change in scope of consolidation	0	0	0	0	0	52	52
31. 12. 2012	20,708	12,578	11,245	23	44,554	1,949	46,503
Annual group surplus	0	0	5,369	0	5,369	551	5,920
Other results	0	0	0	18	18	0	18
Distribution of profits	0	0	0	0	0	-709	-709
Change in scope of consolidation	0	0	0	0	0	0	0
31 December 2012	20,708	12,578	16,614	41	49,941	1,791	51,732

Appendix 2012

Group and Messe Berlin GmbH

General details	1. Preliminary remarks 2. Consolidated entity 3. Consolidation principles
Balance sheet and assessment principles	4. Principles 5. Fixed assets 6. Liquid assets 7. Active balance from the capital account 8. Special items 9. Reserves and liabilities 10. Deferred taxes 11. Foreign currency conversion
Explanations regarding the balance sheets	12. Fixed assets 13. Accounts receivable and other assets 14. Active accruals and deferrals 15. Active balance from the capital account 16. Equity capital 17. Balance from the capital consolidation 18. Special items for investment subsidies 19. Reserves 20. Liabilities 21. Deferred taxes 22. Business not included in the balance sheet, contingencies and other financial liabilities 23. Business conducted with affiliated companies and persons
Explanations concerning the profit and loss accounts	24. Sales revenues 25. Other operating revenues 26. Staff 27. Write-downs 28. Extraordinary income 29. Taxes
Explanations regarding the cash flow statement and joint enterprises	30. Composition of the financial capital
Other explanations	31. Management and Supervisory Board 32. Total auditor's fee

Enclosure 1: Breakdown of share ownership
Enclosure 2: Development of the group's assets for the financial year 2012
Enclosure 3: Development of assets for the financial year 2012

Appendices

1. Preliminary remarks

The financial statement of Messe Berlin GmbH and the group financial statement are both explained below. Unless stated otherwise, the explanations pertain to both financial statements. The presentation currency is the euro (EUR). Unless stated otherwise, all amounts in this report are shown in thousands of euros (TEUR).

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

The annual and group financial statement prepared by Messe Berlin have been submitted to the Operator of the electronic Bundesanzeiger (Federal Gazette) and have been published in the Bundesanzeiger.

The purpose of the company Messe Berlin GmbH is to organise, stage and provide support for trade fairs, exhibitions, congresses and meetings, sporting and entertainment events in order to strengthen Berlin's position at home and abroad as a venue for trade fairs and similar events, and participation in events of this kind and all the activities associated with such business.

2. Consolidated entity

Along with Messe Berlin GmbH the group financial statement also includes eleven domestic and two foreign companies (previous year: twelve domestic and two foreign subsidiaries), on which Messe Berlin GmbH has the power to exert a direct or indirect controlling influence. As part of a process of full consolidation the following companies are included in the group financial statement:

General details

Capital Catering GmbH, Berlin MB Capital Services GmbH, Berlin CSG-Team GmbH, Berlin
Capital Facility GmbH & Co KG, Berlin
MW Messe-, Ausstellungs- und Dienstleistungsgesellschaft Wolfsburg mbH, Wolfsburg FVF
Messe-Event AG, Frauenfeld, Switzerland
E.G.E. European Green Exhibition GmbH, Berlin
MAZ Messe- und Ausstellungszentrum Mühlengiez GmbH, Mühlengiez Global Produce
Event GmbH, Berlin
K.I.T. Group GmbH, Berlin
Festival Technical Event Management GmbH, Berlin
K.I.T. Group GmbH Dresden, Dresden
Messe Berlin (Singapore) Pte. Ltd., Singapore

Messe Berlin GmbH holds a 50 % stake in ExpoCenter Airport Berlin Brandenburg GmbH,
Schönefeld (formerly Messeimmobilien Selchow GmbH, Schönefeld). The company is
included proportionately in the group financial statement.

Due to the merger with retroactive effect from 1 January 2012 of Messewelten GmbH
Berlin with Messe Berlin GmbH it no longer forms part of the consolidated entity.

In accordance with the right of choice permitted under § 296 Section 2 of the Commercial
Code (HGB) it was decided to not include Capital Facility Beteiligungsgesellschaft mbH,
Berlin. In accordance with § 311 Section 2 HGB it was decided not to include the WHS Foun-
dation GmbH, Berlin, in its role as an associated company. Both companies are of secondary
importance as far as presenting the group's financial and assets situation and operating
results is concerned.

A breakdown of share ownership in subsidiaries of Messe Berlin GmbH is included in the
appendix.

3. Consolidation principles

The balance sheet date for all the companies included in the group statement is
31 December 2012. The initial consolidation must take place at a time when the possibility
for control of the assets and of the financial and operative actions of the acquired company
passes to the group.

The balance sheets of the companies forming the consolidated entity have been put
together uniformly in accordance with balance sheet and assessment methods determined
by the parent company.

Capital consolidation takes place in accordance with the re-assessment method. This involves
offsetting the stated amounts of the shares held by the respective parent company against
the time values of the subsidiary company's assets and liabilities, which are to be included in
the group statement. The difference remaining after offsetting, if it comprises assets, is
shown as goodwill, and is written off over the anticipated period of use or at the value to
be adjusted on the balance sheet date. Negative balances are recognised as income in a
scheduled procedure, provided that expected losses or expenditure do not mitigate against
liquidation.

For companies first consolidated before 1 January 2009 the book value method is retained
for the capital consolidation (§ 301 Section 1 p. 2 No. 1 a. F. HGB).

Accounts receivable, liabilities, expenditure and earnings between the companies involved
are eliminated. To this extent interim results are largely subtracted out.

With the exception of equity capital, a statement in a foreign currency is converted into
euros at the exchange rate in force on the reference date of the statement. The foreign
company's equity capital (subscribed capital, reserves, profit or loss carried forward) is con-
verted at the historic rate at the time of first inclusion of the subsidiary in the group finan-
cial statement. The profit and loss account items are converted into euros at the mean
exchange rate. In the conversion of equity capital, differences arising from changes in the
exchange rate since the previous year are listed separately, recognised directly in equity,
under the item 'Differences in equity capital resulting from currency conversion'.

4. Principles

The balance sheets for all the companies included in the group have been put together
uniformly in accordance with the balance sheet and assessment methods employed by Messe
Berlin GmbH, while taking ongoing business activities into account. The balance sheet and
assessment methods applied in previous years have remained unchanged, with the following
exception.

In the previous year's balance sheet the interest on outside capital that served to finance the
construction of the exhibition grounds at ExpoCenter Airport Berlin Brandenburg GmbH was
reported in accordance with § 255 Section 3 Line 2 HGB.

In order to conform with the group's uniform balance sheet guidelines, as of the financial
year 2012 no further use is made of the option to report interest on outside capital. In the
financial year 2012 this interest figure was TEUR 305 (previous year: TEUR 140).

Balance sheet and assessment principles

5. Fixed assets

Intangible assets acquired by payment and tangible assets are entered on the balance sheet at their initial cost. If a long-term reduction in value is anticipated then a lower value will be entered on the reference date of the financial statement. Depreciable assets are written down linearly over their period of use. Accruals are written down on a pro rata temporis basis.

A fixed value is set for small catering items which are regularly replaced and are of secondary importance compared with the overall value. The principles defined by § 6 Section 2 EStG or § 6 Section 2a EStG are applied to small-value items. Depreciable goods and chattels with a purchase cost not exceeding EUR 410 are written down in full in the year under review. Low-value, fixed-asset items costing between EUR 150 and EUR 1,000 which from 2008 to 2010 were included as a compound item are written down over a period of five years.

Financial assets are shown on the balance sheet at the initial cost or at an adjusted, lower value on the reference date of the financial statement.

6. Liquid assets

Raw, auxiliary and operating materials as well as goods are assessed at their initial cost or lower adjusted value on the reference date of the financial statement and incomplete deliverables are assessed at the manufacturing cost. The production costs for future events comprise quantifiable, directly allocatable individual costs (material and individual manufacturing costs) as well as reasonable, combined manufacturing costs. General costs not related to production are not capitalised.

Receivables and other assets are shown on the balance sheet at a nominal value or at their initial cost or at an adjusted, lower value on the reference date of the financial statement. Individual risks are taken into account by means of reasonable adjustments in value.

Securities are shown on the balance sheet at their initial cost or at an adjusted, lower value.

Provided securities are not accessible to all other creditors and serve only to cover debts from pension liabilities or similar long-term liabilities, then these are offset against the corresponding liabilities.

Financial resources encompass cash holdings, bank balances and cheques and are shown on the balance sheet either at a nominal value or at an adjusted lower value on the reference date of the financial statement.

7. Active balance from the capital account

Credit surpluses from offsetting assets against corresponding liabilities are shown. The assets are not accessible to all other creditors and are rated according to a time value. Accruing earnings and expenditure are also offset accordingly.

8. Special items

Public investment subsidies, intended for the purchase of tangible assets, are shown. The special items are written off as recognised income over the period of use of the subsidised assets.

9. Reserves and liabilities

Reserves for pensions and similar liabilities are assessed on the basis of actuarial calculations in accordance with the projected unit credit method, taking into account future remuneration and pension adjustments.

Tax provisions and other provisions equivalent to the required settlement amount are made in accordance with the principles of a rational commercial assessment for uncertain liabilities and the threat of losses from pending business (taking into account future price and cost increases). All foreseeable risks and uncertain liabilities are taken into account. Liabilities with a residual time to maturity of more than one year are subject to interest for the time remaining until maturity at the average market rate of interest.

Liabilities are fixed in accordance with the settlement amount.

10. Deferred taxes

Deferred taxes are determined using the temporary differences between the estimates in the balance of trade and the fiscal valuation and losses brought forward. Deferred tax assets and liabilities are offset as a sum total; a resulting deferred tax asset surplus is not applied. This also applies to deferred tax assets in the group financial statement.

11. Foreign currency conversion

Assets and liabilities shown in foreign currencies are converted at the mean exchange range in effect on the reference date of the financial statement. In accordance with § 256a HGBF, for a residual time to maturity of one year or less, the initial cost principle and the realisation principle are not applied.

Explanations regarding the balance sheets

12. Fixed assets

A breakdown of the asset items and their development in 2012, as summarised in the Messe Berlin balance sheet and the consolidated balance sheet, is shown in the respective fixed assets schedule. A list showing share ownership as of 31 December 2012 is included in the appendix.

With retroactive effect from 1 January 2012, on the basis of the merger agreement dated 2 July 2012, Messewelten GmbH, with its headquarters in Berlin, was merged with Messe Berlin GmbH through the assignment of its assets as a result of its liquidation. The resulting profits from the merger, amounting to TEUR 199, are shown as 'extraordinary income' of Messe Berlin GmbH.

In accordance with the agreement dated 13 June 2012, 57.5 % of the shares in WHS Foundation GmbH were sold. The shares remaining with Messe Berlin GmbH are included under 'shareholdings'.

Accruals to the financial assets of Messe Berlin GmbH consist mainly of a contractually agreed variable payment of TEUR 235 for shares in K.I.T. Group GmbH and of a further advance payment of TEUR 200 for the purchase of additional shares in K.I.T. Group GmbH. Shares in Messewelten GmbH amounting to TEUR 255 (due to the merger) and Berlin Fashion Week GmbH amounting to TEUR 13 (due to liquidation) are no longer included.

The main accruals to the intangible assets, including transfers, concern Messe Berlin GmbH's purchase of three IT products, namely for intranet maintenance, a service management tool, and an internet-based web shop enabling exhibitors to place orders (total: TEUR 796), which are each written down linearly over a period of five years.

The main accruals to the tangible assets concern advance payments and investments in construction and are a result of the construction work carried out by Messe Berlin GmbH on the City Cube Berlin (TEUR 17,465).

The financial year 2012 witnessed the completion of the principal construction projects forming part of the ongoing development of the exhibition grounds at ExpoCenter Airport. This is reflected in Messe Berlin figures for the three newly constructed permanent display halls (TEUR 16,304), which are included under 'Buildings on other premises'.

Within the group, the tangible assets of ExpoCenter Airport Berlin Brandenburg GmbH contain three major elements: expenditure on the development of the grounds and associated

spending on compensation and providing alternative measures. These items are summarised under 'Land, titles to land' (TEUR 1,789) and are written down linearly over the 50-year period of the building lease agreement.

The figures for the buildings constructed on the exhibition grounds are included under 'Buildings on other premises' and consist primarily of static display areas, asphalt surfaces and green areas totalling TEUR 5,769.

The item 'Technical installations and machinery' includes the installations supplying water to the grounds (TEUR 1,854) and expenditure on the electrical and IT systems on the grounds (TEUR 1,412).

13. Accounts receivable and other assets

Receivables and other assets of Messe Berlin GmbH (TEUR 24,386, previous year TEUR 25,447) all have a residual time to maturity of less than one year.

Within the group (TEUR 24,344, previous year TEUR 22,030) other assets amounting to TEUR 105 (previous year TEUR 69) with a residual time to maturity of more than one year are shown.

Claims against affiliated companies of Messe Berlin GmbH amounting to TEUR 6,233 (previous year TEUR 7,538) result mainly from the transfer of subsidiaries' earnings.

As in previous years, the other assets of Messe Berlin GmbH amounting to TEUR 7,372 (previous year TEUR 8,326) consist predominantly of advances (TEUR 5,937, previous year TEUR 4,732) and claims made against tax offices (TEUR 1,132, previous year TEUR 3,119).

14. Active accruals and deferrals

The active accruals and deferrals in the group (TEUR 125, previous year TEUR 189) consist exclusively of the payments for expenses for a specific period following the balance sheet date.

15. Active balance from the capital account

The active balance from the capital account consists of an active surplus amounting to TEUR 34 (previous year TEUR 41), which results from offsetting the fund assets of Capital Facility GmbH & Co. KG with a time value of TEUR 189 (previous year TEUR 240), which is not

accessible to any other creditors, and was offset against liabilities from long-term accounts for hours worked amounting to TEUR 154 (previous year TEUR 199).

16. Equity capital

The changes to the group's equity capital including the shares held by other partners are shown in the group equity capital schedule.

The cumulative, earned capital shows the earnings of the companies included in the group financial statement, unless these have been distributed.

The shares held by other partners (TEUR 1,791, previous year TEUR 1,949) refer to the original share capital and the share on the profits held by minority shareholders in E.G.E European Green Exhibition GmbH, Global Produce GmbH, K.I.T Group GmbH and F.V.F. Messe-Event AG.

Conversion of the equity capital in Singapore dollars in the financial statement of Messe Berlin (Singapore) Pte. Ltd. and of Swiss francs in the financial statement of FVF Messe-Event AG reveals a difference amounting to TEUR 41. The difference, which does not affect net income, is shown under 'Equity capital'.

17. Balance from the capital consolidation

A negative balance previously amounting to TEUR 130 arose from the initial capital consolidation of the subsidiaries of K.I.T. Group GmbH and will be liquidated as planned over a period of four years. The year under review includes other operating earnings amounting to TEUR 32. As of 31 December 2012 the balance sheet includes TEUR 65 (previous year TEUR 97).

18. Special items for investment subsidies

Public financing assistance as part of the regional economic development scheme for investment projects is shown here. The special item is liquidated linearly over the period of use of the investment and applies to its full extent to Messe Berlin GmbH.

19. Reserves

The reserves shown in the group for pensions (TEUR 14,329, previous year TEUR 14,697) were created to meet liabilities arising from rights to future pensions and to current

benefits payable to former and active employees of Messe Berlin GmbH and Capital Facility GmbH & Co. KG as well as for their surviving dependents.

These liabilities are based on individual and collective agreements. The assessment of the pension liabilities has been obtained using the projected-unit credit (PUC) method. The reserves were calculated on the basis of an actuarial interest rate of 5.05 % p.a. (previous year 5.13 % p.a.) and an upward trend in pensions and wages of 2 % p.a. and 3 % p.a. respectively (previous year 2 % p.a. and 3 % p.a.). The life expectancy was obtained according to the actuarial tables 2005 G prepared by Dr. Klaus Heubeck.

Interest components from pensions amounting to TEUR 610 (previous year TEUR 822) for the unconsolidated financial statement and TEUR 847 (previous year TEUR 915) for the group are shown as interest expenditures in the profit and loss statement.

The tax provisions shown in the group statement amounting to TEUR 1,993 (previous year TEUR 1,210) result mainly from corporation tax and trade tax. In addition, tax provisions from foreign tax on earnings amounting to TEUR 106 (previous year TEUR 189) are also shown.

The other reserves take into account all identifiable legal and de facto obligations to third parties, which are likely to be met and for which the amounts can be reliably estimated.

They include in particular the maintenance obligations arising from the lease agreement with the Land of Berlin (TEUR 24,739 for Messe Berlin GmbH), provisions for the threat of losses (TEUR 9,464 for Messe Berlin GmbH, TEUR 9,483 for the group), outstanding suppliers' invoices (TEUR 4,400 for Messe Berlin GmbH, TEUR 6,431 for the group) provisions for holiday and leisure time due (TEUR 1,747 for Messe Berlin GmbH, TEUR 2,136 for the group), provisions to cover part time allowances for older employees (TEUR 147 for Messe Berlin GmbH, TEUR 328 for the group) and provisions for long-term deposits (TEUR 367 for Messe Berlin).

The calculation of the provisions to cover part time allowances for older employees in the group is in accordance with § 253 Section 2 Line 1 HGB and is based on a bank lending rate of 3.95 % p.a. (previous year 4.09 %) for Messe Berlin GmbH and 5.05 % p.a. for Capital Facility GmbH & Co. KG and wage increases calculated at 3.0 % p.a. The provisions for long-term deposits (accounts for hours worked) were calculated with a bank lending rate of 5.05 % (previous year 5.13 %) and a future wages trend of 3.0 % p.a. in accordance with the projected unit credit method.

In the unconsolidated financial statement of Messe Berlin GmbH long-term personnel obligations are offset against assets amounting to TEUR 4,413 (TEUR 891 for pension liabilities and TEUR 3,522 for other provisions). In the group financial statement of Messe Berlin GmbH long-term personnel obligations are offset against assets amounting to TEUR 4,635 (TEUR 891 for pension liabilities and TEUR 3,744 for other provisions).

Allocated amounts in accordance with § 246 Section 2 Line 2 HGB:	Group 2012 in TEUR	Messe Berlin GmbH 2012 in TEUR
Amounts allocated for liabilities		
Pension liabilities	15,220	11,280
Long-term accounts for hours worked	2,483	2,279
Early retirement scheme liabilities	2,007	1,758
Initial cost of assets		
Pension obligations	891	891
Long-term accounts for hours worked	2,098	1,912
Early retirement scheme liabilities	1,678	1,611
Adjusted value of the assets		
Pension liabilities	891	891
Long-term accounts for hours worked	2,066	1,912
Early retirement scheme liabilities	1,678	1,610
Allocated expenditure		
Pension liabilities	847	610
Long-term accounts for hours worked	118	108
Early retirement scheme liabilities	113	102
Allocated income		
Pension liabilities	0	0
Long-term accounts for hours worked	2	0
Early retirement scheme liabilities	30	29

The adjusted time value corresponds to the asset value of reinsurance or in the case of stock market funds, their market value as of 31 December 2012.

20. Liabilities

Within the group the financial liabilities to financial institutions amount to TEUR 16,502 (previous year TEUR 16,500).

Last year, in order to finance the development and construction of the exhibition grounds at Selchow (ExpoCenter Airport), as of 4 November 2011 ExpoCenter Airport Berlin Brandenburg GmbH (formerly Messeimmobilien Selchow GmbH, Schönefeld), took out two loans of TEUR 8,500 each (totalling TEUR 17,000). Die ExpoCenter Airport Berlin Brandenburg GmbH is shown in the group financial statement with a share of 50 %.

Last year, in order to finance the construction of display halls on the exhibition grounds at Selchow, as of 7 November 2011 Messe Berlin GmbH also took out a loan of TEUR 8,000.

All the loans are for 20 years and interest is charged at 3.49 % p.a. (fixed interest rate for 10 years) and 3.69 % p.a. respectively (fixed interest rate for 20 years).

The loans have been earmarked for a specific purpose and refinanced through KFW funding. All the above loans mature on 31 March 2015 at the earliest.

TEUR 2 of the group's total obligations to credit institutes have a residual time to maturity of up to one year and TEUR 13,588 have a residual time to maturity of more than five years.

TEUR 6,588 of the total obligations to credit institutes of Messe Berlin GmbH have a residual time to maturity of more than five years.

In addition, TEUR 21,005 (previous year TEUR 22,366) of payments on account are shown for Messe Berlin GmbH and correspondingly TEUR 24,339 (previous year TEUR 25,935) for the group. The group's liabilities from supplies and services amount to TEUR 8,160 (previous year TEUR 6,193) and those of Messe Berlin GmbH to TEUR 6,485 (previous year TEUR 4,669). In each case the residual time to maturity is a maximum of one year.

Of the other liabilities amounting to TEUR 1,615 (previous year TEUR 1,329) in the unconsolidated financial statement and TEUR 3,961 (previous year TEUR 4,529) for the group, Messe Berlin tax liabilities amount to TEUR 470 (previous year: TEUR 342) and group tax liabilities amount to TEUR 897 (previous year TEUR 886), while Messe Berlin social security liabilities amount to TEUR 3 (previous year TEUR 2) and group social security liabilities amount to TEUR 40 (previous year TEUR 45). All other liabilities of Messe Berlin GmbH have a residual time to maturity of a maximum of one year. For the group other liabilities amount to TEUR 545, with a residual time to maturity of between one and five years.

21. Deferred taxes

For Messe Berlin GmbH, as of 31 December 2012 active deferred taxes are listed resulting from the temporary differences between the balance of trade and tax balance sheets.

Messe Berlin GmbH	31.12.2012		31.12.2011	
	Deferred tax assets ¹	Deferred tax liabilities ¹	Deferred tax assets ¹	Deferred tax liabilities ¹
	TEUR	TEUR	TEUR	TEUR
Long-term assets	629		214	
Short-term assets	855		1,408	
Long-term debts	459		499	
Short-term debts	1,790		1,420	1,458
Losses carried forward	1,462		2,682	
Sub-total	5,195		6,223	1,458
Balance			1,458	
Total	5,195	0	4,765	0

¹ Assessment rates: corporation tax - 15.83 %; trade tax - 14.35 %

In making the calculation only losses carried forward, for which there is sufficient certainty that they can be utilised, are taken into consideration (forecast period 5 years). Companies based in Germany with the legal form of an incorporated company are subject to corporation tax of 15 % and a solidarity surcharge of 5.5 % on any corporation tax owed. In addition such companies are subject to trade tax, the rate being determined in accordance with the local rate of assessment (rate in Berlin for 2011: 410 %). These rates are used as the basis for the calculation.

For Messe Berlin GmbH temporary differences between the book values in the commercial balance sheet and the tax balance sheet exist, amounting to TEUR 12,933 (previous year EUR 7,539), as well as taxation losses amounting to around EUR 55 million (previous year EUR 61 million).

For the group the temporary differences amount to TEUR 14,160 (previous year TEUR 8,674).

Group	31.12.2012		31.12.2011	
	Deferred tax assets ¹	Deferred tax liabilities ¹	Deferred tax assets ¹	Deferred tax liabilities ¹
	TEUR	TEUR	TEUR	TEUR
Long-term assets	155		221	
Short-term assets	1,332		1,408	
Long-term debts	750		772	
Short-term debts	1,868		1,480	1,458
Losses carried forward	1,695		2,917	
Sub-total	5,800		6,798	1,458
Balance			1,458	
Total	5,800	0	5,340	0

¹ Assessment rates: corporation tax - 15.83 %; trade tax - 14.35 %; income tax, Singapore - 17 %

Capitalisation of surplus in both and individual and group financial statements is dispensed with, in accordance with § 274 Section 1 Line 2 and § 300 Section 2 Line 2, HGB.

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

In 2013 Messe Berlin GmbH has financial obligations incurring from long-term rental, leasing and consultation agreements amounting to EUR 5.3 million, EUR 1.4 million of which are liabilities towards ExpoCenter Airport Berlin Brandenburg GmbH, in which it holds a 50 % stake.

Furthermore, financial liabilities exist resulting from contracts for construction work on the CityCube Berlin and the grounds at ExpoCenter City amounting to EUR 36.9 million. The total sum invested in construction amounts to around EUR 76.0 million, of which advance payments amounting to EUR 17.4 million were already made in 2011 and 2012.

In 2013, other financial liabilities resulting from investments amount to EUR 0.5 million for a central catering unit and EUR 0.1 million for permanent passageways at ExpoCenter Airport.

Other group financial liabilities amount to EUR 50.0 million, EUR 1.4 million are liabilities towards ExpoCenter Airport Berlin Brandenburg GmbH, in which it holds a 50 % stake).

Utilising the right of choice in accordance with Item 28 Section 1 Line 2 EGHGB, indirect pension obligations are shown neither in the group nor unconsolidated balance sheet.

Messe Berlin GmbH staff who receive their remuneration in accordance with TVÖD are insured through Versorgungsanstalt des Bundes und der Länder (VBL). The purpose of the VBL is to provide employees of the participating employers with an additional old-age pension through an insurance scheme operated under private law. The VBL is financed with contributions under the partial reserve pay-as-you-go system and additionally, from January 2004, for VBL Ost through the capital cover system.

In the year under review the contribution rate for the VBL was 7.86 % (previous year 7.86 %), 6.45 % of which is provided by Messe Berlin (previous year 6.45 %). For 433 insured persons this resulted in a contribution of TEUR 1,603. The employees' own contribution amounts to 1.41 % of their income (previous year 1.41 %).

A capitalisation payment amounting to (initially) 1.86 % (previous year: 1.86 %) of the compulsory complementary pension sum is also paid. The final percentage rate will be determined in autumn 2013 when all contributions and insurance payments have been calculated. In 2011 it was 1.81 %.

The contribution rates in 2013 remain unchanged for employers and employees. The initial capitalisation payment rate is 1.81 %.

During the year under review no other significant business activities took place that are not included in the balance sheet.

23. Business conducted with affiliated companies and persons

In the year under review no significant business took place with affiliated companies and persons that was not conducted under normal market conditions.

24. Sales revenues

The sales revenues for the group and for Messe Berlin are made up as follows:

	Group		Messe Berlin GmbH	
	2012	2011	2012	2011
	TEUR	TEUR	TEUR	TEUR
In-house events	118,897	78,492	105,239	70,370
Guest events, congresses and other events	54,239	41,383	19,521	17,011
Services	35,913	27,663	18,143	14,251
Catering services	10,090	8,592	–	–
Portfolio and facility services	16,144	18,035	20,201	21,412
Other revenues	11,467	7,922	8,746	5,197
Total	246,751	182,087	171,850	128,241

One of the reasons for the increase in group sales revenues is the greater number of events scheduled this last financial year. Sales revenues from portfolio and facility services amounting to TEUR 14,000 (previous year TEUR 14,000) result from payments made by the Land of Berlin for ongoing maintenance and repairs.

	Group	
	2012	2011
	TEUR	TEUR
In-house events	5,747	3,896
Guest events, congresses and other events	10,082	8,021
Services	2,101	1,546
Other sales revenues	680	282
Total	18,610	13,745

Compared with 2011 group turnover abroad rose yet again, by TEUR 4,865. As in 2011, the congresses abroad organised by K.I.T. Group GmbH were a significant factor in this development.

Explanations concerning the profit and loss accounts

25. Other operating revenues

Other operating revenues of the group show revenues unrelated to the accounting period from the liquidation of provisions and the liquidation of value adjustments on receivables totaling TEUR 3,727 (TEUR 2,930 for Messe Berlin).

	Group		Messe Berlin GmbH	
	2012	2011	2012	2011
	TEUR	TEUR	TEUR	TEUR
Revenue from liquidation of provisions (not specific to the accounting period)	3,065	3,167	2,544	2,807
Revenue from liquidation of value adjustments on receivables	662	845	386	570
Revenue from liquidation of special items for contributions	289	289	289	289
Revenue from disposal of fixed assets and write-ups to financial assets	15	3	1	3
	2,442	1,913	5,059	3,540
Remaining operating revenue				
Total	6,473	6,217	8,279	7,209

26. Staff

In the year under review the staff number averages for employees and trainees were as follows:

	Group		Messe Berlin GmbH	
	2012	2011	2012	2011
Employees	686	688	360	355
Trainees	33	33	23	20
Total	719	721	383	375

Temporary staff were also employed as required.

27. Write-downs

Following the completion of construction work on the display halls in Selchow there has been only a slight increase in the write-downs on tangible and intangible assets of Messe Berlin GmbH. The scheduled write-downs amount to TEUR 3,634 (previous year TEUR 3,409). There were no non-scheduled write-downs undertaken on financial assets during the financial year (previous year TEUR 963).

Within the group the write-downs amounted to TEUR 4,771 (previous year TEUR 5,988). In the year under review there were non-scheduled write-offs on the value of the company amounting to TEUR 235 (previous year TEUR 616) and on tangible assets amounting to TEUR 963. These concern K.I.T. Group Berlin GmbH. The scheduled write-downs on company value amount to TEUR 28 and concern E.G.E. European Green Exhibition GmbH.

28. Extraordinary income

Extraordinary income amounted to TEUR 199 (previous year: TEUR 1). This resulted from profits from the merger of Messewelten GmbH with Messe Berlin GmbH as of 1 January 2012.

29. Taxes

Within the group, tax on earnings totalled TEUR 2,223 (previous year 1,086). This figure consists mainly of tax on profits from K.I.T. Group GmbH (TEUR 380), Global Produce Events GmbH (TEUR 232), Capital Facility GmbH & Co. KG (TEUR 261) and Messe Berlin GmbH (TEUR 1,228).

30. Composition of the financial capital

As in 2011, the financial capital comprises short-term bank balances as well as cash and cheques amounting to TEUR 65,640 (previous year TEUR 67,719). Value adjustments to the financial capital resulting from fluctuating exchange rates and amounting to TEUR 69 are shown. TEUR 753 concern the financial capital of the company on a proportionately consolidated basis.

In the financial year 2012 the group paid interest amounting to TEUR 625 and received interest amounting to TEUR 336. Tax on earnings paid amounted to TEUR 923. Dividends paid to minority shareholders amounted to TEUR 709.

[Explanations regarding the cash flow statement and joint ventures](#)

Within the group, shares in the joint venture ExpoCenter Airport Berlin Brandenburg GmbH generated short-term assets amounting to TEUR 866, long-term assets amounting to TEUR 12,423, short-term liabilities amounting to TEUR 125 and short-term liabilities amounting to TEUR 8,500. Earnings amounted to TEUR 1 and expenditure amounted to TEUR 576.

Other explanations

31. Management and Supervisory Board

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

Management:

Raimund Hosch, Kleinmachnow
Diplom-Kaufmann, Chief Executive Officer

Dr. Christian Göke, Berlin
Chief Operating Officer

Supervisory Board:

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

Sybille von Obernitz
(from 1 Jan. to 12 Sept. 2012)
formerly Senator for Economics,
Technology and Research,
Berlin First deputy chairman
(from 25 Jan. to 12 Sept 2012)

Cornelia Yzer
(as of 23 Oct. 2012)
Senator for Economics, Technology and Research,
Berlin First deputy chairman
(from 1 Nov. 2012)

Thomas Jaegler Sous-chef
Capital Catering GmbH,
Berlin Employees' representative
Second deputy chairman

Ute Biernat
Chief Executive officer
GRUNDY Light Entertainment, Köln

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

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

Klaus Feiler
(from 15 Feb. 2012)
State Secretary
Senate Department for Finance, Berlin

Ellen Funk
Chairman of the Works Council Messe Berlin GmbH,
Berlin Employees' representative

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

Catherine Mühlemann
Director, media entrepreneur, lecturer
Co-partner, Andmann Media Holding
Andmann Media Holding, Baar, Switzerland

Stephan Ruppel
 Conventions & Guest Events
 Head of Marketing & Sales
 Messe Berlin GmbH
 Employees' representative

Gerd Sonnleitner
 Honorary president
 German Farmers' Union – DBV, Berlin

Ulrich Tepel
 (until 27 Apr. 2012)
 Head of Event Services
 Messe Berlin GmbH, Berlin
 Employees' representative

Wolf-Dieter Wolf
 Managing partner
 Grundkonzept GmbH, Berlin

Norbert Zeglin
 (from 22 Aug. 2012)
 Head, Procurement of Building & Technical Services
 Messe Berlin GmbH, Berlin
 Employees' representative

Taking all declarable amounts into consideration, the earnings of the active members of the management are made up as follows:

	Raimund Hosch TEUR	Dr. Christian Göke TEUR
Fixed amount	299	239
Bonuses	236*	183
Total	535	422

* of which Mr. Hosch paid TEUR 150 into a pension scheme during the year under review.

Former managers and their dependents received TEUR 606 (previous year TEUR 649) in pensions and related benefits. For the groups of persons referred to pension provisions were made as of 31 December 2012 totalling TEUR 5,244 (previous year TEUR 5,398). In the year under review members of the Supervisory Board received remuneration amounting to TEUR 81 (previous year TEUR 83).

As an unlisted company Messe Berlin GmbH applies the Berlin Corporate Governance Code in accordance with § 161 AktG. The declaration by the Management and Supervisory Board of conformity with the German Corporate Governance Code was submitted to a vote by the Supervisory Board on 5 December 2012 and received its approval. The declaration of conformity has been made available on the company's website.

32. Total auditor's fee

For the financial year in question fees totalling TEUR 90 were agreed with the auditing company Ernst & Young GmbH which is included in 'Other provisions'.

The total fee comprises final audit fees (TEUR 84) and fees for other certification services (TEUR 6). The final audit fees cover the auditing of the annual financial statement of Messe Berlin GmbH and other subsidiaries and the auditing of the group annual financial statement.

Berlin, 28 February 2013

Raimund Hosch

Dr. Christian Göke

Enclosure 1: Breakdown of share ownership

Enclosures

	Share of nominal capital %	Own capital TEUR	Earnings TEUR
Directly affiliated companies			
Messe Berlin GmbH, Berlin			
Capital Catering GmbH, Berlin ^{1, 2}	100	60	0
MB Capital Services GmbH, Berlin ^{1, 2}	100	400	0
Capital Facility Beteiligungsgesellschaft mbH, Berlin ⁵	50	32	2
Capital Facility GmbH & Co. KG, Berlin ^{2, 4}	100	150	0
E.G.E. European Green Exhibitions GmbH, Berlin ²	50	1,129	2
K.I.T. Group GmbH, Berlin ²	51	914	860
MW Messe-, Ausstellungs- und Dienstleistungs- gesellschaft Wolfsburg mbH, Wolfsburg ^{1, 2}	100	626	0
Global Produce Events GmbH, Berlin ²	70	486	257
Messe Berlin (Singapore) PTE. LTD., Singapore ^{2, 6}	100	1,008	563
Shareholdings			
Messe Berlin GmbH, Berlin			
ExpoCenter Airport Berlin Brandenburg GmbH, Selchow ^{3, 9}	50	9,890	42
WHS Foundation GmbH, Berlin ^{5, 10}	42.50	27	6
Directly affiliated companies			
MB Capital Services GmbH, Berlin			
CSG-Team GmbH, Berlin ²	100	148	48
Capital Facility Beteiligungsgesellschaft mbH, Berlin ⁵	50	32	2
E.G.E. European Green Exhibitions GmbH, Berlin			
MAZ Messe- und Ausstellungszentrum Mühlengiez GmbH, Mühlengiez ^{1, 2}	100	27	0
K.I.T. Group GmbH, Berlin			
Festival Technical Event Management GmbH, Berlin ²	50.10	280	118
K.I.T. Group GmbH Dresden, Dresden ^{2, 8}	55.08	20	-39
MW Messe-, Ausstellungs- und Dienstleistungs- gesellschaft Wolfsburg mbH, Wolfsburg			
FVF Messe-Event AG, CH-Frauenfeld ^{2, 7}	51	149	63

¹ Control and profit-and-loss transfer agreement with the respective parent company

² Fully consolidated

³ Partially consolidated

⁴ The partner's fixed capital is shown

⁵ In accordance with § 296 Section 2 HGB of lesser importance and therefore not included in the group financial statement

⁶ Nominal capital: SGD 100,000

⁷ Share capital: CHF 100,000

⁸ Formerly K.I.T. Congress Incentives GmbH Dresden, Dresden (re-registered: 2 Aug. 2012)

⁹ Formerly Messeimmobilien Selchow GmbH, Schönefeld (re-registered: 25 May 2012)

¹⁰ 57.5 % of shares sold as of 13 June 2012

Enclosure 2: Development of the group's assets for the financial year 2012

Group fixed assets
schedule

	Initial cost					Write-downs				Book values	
	Initial costs	Additions	Adjusting entries	Disposals	Initial costs	Write-downs	Additions	Disposals	Write-downs	Book value	Book value
	1. 1. 2012 TEUR	TEUR	TEUR	TEUR	31. 12. 2012 TEUR	1. 1. 2012 TEUR	TEUR	TEUR	31. 12. 2012 TEUR	31. 12. 2012 TEUR	31. 12. 2011 TEUR
I. Intangible assets											
Rights and licences acquired by payment	13,192	681	399	-7	14,265	11,152	711	-1	11,862	2,403	2,040
Goodwill	2,146	235	0	0	2,381	2,118	263	0	2,381	0	28
Payments made on account	150	0	-150	0	0	0	0	0	0	0	150
	15,488	916	249	-7	16,646	13,270	974	-1	14,243	2,403	2,218
II. Tangible assets											
Land, titles to land, including buildings on other premises	44,308	6,231	18,612	-2,877	66,275	16,806	2,267	-2,805	16,268	50,007	27,502
Technical installations and machinery	3,142	2,369	923	-6	6,429	996	296	-6	1,287	5,142	2,146
Operating and business equipment	22,323	863	-39	-1,038	22,113	17,706	1,234	-1,034	17,906	4,207	4,617
Payments on account and installations under construction	22,224	17,620	-19,746	0	20,098	0	0	0	0	20,098	22,224
	91,997	27,083	-249	-3,921	114,915	35,508	3,797	-3,845	35,461	79,454	56,489
III. Financial assets											
Shares in affiliated companies	51	0	-11	-14	26	0	0	0	0	26	51
Shareholdings	26	0	11	0	37	0	0	0	0	37	26
Securities included in the assets	42	0	0	0	42	0	0	0	0	42	42
Payments made on account	1,200	200	0	0	1,400	0	0	0	0	1,400	1,200
	1,319	200	0	-14	1,505	0	0	0	0	1,505	1,319
	108,804	28,199	0	-3,942	133,066	48,778	4,771	-3,846	49,704	83,362	60,026

Enclosure 3: Development of assets for the financial year 2012

Fixed assets
schedule

	Initial cost					Write-downs				Book values	
	Initial costs 1. 1. 2012 TEUR	Additions TEUR	Adjusting entries TEUR	Disposals TEUR	Initial costs 31. 12. 2012 TEUR	Write- downs 1. 1. 2012 TEUR	Additions TEUR	Disposals TEUR	Write- downs 31. 12. 2012 TEUR	Book value 31. 12. 2012 TEUR	Book value 31. 12. 2011 TEUR
I. Intangible assets											
Rights and licences acquired by payment	9,807	503	386	0	10,696	9,418	272	0	9,690	1,006	389
Payments made on account	149	0	-149	0	0	0	0	0	0	0	149
	9,956	503	237	0	10,696	9,418	272	0	9,690	1,006	538
II. Tangible assets											
Buildings on other premises	44,217	1,302	15,005	-2,821	57,703	16,745	2,105	-2,820	16,030	41,673	27,472
Technical installations and machinery	3,142	0	0	-7	3,135	996	193	-7	1,182	1,953	2,146
Operating and business equipment	21,091	690	0	-1,002	20,779	16,918	1,064	-999	16,983	3,796	4,173
Payments on account and installations under construction	17,525	17,465	-15,242	0	19,748	0	0	0	0	19,748	17,525
	85,975	19,457	-237	-3,830	101,365	34,659	3,362	-3,826	34,195	67,170	51,316
III. Financial assets											
Shares in affiliated companies	10,635	235	-11	-282	10,577	5,710	0	-268	5,442	5,135	4,925
Loans to affiliated companies	607	0	0	-397	210	0	0	0	0	210	607
Shareholdings	5,041	0	11	0	5,052	873	0	0	873	4,179	4,168
Payments made on account	1,200	200	0	0	1,400	0	0	0	0	1,400	1,200
	17,483	435	0	-679	17,239	6,583	0	-268	6,315	10,924	10,900
	113,414	20,395	0	-4,509	129,300	50,660	3,634	-4,094	50,200	79,100	62,754

Messe Berlin GmbH balance
sheet as of 31 December 2012

Assets	31.12.2012		31.12.2011	
	TEUR	TEUR	TEUR	TEUR
A. Fixed assets				
I. Intangible assets				
1. Rights and licences acquired by payment	1,006		389	
2. Payments made on account	0	1,006	149	538
II. Tangible assets				
1. Buildings on other premises	41,673		27,472	
2. Technical installations and machinery	1,953		2,146	
3. Operating and business equipment	3,796		4,173	
4. Payments on account and installations	19,748	67,170	17,525	51,316
III. Financial assets				
1. Shares in affiliated companies	5,135		4,925	
2. Loans to affiliated companies	210		607	
3. Shareholdings	4,179		4,168	
4. Payments made on account	1,400	10,924	1,200	10,900
		79,100		62,754
B. Liquid assets				
I. Inventories				
Raw, auxiliary and operating materials		57		43
II. Accounts receivable and other assets				
1. Receivables from supplies and services	10,781		7,704	
2. Receivables due from affiliated companies	6,233		7,538	
3. Receivables due from shareholders	0		1,860	
4. Receivables due from companies in which shares are held			19	
5. Other assets	0	24,386	8,326	25,447
III. Cash holdings, credit institution balances and cheques	7,372	46,969		40,912
		71,412		66,402
C. Accruals and deferrals		0		0
		150,512		129,156

Liabilities	31.12.2012		31.12.2011	
	TEUR	TEUR	TEUR	TEUR
A. Equity capital				
I. Subscribed capital	20,708		20,708	
II. Capital reserves	12,578		12,578	
III. Other reserves	109		109	
IV. Profits carried over	13,022		13,229	
V. Annual surplus (previous year: annual deficit)	4,602		-207	
		51,019		46,417
B. Special items for contributions to assets		4,256		4,545
C. Provisions				
1. Provisions for pensions	10,389		10,983	
2. Provisions for tax	1,326		102	
3. Other provisions	43,582		27,811	
		55,297		38,896
D. Liabilities				
1. Liabilities to financial institutions	8,000		8,000	
2. Down payments received on orders	21,005		22,366	
3. Liabilities from supplies and services	6,485		4,669	
4. Liabilities to affiliated companies	304		745	
5. Liabilities to companies in which shares are held	560		0	
6. Other accounts payable (of which, from taxes TEUR 470; previous year: TEUR 342) (of which, for social security TEUR 3; previous year: TEUR 2)	1,615		1,329	
		37,969		37,109
E. Accruals and deferrals		1,971		2,189
		150,512		129,156

**Profit and loss statement
Messe Berlin GmbH for the
period from 1 January
to 31 December 2012**

	2012	2011
	TEUR	TEUR
1. Sales revenues	171,850	128,241
2. Other operating revenues (of which, income from currency conversion TEUR 20; previous year TEUR 11)	8,279	7,209
3. Material costs		
a) Cost of raw, auxiliary and operating materials	-11,288	-9,506
b) Cost of buying in services	-109,499	-120,787
4. Personnel costs		
a) Wages and salaries	-21,709	-19,922
b) Social security contributions and costs for pensions and benefits (of which, for pensions TEUR 1,400; prev. yr. TEUR 2,719)	-4,939	-26,648
5. Write-downs on tangible and fixed assets	-3,634	-4,372
6. Other operating costs (of which, costs of currency conversion TEUR 37; previous year TEUR 29)	-32,087	-20,105
7. Income from holdings	2,092	3,709
8. Income from profit transfer agreements	7,378	3,704
9. Earnings from loans from financial assets (of which, from affiliated companies TEUR 18; prev. year TEUR 24)	18	24
10. Other interest and similar income (of which, from affiliated companies TEUR 50; prev. year TEUR 41)	305	484
11. Write-downs on financial assets	0	-25
12. Expenditure from absorption losses	0	-1,035
13. Interest and similar expenditures (of which costs from discounting provisions TEUR 820; prev. year TEUR 818)	-1,123	-872
14. Earnings from regular business activities	5,643	-164
15. Extraordinary expenditures	199	1
16. Tax on income and earnings	-1,228	-33
17. Other taxes	-12	-11
18. Annual surplus (previous year: annual deficit)	4,602	-207

Audit certificate

We have examined the annual financial statement – consisting of the balance sheet, profit and loss account and appendix, of Messe Berlin GmbH and the group, with the inclusion of the book-keeping of Messe Berlin GmbH, Berlin, together with the group financial statement prepared by the company – consisting of the balance sheet, profit and loss account, cash flow statement, equity schedule and appendix of Messe Berlin GmbH and of the group – and their report on the state of the company and of the group for the financial year from 1 January to 31 December 2012. The book-keeping and the preparation of these documents in accordance with the regulations of German commercial law are the responsibility of the company's management. Our task, on the basis of the examination that we have conducted, is to evaluate the annual financial statement, including the book-keeping and the group annual financial statement together with its report on the state of the company and the group.

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

Our examination produced no objections.

In our assessment, on the basis of the findings revealed by the examination, the annual financial statement and the group financial statement comply with statutory regulations and, observing the principles of correct book-keeping, they provide a picture of the situation regarding assets,

finances and revenues of the company and the group that reflects the actual circumstances. The report on the situation of the company and the group is consistent with the annual financial statement and the group financial statement and, in its entirety, it provides an accurate picture of the state of the company and of the group, and accurately presents the opportunities and risks of future development.

Berlin, 1 March 2013

Ernst & Young GmbH
Auditing company



Seidel
Auditor



Pilawa
Auditor

Corporate governance report for the financial year 2012

As an unlisted company Messe Berlin GmbH applies the Berlin Corporate Governance Code ('Kodex') on the basis of the participation guidelines issued by the Land of Berlin, which the Senate Department for Finance requires Messe Berlin to observe, being a company in which the Land of Berlin holds a stake greater than 50 per cent.

In the corresponding application of § 161 AktG, the Management and Supervisory Board of Messe Berlin GmbH state that, as shown below and with the exception of the divergences that are also shown, Messe Berlin GmbH has and will continue to comply with the recommendations of the Berlin Corporate Governance Code in the version dated 17 February 2009. If any of the following statements apply both to the statement period 2012 and to future statement periods, these are shown in the present.

1. Collaboration between the Management and the Supervisory Board

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

As a matter of principle the Management always participates in the meetings of the Supervisory Board.

Strategic corporate planning is coordinated with the Supervisory Board. The Management regularly reports on the progress achieved in implementing these plans.

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

The Management shall meet its obligations, regularly and in written form, to provide information and maintain secrecy for all issues concerning planning, business development, the risk situation, risk management and compliance that are relevant to the company; Target/performance comparisons are to be undertaken. Any divergence from the plan shall be shown in a plausible and understandable way and any necessary counter-measures that are proposed shall be in an implementable form.

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

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

2. Management

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

The Management of the company comprises two management executives. The rules of procedure regulate the tasks of the Management, the responsibility of individual managers for specific departments (in connection with the organisational plan), the tasks reserved for the management as a whole and the majority of votes required for management decisions. Raimund Hosch is Chief Executive Officer.

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

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

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

3. Supervisory Board

The Supervisory Board discharges its duties to the Management in accordance with the terms of the company agreement and the procedural rules. It is involved in decisions of fundamental importance for the company and does not hitherto see any need for additional regulation. The frequency of meetings and time allotments correspond to the requirements of the company. procedural rules have been laid down for the Supervisory Board. It has no other business linked with its approval.

The Chairman of the Supervisory Board coordinates the work in the Supervisory Board, oversees its meetings and represents the interests of the Supervisory Board externally. There is regular contact between the chairman of the Supervisory Board and the Management, when regular consultations take place about strategy, business development and risk management. The Chairman of the Board of Management (CEO) advises the Chairman of the Supervisory Board without delay about any importance events which are of fundamental importance in assessing the situation and ongoing development and also for the management of the company. For his part, when necessary the Chairman of the Supervisory Board briefs the Supervisory Board. In the financial year 2012 he called two extraordinary meetings of the Supervisory Board.

The Supervisory Board also includes a Personnel and Presidial committee. The chairman of this committee is the Chairman of the Supervisory Board. The signing and termination of employment and pension contracts and the authority to determine bonuses for the managers are assigned to the Personnel and Presidial Committee of the Supervisory Board for consultation and decision-making.

Furthermore, the Personnel and Presidial Committee is authorised to conduct legal transactions of any kind with members of the Supervisory Board and members of the Management. The chairman of the committee informs the plenary assembly of the Supervisory Board about the content and outcome of the consultations. With its resolution of 2 July 2009 the Supervisory Board has continued to assign to the Personnel and Presidial Committee the tasks and authority to act as an audit committee until the end of the current term of office.

The Personnel and Presidial Committee therefore also deals with issues involving accounting, and with risk management and compliance, the necessary independence of the auditor, the award of the auditing contract to the auditor, defining the priorities of the audit and the agreement about fees. The Supervisory Board has appointed a member of this committee who is not the Chairman of the Supervisory Board and the Presidial Committee to chair the meetings in matters concerning auditing.

In 2012 three extraordinary meetings of the Personnel and Presidial Committee were held.

Furthermore, the Supervisory Board has set up an Investment Committee. Its task is to advise the Supervisory board about real and financial investments of major significance, on the basis of the company's general strategy.

The Supervisory Board has not assigned any further decision-making competences to any committees. The Supervisory Board has not specified an age limit for the managers. It is not the practice for a manager to take over the chairmanship of the Supervisory Board or one of its committees.

In submitting proposals for the membership of the Supervisory Board it is important to ensure at all times that the members of the Supervisory Board have the knowledge, skills and professional experience required in order to correctly perform their tasks. The Supervisory Board shall comprise what it considers to be a sufficient number of independent members. No member of the Supervisory Board holds the maximum number of 5 or 10 mandates on the Board. The members of the Supervisory Board have not held posts as organs of competing companies or acted as their consultants.

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

The remuneration received by members of the Supervisory Board is determined as the result of a resolution by the shareholders' meeting and takes into account the responsibility and scope of activities of the members of the Supervisory Board, the economic situation and the success of the company as well as the chairmanship and deputy chairmanship.

The remuneration consists of a fixed sum. Remuneration based on results or special services is not provided. The total remuneration is shown in the appendix to the annual financial statement. The individual remuneration paid to each member is not shown.

In 2012 one member left the Supervisory Board on 27 April 2012 and a further member left on 12 September 2012. In each case replacements were appointed.

In 2012 one member of the Supervisory Board attended less than half of the meetings held by the board.

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

4. Conflicts of interest

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

Members of the Management as well as of the Supervisory Board safeguard the interests of the company, do not pursue any personal interests and do not make use of the company's business opportunities for their own benefit. No member of the Management or of the Supervisory Board was subject to any conflict of interest.

Every member of the Management or of the Supervisory Board shall disclose conflicts of interest to the Supervisory Board without delay and inform other members of the Management.

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

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

In 2012 the Chairman of the Board of Management (CEO) Mr. Hosch was

- a member of the board of the Association of the German Trade Fair Industry (AUMA),
- a member of the board of the Association of Major German Exhibition Centres (GDG),
- a member of the Board of Directors of the Union of International Fairs – (UFI),
- a member of the Economic Advisory Council of the Berlin Regional Sports Federation (Landessportbund Berlin),
- a member of the Directors' Council of the General Business Association for Berlin and Brandenburg (Allgemeiner Verband der Wirtschaft für Berlin und Brandenburg e.V.),
- a member of the Supervisory Board of ExpoCenter Airport Berlin Brandenburg GmbH,
- a member of the World Travel and Tourism Council (WTTC) Der Geschäftsführer

In 2012 the Chief Operating Officer Dr. Christian Göke was

- a member of the Supervisory Board of Berlin Tourismus & Kongress GmbH (visitBerlin),
- a member of the Supervisory Board of Hertha BSC Berlin GmbH & Co. KGaA,
- a member of the Supervisory Board of E.G.E. European Green Exhibitions GmbH,
- a member of the Supervisory Board of Kick-Media AG,
- a member of the Board of Trustees of Forschungsverbund Berlin e.V.,
- a member of the Administrative Council of the German National Tourism Board (DZT).

The managers did not perform other work outside the company. Details of any outside work are submitted to the Chairman of the Personnel and Presidial Committee for approval.

No loans have been granted to members of the Management or to members of the Supervisory Board or to relatives or dependents of the members of these organs.

5. Transparency

The Supervisory Board was informed that the basic agreement between the Land of Berlin and Messe Berlin GmbH expired on 31 December 2012. In early 2012 the Management and the Supervisory Board were informed of the decision by the Berlin Senate that in the follow-up agreement with the Land of Berlin the sum for the partial compensation of the cost of maintenance and repairs on the exhibition grounds and the ICC Berlin was to be reduced from an annual figure of EUR 14 million to EUR 10 million. The Management informed the Supervisory Board of the resultant serious impact on the economic and finance plan, in particular with regard to the financing of the new hall on the site of the former Deutschlandhalle (CityCube Berlin) and of necessary cuts in maintenance and repairs.

In addition, the postponement of the opening of Berlin Brandenburg BER, the capital's new airport, has had a major impact on the economic and finance plan, necessitating the cancellation of the debut event of the fashion show PANORAMA, which was originally scheduled for June 2012 on the new exhibition grounds in Selchow (Berlin ExpoCenter Airport). Rescheduling this event for 2013 resulted in a significant increase in marketing costs. The Supervisory Board was also immediately informed of these consequences.

To some extent information about the company is also published on the internet. The current Corporate Governance Report can be accessed on the company's website.

6. Accounting

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

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

7. Audit of annual accounts

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

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

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

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

Report of the Supervisory Board 2012

In the financial year 2012 the Supervisory Board of Messe Berlin GmbH convened at four regular sessions and two extraordinary meetings. In addition, one resolution was introduced following a written vote conducted outside the meetings of the board. The Supervisory Board discharged its tasks as stipulated by law and the company articles and supervised the management of the company as well as supporting its management in a consultative capacity. The Supervisory Board was involved in all decisions that were of fundamental importance for the company. This applies in particular with regard to corporate planning and to the main projects and investments. Matters which, in accordance with the law and the company agreement, require the approval of the Supervisory Board, were submitted for a ruling. This applies in particular to the economic and finance plan.

The Chairman of the Supervisory Board was kept regularly informed by the Chairman of the Board of Management (CEO) about all important business occurrences and about the economic development of the company.

In view of the large number of significant issues in 2012 the Supervisory Board closely examined the opportunities and risks, in particular of the large-scale investment in construction of the CityCube Berlin and of the new exhibition grounds at Berlin ExpoCenter Airport. The matter of adhering to cost and time schedules was always a main topic. Due to a change in the government of Berlin a renewed discussion took place regarding the basic strategic orientation of Messe Berlin. Against the backdrop of the basic agreement between Messe Berlin and the Land of Berlin which expired at the end of 2012 attention focused particularly on the parameters of the basic agreement for 2013 to 2017. One of the main points was the consequences of the Senate's decision to reduce the amount paid for partial compensation of the cost of maintenance and repairs on the exhibition grounds and the ICC Berlin by EUR 4 million. The Supervisory Board also discussed plans for the ICC Berlin following its scheduled closure for refurbishment and the impact this would have on Messe Berlin. The Supervisory Board was informed that the Land of Berlin has a follow-up concept for the ICC Berlin which includes other operations besides conferences.

Another topic discussed by the Supervisory Board was the state of progress of the restructuring of the company's Facility Management and Technical Event Services divisions, which had already begun last year.

During 2012 five regular meetings of the Personnel and Presidial Committee were held. In addition, one resolution was introduced following a vote by telefax. Due to the chief executive officer retiring in mid-2013 a transparent selection process involving a series of votes occupied a considerable portion of every meeting in 2012. At the end of the year a successor was decided upon.

In accordance with a decision by the Supervisory Board on 2 July 2009 the Personnel and Presidial Committee also deals with issues involving accounting and risk management, the necessary independence of the auditor, the award of the auditing contract to the auditor, defining the priorities of the audit and the agreement about fees.

During 2012 four sessions of the Investment Committee took place. The key topics discussed by the committee were the construction work on the CityCube Berlin (the new hall at the site of the former Deutschlandhalle), the restoration work on the ICC, development work on the exhibition grounds in Selchow (Berlin ExpoCenter Airport) and spending on a new central catering unit.

The annual financial statement and group financial statement provided by the Management, together with the situation report and group situation report for the financial year 2012, have been examined by the auditors appointed by the shareholders of Messe Berlin GmbH, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, and have been awarded the unconditional audit certificate.

On the basis of a decision by the Supervisory Board on 30 September 2004, as an unlisted company Messe Berlin GmbH has voluntarily applied the German Corporate Governance Code – since 2009 the Berlin Corporate Governance Code. The Corporate Governance Report 2012 by the Management and the Supervisory Board is published in the Business Report and also made available on the Messe Berlin website.

In the meeting held on 25 March 2013 the auditors informed the Personnel and Presidial Committee and the Supervisory Board about the contents of the annual financial statement group financial statement for 2012 and answered all the questions raised by the members.

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

The Supervisory Board has approved the proposal by the Management to apply the findings.

In 2012, during the period under review, the shareholders of Messe Berlin GmbH agreed to appoint Sybille von Obornitz, the then Senator for Economics, as of 01 January 2012, and State Secretary Klaus Feiler, as of 15 February 2012, as members of the Supervisory Board.

They replaced Harald Wolf and Iris Spranger, who had already resigned their posts in October and December 2011 respectively.

At the meeting of the Supervisory Board on 29 March 2012 Mr. Feiler was elected as a member of the Personnel and Presidial Committee.

In 2012, Ulrich Tepel and Ms. von Obernitz resigned their posts on 27 April and 12 September respectively.

On 22 August 2012 the employees of Messe Berlin GmbH elected Norbert Zeglin to replace Mr. Tepel. The shareholders appointed Senator Cornelia Yzer as the successor to Ms. von Obernitz. Ms. Yzer became a member of the Supervisory Board on 23 October 2012. In accordance with § 10 Sections (1) and (2) of the Messe Berlin GmbH company agreement the Supervisory Board now has a full complement of members.

In an extraordinary meeting on 1 November 2012 the Supervisory Board appointed Ms. Yzer as first deputy chair of the Supervisory Board and as a member of the Personnel and Presidial Committee (PPA), which in accordance with § 7 Section 1 of the Supervisory Board's procedural rules now has a full complement of members. Furthermore, during the afore-mentioned meeting the Supervisory Board appointed Ms. Yzer to chair meetings of the Personnel and Presidial Committee (PPA) in matters concerning auditing.

The Supervisory Board thanked the members who left during the period under review for their effective contribution.

Berlin, 27 March 2013



The Supervisory Board
Hans-Joachim Kamp
Chairman

Imprint

Contents and composition

Messe Berlin GmbH
Messedamm 22, 14055 Berlin
Telefon +49(0)30/3038-0
Telefax +49(0)30/3038-2325

