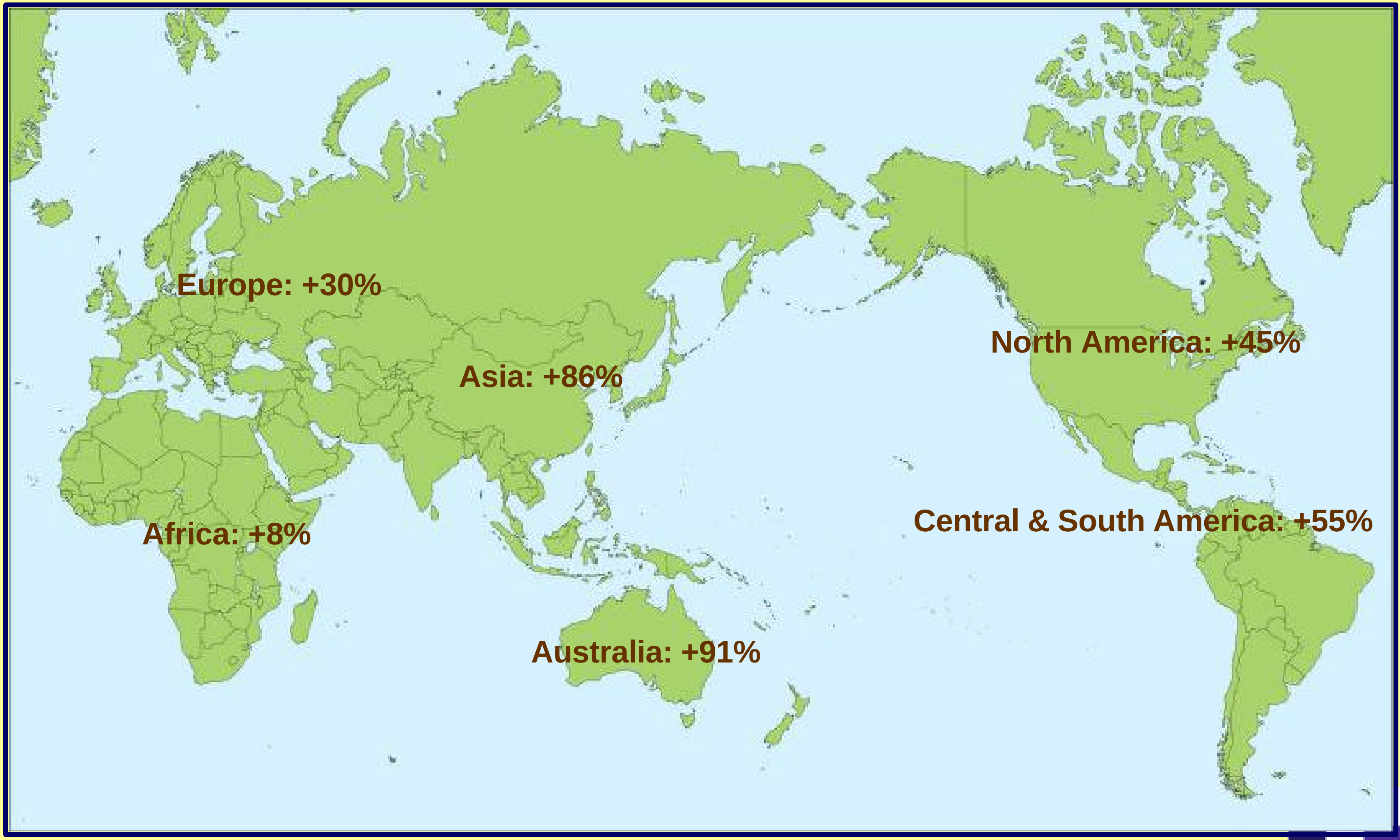
The European Exhibition & Event Industry from a Global Perspective

Global Expansion of Exhibition Space

Between 2000 and 2005



Exhibition Venues Worldwide - 2006

Exhibition Capacity (gross sqm)

	Venue	Indoor	Expansion
1	Hannover Messe	495,265	
2	Fiera Milano	345,000	
3	Frankfurt Messe	321,754	
4	Cologne Messe	284,000	
5	Düsseldorf Messe	252,214	12,850
6	Feria Valencia	230,837	
7	Paris Expo Porte de Versailles	227,830	
8	McCormick Place, Chicago	204,461	43,680
9	NEC, Birmingham	200,000	
10	Orange County CC, Orlando	190,875	

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Exhibition Venues Worldwide - 2006

Exhibition Capacity (gross sqm)

	Venue	Indoor	Expansion
11	Paris-Nord Villepinte	190,669	15,000
12	Las Vegas Convention Center	184,456	
13	Munich New Messe	180,000	
14	Bologna Fiere	180,000	
15	Berlin Messe	160,000	
16	Nurenberg Messe	152.000	7500
17	IFEMA Madrid	150,000	50,000
18	Fira Barcelona Gran Vía M2	148,309	90,000
19	IMPACT Bangkok	140,000	
20	Messe Basel	131,100	

Source: AUMA, 12/2006

German Exhibition Venues

Exhibition Capacity (gross sqm)

	Venue	Indoor	Outdoor
1	Hannover Messe	495,265	57,880
2	Frankfurt Messe	321,754	83,163
3	Cologne Messe	284,000	52,000
4	Düsseldorf Messe	252,214	32,500
5	Munich New Messe	180,000	210,000
6	Berlin Messe	160,000	100,000
7	Nuremberg Messe	152,000	
8	Essen Messe	110,000	20,000
9	Leipzig Messe	101,200	33,000
10	Hamburg Messe	64,900	8,500

Source: AUMA

Eastern European Exhibition Venues

Location	Venue	Sqm		Planned expansion (sqm)
		Indoor	Outdoor	Indoor
Bmo, Czech Republic	Trade Fairs Bmo	113,544	80,968	5,000
Poznan	Poznan International Fair	113,100	39,400	15,000
Nitra, Slovakia	International Exhibition Centre Agrokomplex	43,274	50,000	1,000
Bratislava, Slovakia	INCHEBA Convention and Exhibition Center	39,910	27,614	Yes
Kielce, Poland	Targi Kielce	30,000	70,000	
Budapest, Hungary	Budapest Fair Center	30,000	40,000	Yes
Prague, Czech Republic	Letnany	23,000	10,000	80,000
Nicosia, Cyprus	Cyprus Int'l. Exhibition & Congress Center	20,000	20,000	No
Ljubljana, Slowenia	Gospodarsko Razstavisce	20,000		4,000
Prague, Czech Republic	Prague Exhibition Grounds	20,000		No

Source: AUMA

European Fair Cities

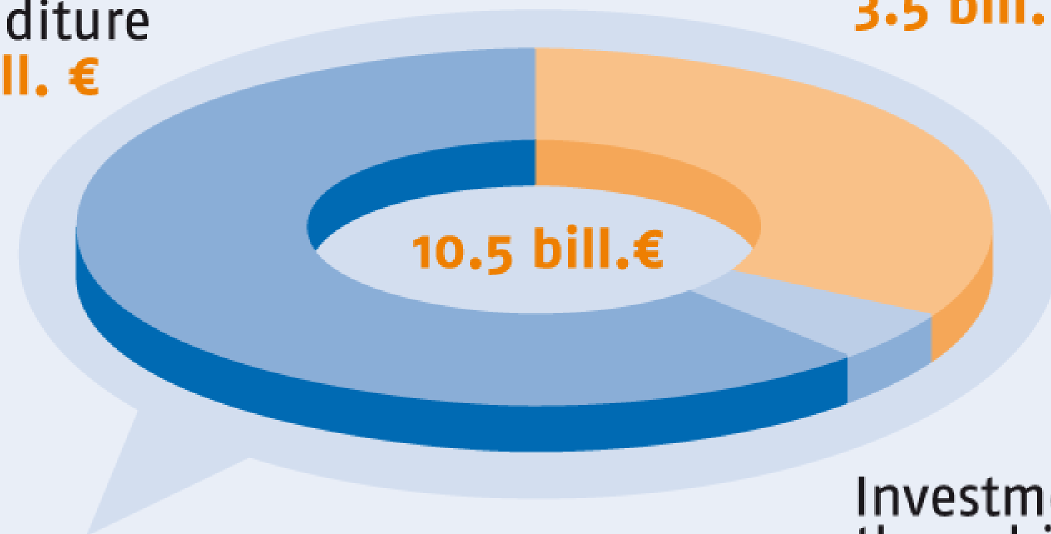
1. Usually owned locally
2. Usually debt free
3. Concentration on the old model
4. Relatively limited carbon footprint
5. Not acquisitional
6. Driven by trade shows
7. Unsophisticated consumer event programme
8. Relatively ROI based on low cost base

Trade Fairs in Germany

Economic Impact
based on a multiplier analysis

Exhibitors' expenditure
6.5 bill. €

Visitors' expenditure
3.5 bill. €



Investments by the exhibition centres
0.5 bill. €

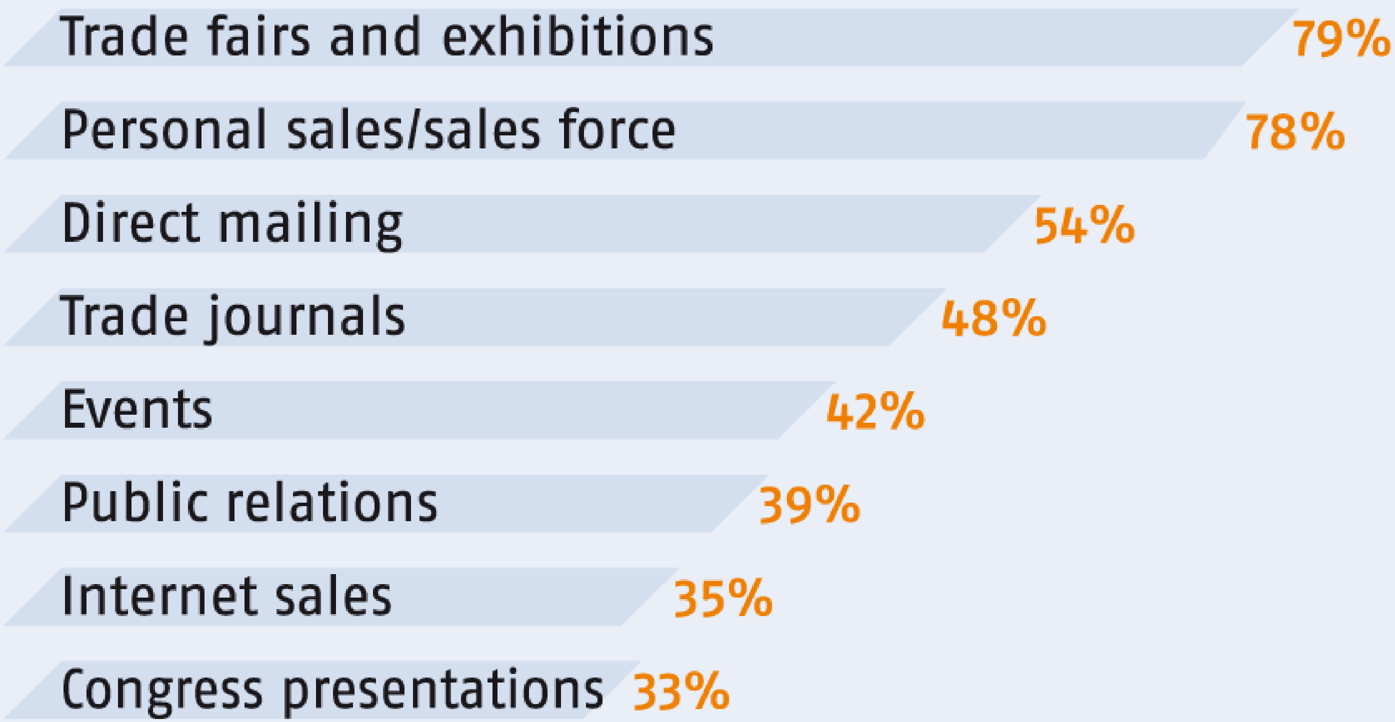
Production effects 23 bill.€
Employment effects
250,000 Full-time jobs

Source: FfH-Institut; ifo-Institut;
extrapolated by AUMA, 2001

AUMA_MesseTrend 2007

Trade fairs in the communication mix

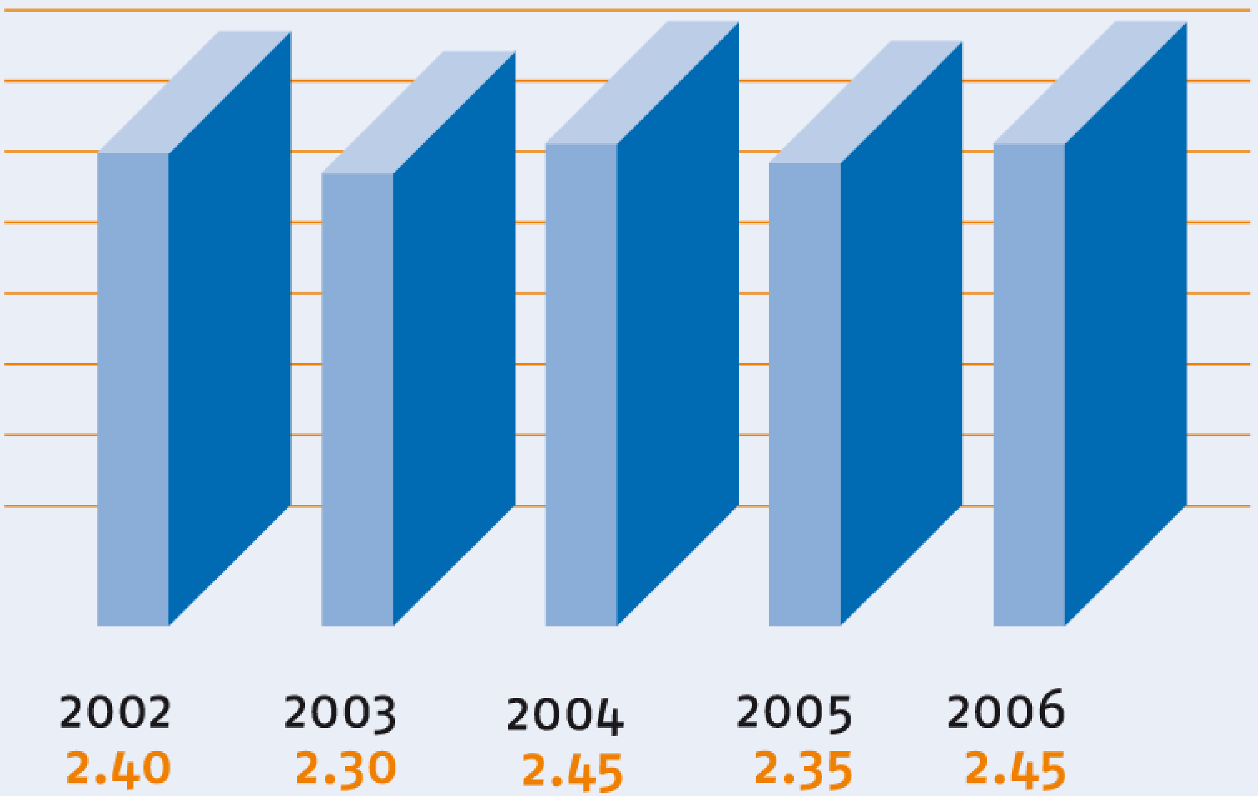
In b-to-b communication ...% of the German exhibiting companies regard as very important or important:



* representative survey conducted by TNS Emnid commissioned by AUMA, among 500 companies, which exhibit at trade visitor-oriented fairs; Oktober 2006

Trade Fairs in Germany

Turnover of Trade Fair Organizers* (bill. €)

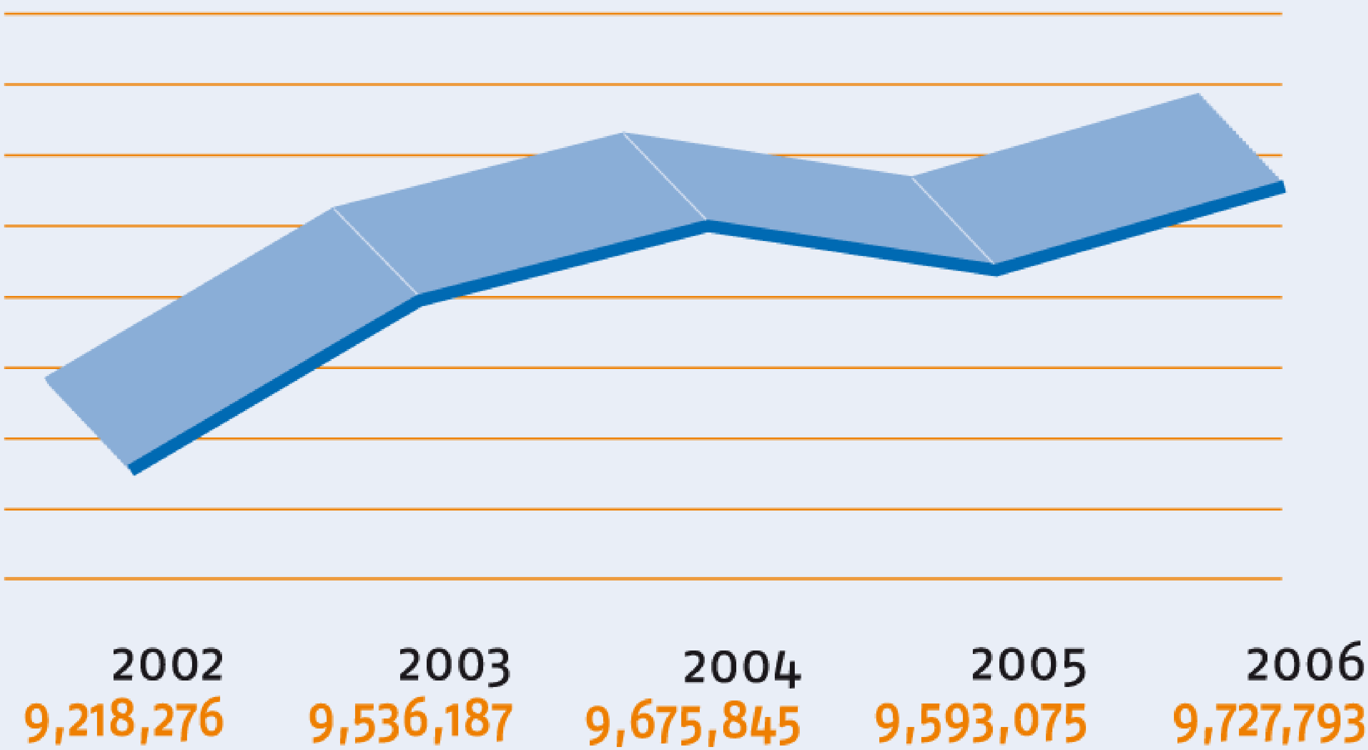


* Companies organizing international and regional events; Turnover incl. trade fairs abroad, congress and service business

Trade Fairs in Germany

International and National Events

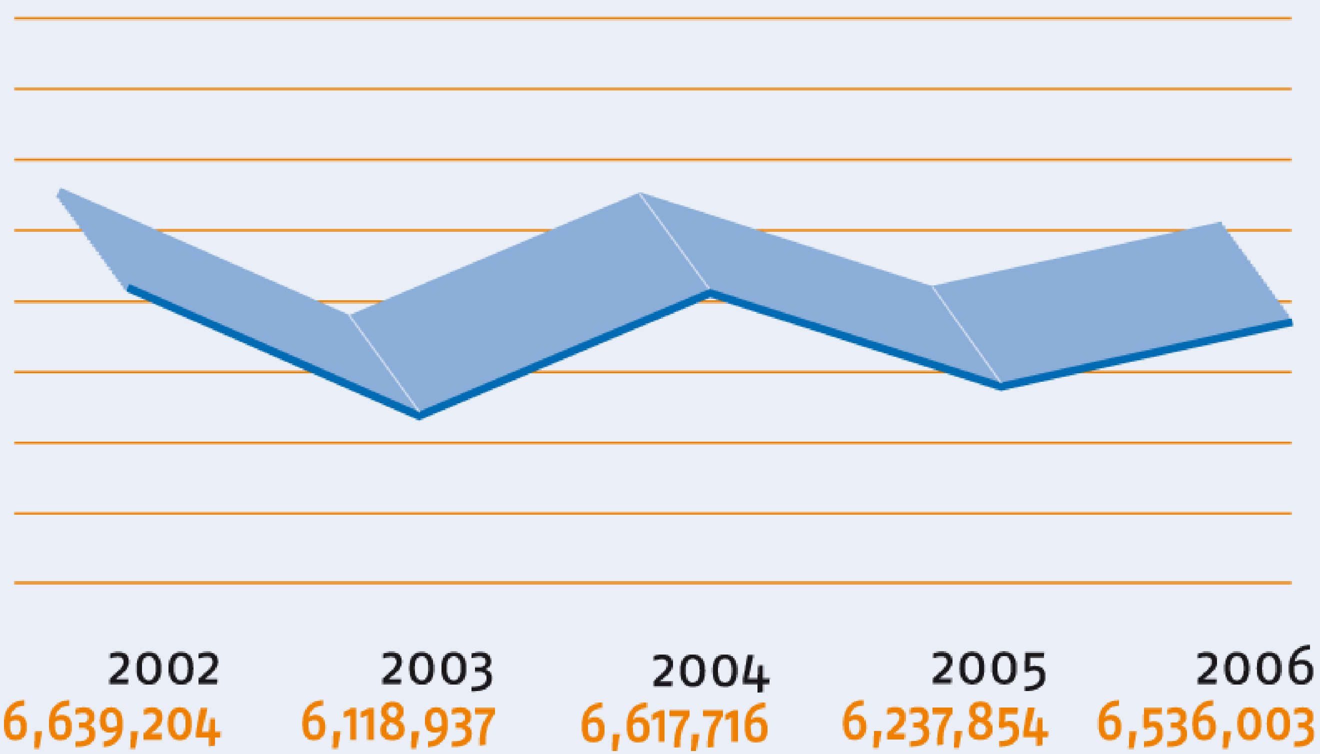
AUMA



Number of Visitors

Trade Fairs in Germany

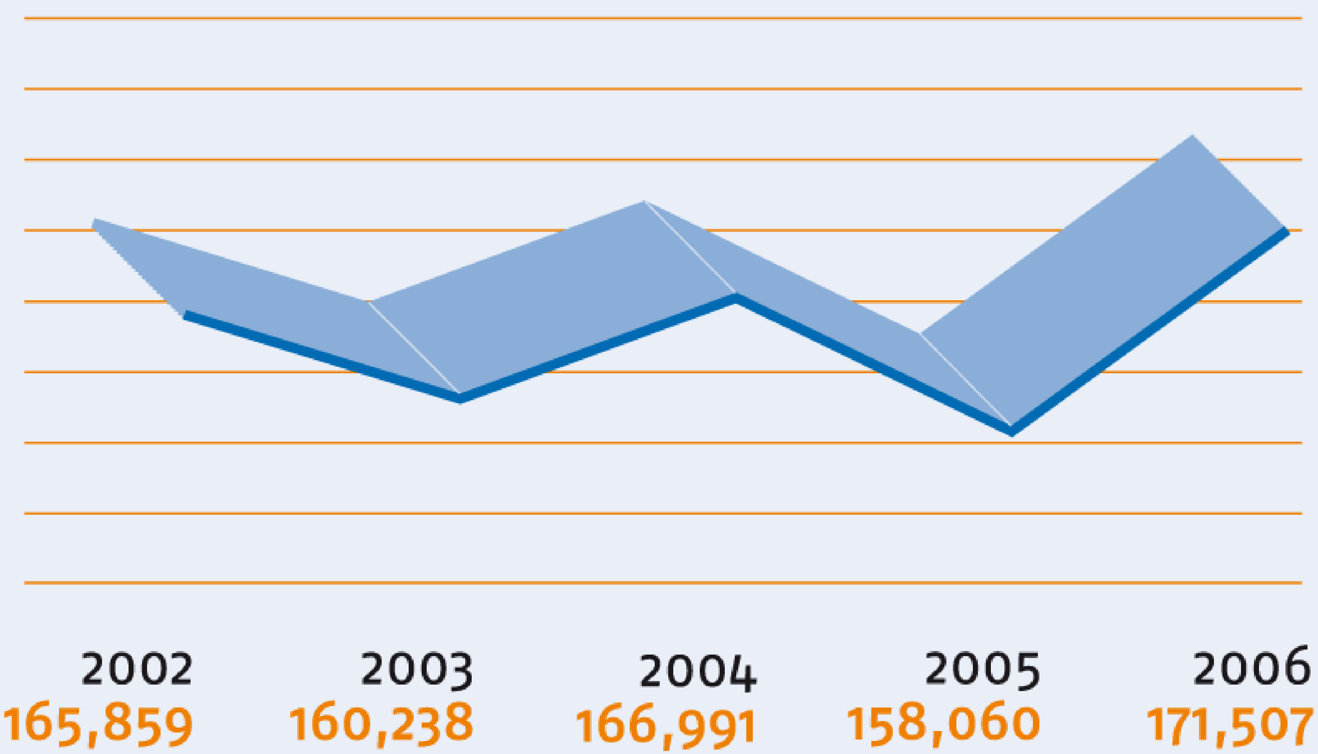
International and National Events



Rented Space in m²

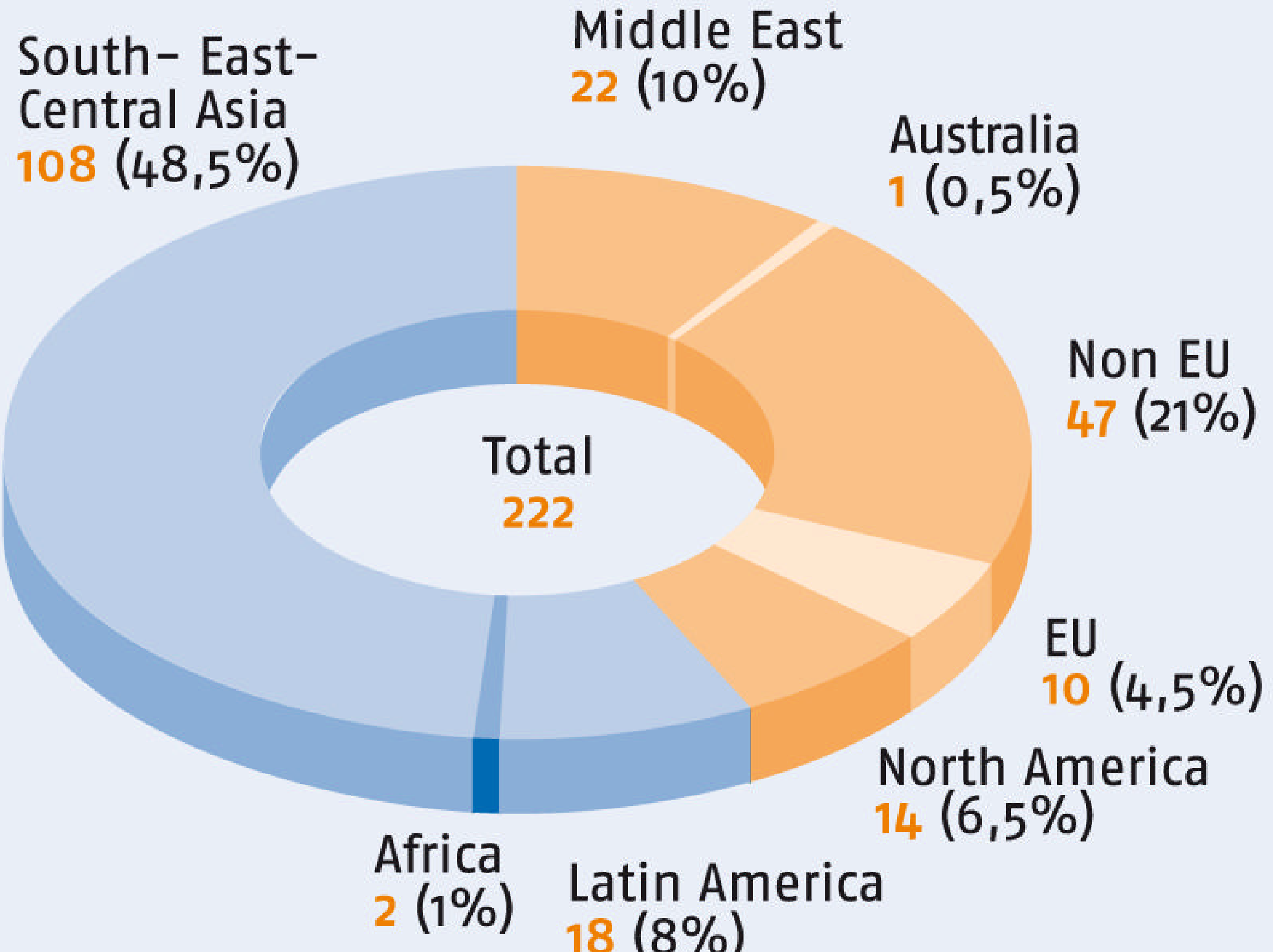
Trade Fairs in Germany

International and National Events



Number of Exhibitors

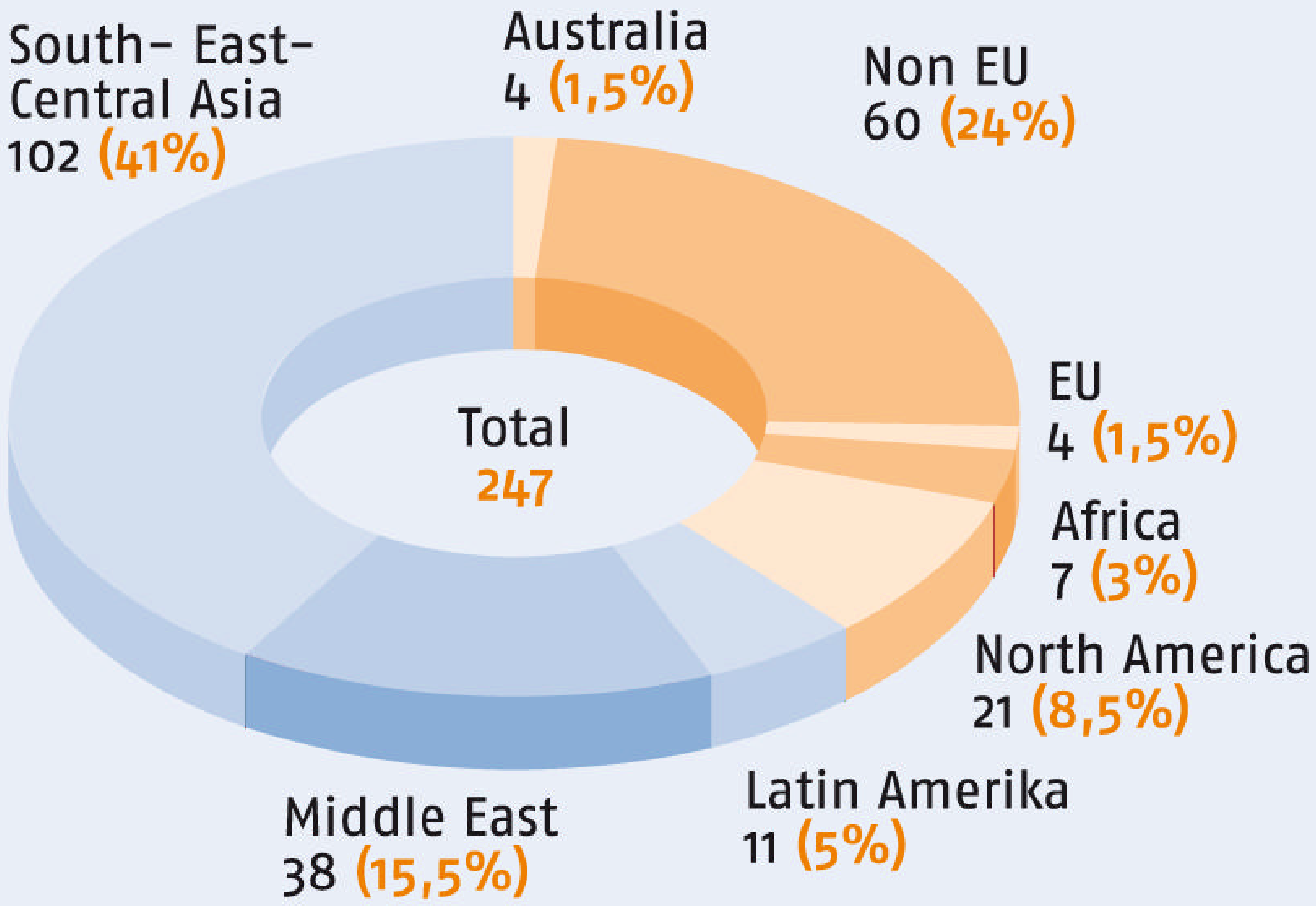
Trade Fairs Abroad by German Organizers* 2007



*AUMA Members

German Foreign Trade Fair Programme 2007

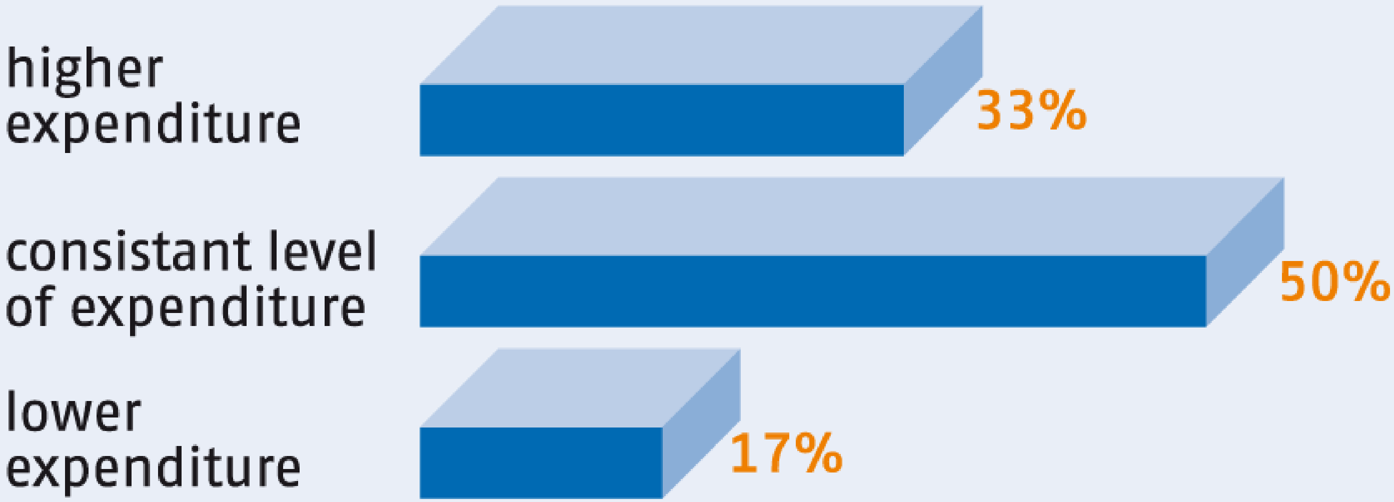
Participations by the Federal Ministry of Economics and Technology



AUMA_MesseTrend 2007

Investments in participations

Compared to 2005/2006, ...% of German exhibiting companies* are planning worldwide in the period 2007/2008



Trade fair budget	2005 + 2006:	268,200,- €	+0.7%
per company:	2007 + 2008:	270,100,- €	

* representative survey conducted by TNS Emnid commissioned by AUMA, among 500 companies, which exhibit at trade visitor-oriented fairs; October 2006

Acquisitions

1. Cities do not go on acquisition trail
2. France, Belgium and UK have relatively strong acquisition culture
3. British public companies are globally the most active in acquisition market
4. Reed have an annual acquisition budget in excess of €100m.
5. United Business Media currently have war chest in excess of €1b

Partnerships & Strategic Alliances

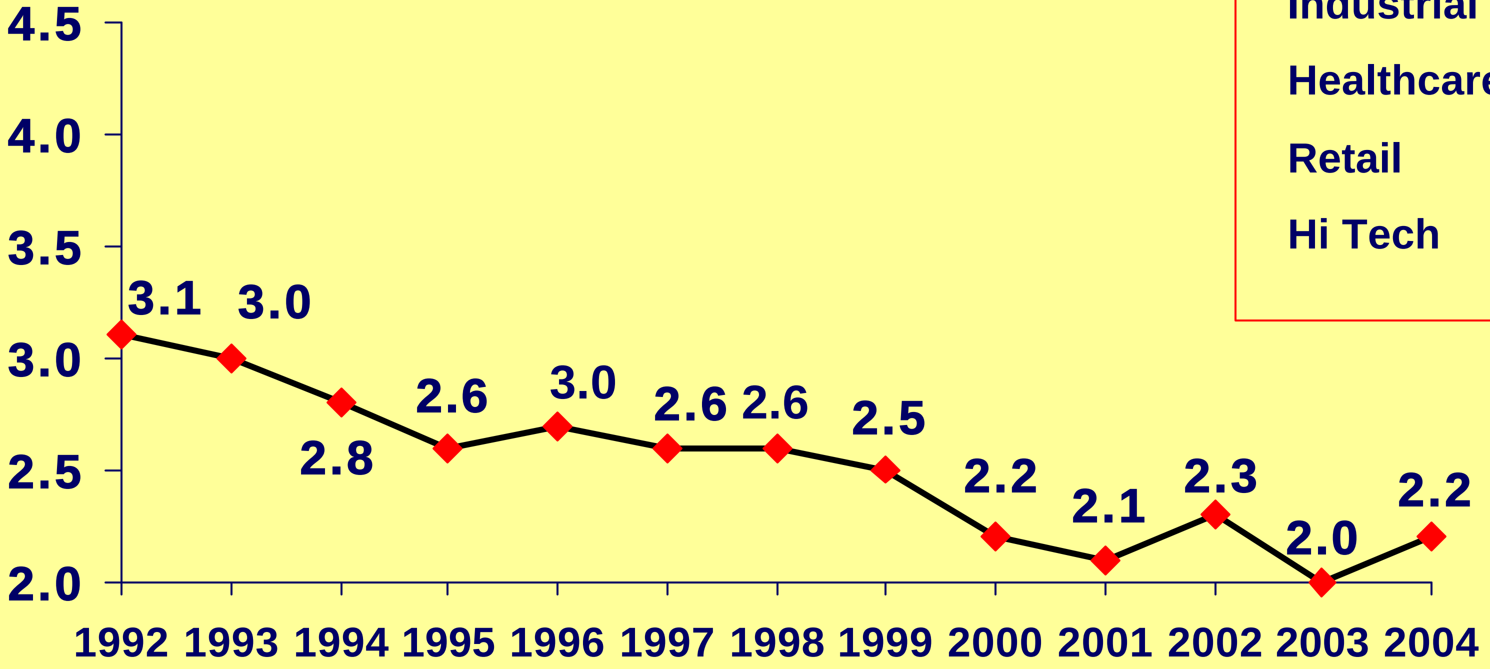
1. These are becoming more significant in Europe
2. Hannover Fair and Milan
3. Best way to break into the European market from outside
4. Brands becoming a more dominant feature globally
5. Increasing trend of companies to control global market place

Other Concerns

- Hours visiting exhibits down from 8.6 in 1996 to 7.8 in 2005.
- First time visitors down from 38% in 1996 to 31% in 2005.
- Exhibit space sales outpacing attendance growth.
  - Traffic Density down creating perception of less robust event.

Traffic Density – All Shows

Traffic Density (Td) Lower
(Td = Attendees/100 sq.ft.)



	TD
Industrial	2.1
Healthcare	1.9
Retail	2.2
Hi Tech	2.6

Verified Trends

- Global visitor attendance flat to single digit growth since 2,000; some exceptions
- Developing nations usually experience growth despite global trends.
- Foreign visitor numbers have eroded more than domestic attendance in most nations
- M & A activity in many business sectors continues to negatively impact exhibition attendance.

Verified Trends Continued…

- Organizers spending more on visitor promotion.
- Governments more interested in exhibitions.
- Smaller vertical, boutique and niche events enjoy growth.
- Sustained economic expansion triggers launches in growth industries.

Anecdotal Trends

- Wide disparity in performance among industry sectors
- Organizers report increased visitor activity on web sites…some >than 50% increase.
- Controlled economy visitor attendance estimated to be near 50% discretionary.
- Visprom must be more channel specific to reach target visitor groups.

Anecdotal Trends Continued…

- Global concerns may be solid platform for launching successful events. Examples are Security, Defense and Energy
  - success not guaranteed as illustrated by Environmental and Educational events.

- Population distribution and demographics may be factors in future exhibition attendance.

Nightmare Scenarios

1. Damage to the global economy
2. Terrorism
3. Bird flu – SARS
4. Eco warriors and carbon footprints

Why this is a golden time

1. Growth of importance of face-to-face marketing
2. Exhibition space supplies outstrips demand
3. For the first time we are getting organised as a global industry and defending our turf
4. Shift to Asia as a counter to any US economic downturn