



Business Report **2014**

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Messe Berlin GmbH

INTRODUCTION



If there's any single activity that motivates people, it's trading.

And now as in the past, one of the decisive factors in successful trading is the selection of the best marketplace and the traders. Today's Berlin is not only one of the world's most important locations for trade fairs and congresses but also a flourishing metropolis for commerce, research and technology, with a strong health sector and a range of distinguished universities. What's more, Berlin is an attractive centre for the creative economy and an important media centre. The German capital is booming, and it's a magnet for people from all over the world, who come to the city as tourists or business travellers or to live here.

The driving forces behind the special economic structure of the capital are traditional industrial companies as well as innovative start-ups and technology companies. The diverse ecology of Berlin's companies is also characterised by a strong and dynamic services sector.

Messe Berlin is one of the largest services providers in the city. It supplies a substantial proportion of this lively metropolis' economic drive.

ExpoCenter City — the exhibition grounds at the Radio Tower — has developed into a recognised venue for prestigious national and international events. Messe Berlin's extensive event portfolio includes not only internationally renowned leading trade fairs but also numerous specialised own events and guest events held at its exhibition grounds in Berlin.

In 2014, sector events in the fields of medicine, science and research made up a significant percentage of the company's activities and provided an excellent response to the growing demand for business events located in Berlin. Messe Berlin is an international marketplace whose events generate economic policy stimuli throughout the entire surrounding region. It's a platform for political and business contacts, an innovation centre, a generator of jobs and an ambassador for Berlin. Through its events, which take place through the year, it spreads news from and about Berlin all over the world.

It's not only a strong business enterprise but also an attractive employer and training location. The motivation and know-how of our "Messe team", which I have experienced in the past year since my appointment as Chairman of the Supervisory Board, play a key role in our company's quality and economic power.

The 783 employees of the Messe Berlin Group make Berlin a trade fair and conference venue that is an international showcase for commerce and innovation. Through their events they are also creating a modern production location for the "knowledge industry".

Sincerely,



Peter Zühlsdorff
Chairman of the Supervisory Board
Messe Berlin GmbH

Messe Berlin GmbH

INTRODUCTION



“Set the bar high to get the best result possible” is a familiar business mantra. The more than 700 employees of the Messe Berlin Group live by this ambitious credo every day. Messe Berlin has significantly increased its company turnover for the 14th year in a row. Its turnover of more than EUR 269 million for the financial year 2014 is the highest it has ever posted in its corporate history.

More than 28,000 exhibitors from 190 countries presented their products and services at 69 trade fairs and conferences on the Messe Berlin exhibition grounds, occupying a total of over 1.9 million square metres of exhibition space. One special highlight of the current year was the successful commissioning of the new trade fair and conference hall CityCube Berlin. Thanks to the smooth transition from the decommissioned International Congress

Centre Berlin to the newly opened CityCube Berlin, the Guest Events division hosted 27 guest trade fairs and 25 congresses in 2014. The division thus made a significant contribution to the group’s business success last year. About two thirds of the more than 1.9 million registered visitors to trade fairs and congresses at Messe Berlin were travellers from outside the city. Through the expenditures of visitors and exhibitors who come to Berlin for its events, Messe Berlin brings EUR 2.5 billion worth of purchasing power into the city and the surrounding region every year.

All of the leading international trade fairs on Messe Berlin’s event programme were held in 2014. They included the International Green Week Berlin, FRUIT LOGISTICA, ITB Berlin, IFA and InnoTrans. We are especially proud of the fact that every one of our leading trade fairs was once again able to enhance its role as the most important sector meeting point of its sector. Each of them is the most important event in its sector, influencing its markets and setting its trends.

ITB Asia in Singapore and ASIA FRUIT LOGISTICA in Hong Kong are two leading Messe Berlin trade fairs that have successfully established themselves as export items and developed into the leading meeting points of their respective sectors.

Last year Messe Berlin conducted additional top-level trade fairs for specialists and the public, such as conhIT, YOU Berlin, belectro, Bazaar Berlin (formerly known as Import Shop) and HIPPOLOGICA Berlin. In addition, it successfully introduced a completely new trade fair format called “tools” in May 2014.

The special highlights of the event calendar for 2015 include the Messe Berlin in-house event "Stage|Set|Scenery" – World of Entertainment Technology, which will celebrate its premiere in June 2015, numerous guest trade fairs such as CWIEME Berlin, the world's biggest trade fair for coils and threads, international conferences such as the 28th annual conference of the European Society of Intensive Care Medicine and NetApp Insight 2015, and extraordinary events such as the German Film Awards.

We would like to make every trade fair, every conference and every event on the Messe Berlin exhibition grounds a special experience for our exhibitors and visitors. The ideal supporting framework for a business-related stay in Germany's capital city is offered by Berlin's outstanding programme of cultural events, entertainment and leisure activities. The city that never sleeps is today one of the world's most important and attractive event destinations. Berlin's growing reputation as a location for science, healthcare and IT-related activities demonstrates the huge potential of these major sector events that are already being successfully conducted on the Messe Berlin exhibition grounds. Berlin is not only the home of a premier-league football club but also a well-established premier business location and a cosmopolitan metropolis for events and tourism.

Every year, the event business of Messe Berlin generates more than EUR 200 million in retail turnover, 2.4 million overnight stays in hotels, more than two million taxi rides and more than two million restaurant visits. The company creates strong business momentum in Germany's capital city. All of the above makes it one of the biggest employers and drivers of growth and tourism in Berlin and Brandenburg. In addition, the 30,000 international correspondents from Germany and abroad who come to the events in Berlin every year make Messe Berlin one of the city's biggest ambassadors to the media.

Sincerely,



Dr Christian Göke
Chief Executive Officer

Key figures 2014

Key figures for the Messe Berlin Group and the trade fair venues in Berlin

In-house events	2014
Trade fairs and exhibitions	50
Overall area in m ²	1,826,950
Exhibiting companies	30.484
Attendance / participants	2,092,340

Guest Events ¹⁾	2014
Guest events	52
Overall area in m ²	654,402
Exhibiting companies	4,800
Participants	390,445

Finances (in million €)	2014
Turnover (group)	269.4
Turnover (Messe Berlin GmbH)	187.2
Annual profits (group)	5.5
Annual profits (Messe Berlin GmbH)	5.6
Group EBT: Trade fairs and congresses	+61.9
Group EBT: Facility Management / Exhibition grounds	-54.3

Personnel ²⁾	2014
Employees (group)	783
<i>including</i>	
<i>trainees</i>	30
Employees (Messe Berlin GmbH)	408
<i>including</i>	
<i>trainees</i>	18

¹⁾ Guest organisers of trade fairs, congresses, corporate events

²⁾ average annual figures

TRADE FAIRS
GUEST EVENTS
FINANCES
PERSONNEL



Situation report

2014

Situation report for the group and Messe Berlin GmbH

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The group's business model

Berlin is one of the world's most dynamic international metropolises.

This unique location, innovative trade fair concepts, a successful congress business and a strong international orientation, allied to many years of expertise, professionalism and impressive service character make the Messe Berlin group into one of the most successful and highest-turnover trade fair companies worldwide.

Organisational structure

The operational business is divided into the business with events organised in its own name by Messe Berlin or its subsidiaries, the guest events and congresses business and the business with event-related services. Messe Berlin GmbH acts as the group parent company for a total of twelve directly or indirectly held, fully consolidated subsidiary companies and one joint venture. The group structure is primarily based on operational requirements.

Segments and sales markets

Alongside the internationally leading trade fairs International Green Week Berlin, ITB Berlin – THE WORLD'S LEADING TRAVEL TRADE SHOW®, IFA – Consumer Electronics Unlimited, InnoTrans – International Trade Fair for Transport Technology: Innovative Components – Vehicles – Systems, FRUIT LOGISTICA – International trade fair for fruit and vegetable marketing, Berlin and ILA Berlin Air Show – International aerospace show and conferences Messe Berlin's portfolio holds numerous other highlights in the trade fair and congress area. More than 100 regional, national and international in-house and guest events are held annually on the Berlin exhibition centre grounds, in Germany and across the world.

Fundamentals

Messe Berlin is supporting its exhibitors' wish for more international expansion with the development of new trade fairs abroad. These additional presentation platforms are offered by ASIA FRUIT LOGISTICA in Hong Kong, the AQUA UKRAINE in Ukraine, WATER SOFIA in Bulgaria and ITB Asia in Singapore.

Locations

Messe Berlin GmbH is headquartered in Berlin. The Berlin exhibition grounds ExpoCenter City in the heart of Berlin accommodates numerous internationally leading trade fairs on 170,000 square metres distributed over 26 trade fair halls. Messe Berlin opened the multifunctional trade fair, congress and event arena CityCube Berlin on 5 May 2014. CityCube Berlin, which is located directly adjacent to the south entrance of Berlin ExpoCenter City, provides both additional hall space for trade fairs and an additional congress venue. The exhibition grounds Berlin ExpoCenter Airport are located next to Berlin Schönefeld airport. Lots of open-air areas, halls without columns and a large number of parking places provide space for unusual trade fair ideas and the maximum possible flexibility.

Two subsidiary companies, Messe Berlin (Singapore) Pte. Ltd. (MBS) and Global Produce Events GmbH (GPE) as well as 85 foreign representatives in more than 150 countries on all five continents represent the group's interests abroad and offer exhibitors and visitors around the world a comprehensive portfolio of services and expert and individual advice at their respective locations.

Objectives and strategies

Messe Berlin has maintained the dynamic of the past decade thanks to continued significant growth in turnover and continually improving profitability, in order to once more exceed the market growth of the past years and to gain further market share. Further increases in competition are expected in Germany due to excess capacity and stagnating exhibitor and visitor numbers.

The company will implement its planned growth strategy by securing the top five leading trade fairs, creating concepts for and developing additional events and further expanding the congress business in Berlin. Stage|Set|Scenery and MOTORWORLD Classics Berlin — two new trade fair concepts — were developed in the financial year 2014. These events will be launched in 2015. The increased international scope, and in particular, the expansion of the activities in Asia and in the Near East have also been expedited to secure the interests of Messe Berlin.

The existing foreign events ASIA FRUIT LOGISTICA and ITB Asia, which export the brands FRUIT LOGISTICA and ITB respectively to the trade fair centres of Hong Kong and Singapore, have grown constantly in recent years and provide examples for further projects abroad. Careful balancing of the opportunities and risks associated with every foreign investment is also part of our strategic alignment.

Messe Berlin will also take up an even more efficient position in the international competitive environment. Improved operations management (organisation, processes, IT) is viewed as one way of boosting dynamism and efficiency. The first pilot studies of processes and organisation were carried out in the technical divisions and the Finances division. The project was concluded in summer 2014. A program of process optimisation measures was created. The company will implement these measures in the coming years.

Economic conditions

In 2014 the German economy grew by 1.5% when adjusted for inflation — more strongly than in either of the two preceding years. The rise in the gross domestic product, however, at 0.4%, was weaker than had been expected at the beginning of the year. Geopolitical turbulence and the unfavourable developments in the euro area caused a significant deterioration in the economy. Positive economic signals were first visible again in the last quarter. The euro's loss in value contributed to a noticeable improvement in the German economy's competitiveness in terms of price. According to the Federal Ministry for Economic Affairs and Energy, the driving forces behind the upturn were spending on private consumption and investment in equipment and buildings. According to the International Monetary Fund, the global economy grew by 3.3% in 2014 — thanks in particular to the dynamics of the national economies of the USA, the United Kingdom and China.

The Association of the German Trade Fair Industry (AUMA) recorded an increase of 3% in foreign exhibitors and a reduction of 1% in domestic exhibitors for the previous financial year on the basis of the results available to date. The comparison took account of 176 international and domestic trade fairs held in Germany and compared them with their respective previous events. Visitor numbers also grew by 1%, while the exhibitor area of absolute 6,800,000 square metres remained constant. Overall, the survey showed that the high perceived value of trade fairs as an instrument of dialogue remains unchanged.

Business report

Business progress

Messe Berlin did extremely well in financial year 2014. The group of companies had a record turnover of EUR 269.4 million (previous year EUR 187.6 million) and a group profit of EUR 4.8 million (previous year EUR 0.8 million).

A total of 28,709 companies (previous year 24,230) from Germany and abroad exhibited their products and services at the Berlin trade fair venues. A total of 1,944,635 visitors (previous year 1,404,430) attended our 17 in-house events (previous year 14) and 52 guest events (previous year 44) at the Berlin ExpoCenter City and the Berlin ExpoCenter Airport. Moreover, 28 additional events (previous year 28) took place at locations outside Berlin, including ITB Asia in Singapore, ASIA FRUIT LOGISTICA in Hong Kong and the International Suppliers Fair (IZB) in Wolfsburg. In financial year 2014, we rented 2,481,352 square metres overall (previous year 1,750,440) to 35,284 exhibiting companies (previous year 30,290). We counted a total of 2,482,785 visitors (previous year 1,932,230) from Germany and abroad.

PANORAMA fashion fair continues to grow

The year 2014 started fashionably with PANORAMA at the ExpoCenter Airport. The fashion fair increased its exhibition space by 6,000 square metres and added two new segments. For its July event, PANORAMA relocated to the venue at ExpoCenter City, because the demand for exhibition space exceeded the capabilities of the ExpoCenter Airport. The move enabled the fair to grow by 37%.

Creation of a new commercial kitchen and launch of the Prime Catering brand

After ten months of construction, Messe Berlin's new main kitchen opened in February 2014. As a result, the service subsidiary, Capital Catering GmbH (CCG), now operates Berlin's most modern commercial kitchen. The opening of the high-tech kitchen also marked the launch of the company's new and exclusive catering brand: Prime Catering. CCG has thus expanded its portfolio and offers exquisite outside catering in Berlin for gala dinners and high-class events. The new commercial kitchen extends across two stories and is located directly on the exhibition grounds. The investment totalled around EUR 4.3 million. Including the dishwashing centre and the storage rooms, the kitchen covers a total area of almost 2,000 square metres.

Decommissioning of the International Congress Centre Berlin (ICC)

In April 2014, the last major event was held at the International Congress Centre Berlin (ICC Berlin), because the permit to hold events there expired on 30 June 2014. Even after closing, the ICC Berlin continues to be the

responsibility of Messe Berlin, according to the terms of the basic agreement concluded between the federal state of Berlin and Messe Berlin GmbH. Messe Berlin bears the costs for initiating downtime operations as well as the ongoing costs for maintaining the ICC Berlin as a meeting place. The company does this in close and continuing cooperation with the federal state of Berlin.

Financial performance indicators

Opening of the CityCube Berlin

After only 22 months of construction, the new multipurpose trade fair and congress hall CityCube Berlin was opened on 5 May 2014. The cutting-edge new building has two main levels, adjustable walls and a direct connection to the adjoining exhibition grounds. The venue is suitable for events with up to 11,000 participants, thanks to its net floor space of approximately 33,000 square metres, a usable floor space of approximately 22,000 square metres, an exhibition space of 12,030 square metres as well as 47 meeting rooms and 30 offices, suites and smaller meeting rooms.

The events kicked off from 11 to 16 May 2014 with the Congress of the Federation of German Trade Unions (DGB). Immediately afterwards, the World Congress of the International Trade Union Confederation (IGUC) was held in the CityCube Berlin.

Work on the outdoor areas and on finishing the CityCube building continued until August 2014. On 27 August 2014 the supreme building inspectorate of the federal state of Berlin gave its final approval for the centre's use. As a result, the CityCube is now a permanently usable meeting place. IFA – Consumer Electronics Unlimited was the first trade fair to take place in the CityCube, where it was held in September.

The CityCube Berlin was able to retain all of the events that were previously held at the ICC for Berlin as a congress location. However, demand for use of the CityCube already exceeds its capacity.

InnoTrans 2014 grows in all respects

The tenth edition of InnoTrans was a superlative sector event. The International Trade Fair for Transport Technology was able to post gains in all relevant categories. From 23 to 26 September, 2,758 exhibitors from 55 countries presented their rail technology innovations in Berlin. A total of 61% of the exhibitors came from outside Germany. InnoTrans 2014 was attended by a total of 138,872 trade visitors from more than 100 countries. The event covered a net floor space of 102,843 square metres in the fully occupied Berlin ExpoCenter City.

The number of exhibitors and trade visitors rose by 10% compared to the previous InnoTrans in 2012. The share of international exhibitors increased by four percentage points while the net exhibition space grew by two percentage points. The highlight of InnoTrans 2014 were the 145 new rail vehicles that were exhibited on the outdoor area and the tracks. A total of 140 world premieres were celebrated in Berlin — impressive proof of the rail industry's innovative spirit and the importance of the trade show as a marketing platform and innovation driver.

Financial performance indicators

Results of Messe Berlin GmbH and the group

We consider the group's business situation to be positive. It completed financial year 2014 extremely successfully, and we achieved the goals we set ourselves. We continued the growth momentum of the past ten financial years while also steadily improving our profitability.

The year with the previously highest turnover in the company's history was 2012 (group turnover: EUR 246.8 million). In financial year 2014, this result was exceeded by EUR 22.6 million, for a total group turnover of EUR 269.4 million. Turnover thus increased by 9.2%. Messe Berlin compares the results of even-numbered or odd-numbered years with each other, because some of the trade fairs are only held every two years. In the even-numbered financial years, the company organises, among other things, bautec — International Trade Fair for Building and Construction Technology, the ILA Berlin Air Show – International Aerospace Exhibition and Conferences as well as the rail technology and mobility trade show InnoTrans.

In 2014, the group of companies' operating result (EBIT) rose by EUR 1.3 million compared to the reference year 2012. The earnings margin (EBIT/turnover) rose from 3.8% to 4%. The forecast turnover for 2014 (EUR 247.2 million) was surpassed by EUR 22.2 million (9%), while the forecast operating result (EBIT) was surpassed by EUR 2.4 million (28.6%).

Multi-year comparison

Messe Berlin Group	2014 million €	2013 million €	2012 million €	2011 million €
Sales revenues	269.4	187.6	246.8	182.1
Change in holdings work in progress	-0.2	0.1	0.0	-0.1
Other operating income	7.0	6.8	6.5	6.2
Material costs	-175.4	-118.3	-158.8	-115.3
Personnel costs	-53.2	-46.3	-46.6	-45.0
Other operating costs	-28.7	-19.3	-33.6	-19.2
Income from investments	0.1	0.0	0.0	0.0
EBITDA	19.0	10.6	14.3	8.7
EBITDA %	7.1%	5.7%	5.8%	4.8%
Write-downs on fixed assets	-8.2	-5.9	-4.8	-6.0
EBIT	10.8	4.7	9.5	2.7
EBIT %	4.0%	2.5%	3.8%	1.5%
Interest income	-2.3	-2.1	-1.3	-0.5
Taxes	-2.9	-1.3	-2.2	-1.1
Minority shareholders' share of the profit	-0.8	-0.5	-0.6	-0.7
Annual results	4.8	0.8	5.4	0.4

Operating results

The group's turnover is 43.6% higher than in the previous year. The disproportionate increase in the cost of materials (48.3%) is mainly due to the higher costs for the maintenance of the exhibition grounds and the decommissioning of the ICC Berlin.

During the financial year, personnel costs rose mainly due to collective wage and salary increases (up by 3% since 1 March 2014) and new hires.

Our subsidiary K.I.T. Group GmbH expanded its field of business, thus employing 13 more people on average than in the previous year.

The increase in the other operating costs at the group was primarily a result of the change to Messe Berlin's provisions for onerous contracts.

The investments in the expansion of the exhibition ground's capacity caused depreciation to increase by EUR 2.3 million and the negative interest income to rise moderately by EUR 0.2 million. For the external financing of the CityCube Berlin, the company spread the risks of the fixed interest rate and financed EUR 21.0 million with variable interest rates (in dependence on the six-month Euribor). Messe Berlin is currently benefiting from the low interest rates.

Messe Berlin Group	2014	2013	Comparison of changes on previous year	
	million €	million €	million €	%
Sales revenues	269.4	187.6	81.8	43.6
Change in holdings work in progress	-0.2	0.1	-0.3	>-100.0
Other operating income	7.0	6.8	0.2	2.9
Material costs	-175.4	-118.3	-57.1	48.3
Personnel costs	-53.2	-46.3	-6.9	
Other operating costs	-28.7	-19.3	-9.4	14.9 48.7
Income from investments	0.1	0.0	0.1	n. a.
EBITDA	19.0	10.6	8.4	-79.2
Write-downs on fixed assets	-8.2	-5.9	-2.3	39.0
EBIT	10.8	4.7	6.1	>100.0
Interest income	-2.3	-2.1	-0.2	9.5
Taxes	-2.9	-1.3	-1.6	>100.0
Minority shareholders' share of the profit	-0.8	-0.5	-0.3	60.0
Annual results	4.8	0.8	4.0	>100.0

The parent company, Messe Berlin GmbH, generated turnover of EUR 187.3 million and an operating result before interest and taxes of EUR 8.6 million (previous year EUR 3.1 million). Compared to the reference year of 2012, turnover rose by EUR 15.4 million (9.0%). The turnover of Messe Berlin GmbH exceeded that of its 2014 business plan by EUR 6.0 million. This result highlights the positive development of Messe Berlin's internationally leading fairs.

Messe Berlin GmbH	2014	2013	Comparison of changes on previous year	
	million €	million €	million €	%
Sales revenues	187.3	133.0	54.3	40.8
Other operating income	9.7	9.3	0.4	4.3
Material costs	-131.6	-93.9	-37.7	40.1
Personnel costs	-32.1	-27.1	-5.0	18.5
Other operating costs	-29.4	-20.3	-9.1	44.8
Income from investments	10.9	6.0	4.9	81.7
EBITDA	14.8	7.0	7.8	>100.0
Write-downs on fixed assets	-6.2	-3.9	-2.3	59.0
EBIT	8.6	3.1	5.5	>100.0
Interest income	-1.6	-1.4	-0.2	14.3
Taxes	-1.3	0.1	-1.4	>-100.0
Annual results	5.7	1.8	3.9	>100.0

In-house events

In financial year 2014, Messe Berlin GmbH held 17 in-house events (previous year 13) at the venues Berlin ExpoCenter City and ExpoCenter Airport. The group held an additional 28 in-house events (previous year 28) at locations in Germany and abroad. A total of 1,826,950 square metres of overall floor space (previous year 1,375,940 square metres) were rented on behalf of Messe Berlin GmbH, MW Messe-, Ausstellungs- und Dienstleistungsgesellschaft Wolfsburg mbH, E.G.E. European Green Exhibitions GmbH, MAZ Messe- und Ausstellungenzentrum Mühlengiez GmbH, Global Produce

Events GmbH and Messe Berlin (Singapore) Pte. Ltd. In financial year 2014, the in-house events segment counted 30,484 exhibiting companies (previous year 25,700) and 2,092,340 visitors (previous year 1,681,730). Sales revenues in the in-house events segment increased from EUR 91.4 million in 2013 to EUR 134.4 million. Compared to the reference year of 2012, turnover in this segment rose by EUR 15.5 million.

Congresses and guest events

In 2014 the congress business was impacted by the closure of the ICC Berlin and the spectacular opening of the CityCube Berlin on 5 May 2014 with the DGB congress and the World Congress of the International Trade Union Confederation. In addition to well-established medical congresses such as the German Surgeons' Congress and the Capital Congress of Medicine and Healthcare, we were able to welcome two more medical events, organised by the German Diabetes Society and the German Society of Senology. Added to this were many new corporate events (Siemens, NetApp, SAP), which together caused the congress segment's turnover of EUR 11.8 million to be much higher than planned (up by EUR 3.5 million). Another highlight was the annual conference of the International Association of Convention Centres (AIPC) in July 2014, when the world's entire congress sector came together in the CityCube.

Although the guest trade fair business developed more quietly in 2014 than before, its turnover of EUR 6.5 million was also better than planned (up by EUR 0.5 million). Among the outstanding trade fairs were the regular annual event CWIEME, INTERGEO, for which a multi-year framework agreement was signed, and the German Child and Youth Welfare Day.

Subsidiaries at home and abroad

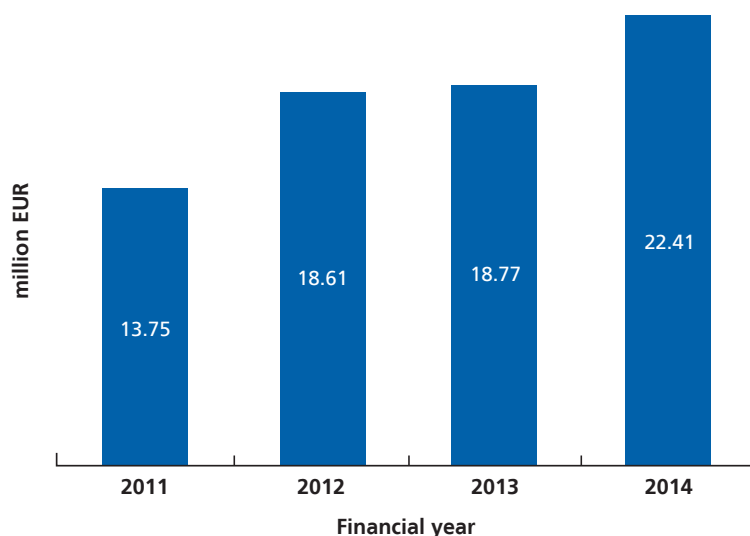
K.I.T. Group GmbH, of which Messe Berlin GmbH owns 75%, is a professional conference organiser (PCO). Its core area of business consists in planning and organising conferences, meetings and trade fairs. In financial year 2014 K.I.T. Group GmbH, which consists of the parent company K.I.T. Group GmbH and two subsidiaries, posted a turnover of EUR 41.3 million (previous year EUR 23.4 million), which was much higher than planned (EUR 34.3 million). An unplanned acquisition was the EAACI Congress (European Academy of Allergy and Clinical Immunology), Copenhagen. Moreover, additional sponsorship income was generated at the fan mile during the World Cup. The group posted 35% of its turnover outside Germany (previous year 52.2%).

In 2014, MB (Singapore) Pte. Ltd. achieved a turnover of EUR 2.9 million (previous year EUR 2.7 million) with its event ITB Asia.

The event in October was attended by 9,650 visitors (previous year 9,100); 15,000 square metres of overall floor space (previous year 12,000 square metres) were rented to 750 exhibiting companies (previous year 830) at the Marina Bay Sands Expo and Convention Center in Singapore.

Every year in September, Global Produce GmbH organises ASIA FRUIT LOGISTICA – International Trade Fair for Fruit and Vegetable Marketing. This fair focuses on vegetables, storage technology, nuts, fruit and organic products. The company reported a turnover of EUR 2.5 million in financial year 2014 (previous year EUR 2.0 million). At this fair, 15,600 square metres of overall floor space (previous year 13,360 square metres) was rented to 480 exhibitors (previous year 370). The event was attended by 8,100 visitors (previous year 6,500).

Group turnover abroad



Service companies

As a subsidiary of Messe Berlin, Capital Catering GmbH (CCG) serves food and beverages to the guests and employees of Messe Berlin as well as to third-party customers. CCG's businesses focuses on the Berlin ExpoCenter City and the ExpoCenter Airport.

At these venues, CCG provides catering for conferences, seminars, congresses and exhibitions. In addition, CCG operates the Berlin Radio Tower and the Radio Tower Restaurant.

In addition to serving visitors and employees, CCG provides outside catering for events and professionally organises major events through its newly established Prime Catering brand.

During the last financial year, Prime Catering was also responsible for organising the traditional VBKI summer business festival. On 30 August 2014, more than 1,000 guests celebrated at the Kronprinzenpalais, Unter den Linden.

CCG has 116 permanent employees on average. They are assisted by up to 400 temporary staff for major events. CCG's turnover (EUR 13.6 million; previous year: EUR 10.8 million) was 6.3% more than planned.

MB Capital Services GmbH (CSG) is the service subsidiary for the organisation and global implementation of concepts as well as for the participation in international events, trade fairs, congresses and other events. Together with its subsidiary, CSG-Team GmbH, CSG recorded a turnover of EUR 27.2 million during the last financial year (previous year EUR 21.1 million). Of this amount, EUR 8.2 million of turnover (previous year EUR 6.4 million) was transferred to Messe Berlin.

The rise in turnover for the service subsidiaries CCG and CSG in financial year 2014 was partially due to these companies' dependence on the trade fair business, which was very successful last year. For example, CSG posted a very good turnover in the business segments stand construction and advertising space rental during the leading trade fairs of the last financial year. ExpoCenter Airport Berlin Brandenburg GmbH (ECA), a joint venture between ZAB ZukunftsAgentur Brandenburg GmbH and Messe Berlin GmbH, manages the ExpoCenter Airport venue that it established in Selchow in 2012. The development of ECA's business largely depends on how well the grounds are marketed by Messe Berlin GmbH. The operating contract with Messe Berlin stipulates that ECA receives a fixed rent and a turnover-based rent. In the early summer of 2014, the ILA Berlin Air Show was held on the grounds for the second time. However, the fact that Berlin Airport (BER) still hasn't opened and that, accordingly, the planned connection of infrastructure and public transport systems has not yet taken place, has had a more negative impact on the operation of the grounds than initially expected. Moreover, the strong growth of the PANORAMA fashion fair has caused this event to leave the ECA grounds during the last financial year. The company reported a turnover of EUR 1.9 million (previous year EUR 1.6 million) and an annual deficit of EUR 0.4 million (previous year EUR 0.6 million). The joint venture's result flows proportionately into the consolidated financial statement.

The primary object of business of Capital Facility GmbH (CFG) is to offer technical and infrastructure services for the properties and trade fair business of Messe Berlin and all related activities. CFG also saw its business develop positively during the financial year. The turnover in this business area was diminished by the closure of the ICC in the summer of 2014 and the associated decline in service and maintenance work, including the transition to the downtime maintenance of this building. However, this reduction was more than offset by the fact that the company took over the management of the advertising material warehouse on 1 January 2014 and began to provide the service and maintenance work for the CityCube Berlin in May 2014.

Special factors affecting the operating results

In October, measures were initiated for securing and decommissioning the ICC, which are expected to be completed in the third quarter of 2015. One-off costs totalling around EUR 4.0 million for the decommissioning measures (e.g. the partial decommissioning of the technical equipment, the adjustment of the control systems, the installation of emergency supply systems, the modification of the building control technology and surveillance systems as well as the retrofitting of equipment at windows, doors and gates) were borne by Messe Berlin GmbH and affect the results for financial year 2014. EUR 2.8 million of the estimated total costs resulting from the obligation to decommission the ICC were taken into account through the creation of reserves.

Financial and assets situation

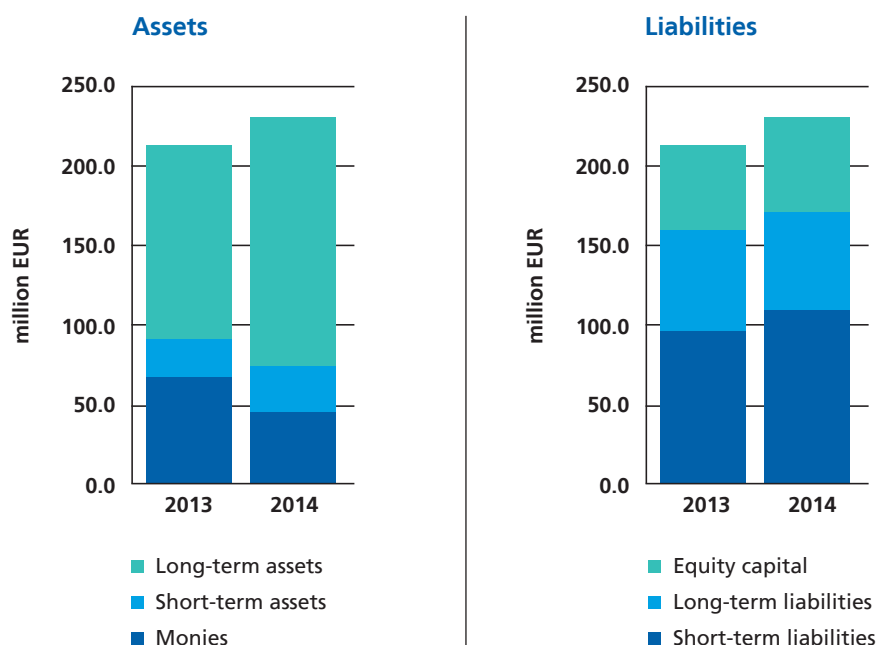
The positive cash flow from ongoing operations amounted to EUR 18.4 million (previous year EUR 0.0 million). This improvement was due to an annual group surplus before minority interests of EUR 5.5 million, the non-cash write-downs of EUR 8.2 million that are contained in the results, and the EUR 9.3 million increase in reserves (e. g. increase of the provisions for onerous contracts by EUR 4.1 million and of the maintenance obligations by EUR 4.0 million). The main counter effect was the increase in receivables from customers and other assets amounting to EUR 4.9 million, which was due to the trade fair cycle.

Consolidated statement of cash flow (summary)	2014 million €	2013 million €
Cash flow from current business activities	18.4	0.0
Cash flow from investment activities	-37.0	-42.5
Cash flow from financing activities	-2.6	42.8
Changes in financial resources	-21.2	0.3
Changes in financial resources due to exchange rates and consolidated entity	0.1	0.0
Financial resources as per 1 January	65.9	65.6
Financial resources as per 31 December	44.8	65.9

The negative cash flow from investment activities amounted to EUR 37.0 million, and was thus EUR 5.5 million lower than in the previous year. This was mainly due to EUR 38.7 million of payments-out for tangible assets compared to EUR 3.0 million of payments-in from investment subsidies. During the financial year, EUR 32.4 million flowed into the construction of the CityCube Berlin (including the outdoor areas) (previous year EUR 37.5 million), while EUR 0.6 million was spent on the central kitchen (previous year EUR 3.6 million).

Messe Berlin GmbH statement of cash flow (summary)	2014 million €	2013 million €
Cash flow from current business activities	19.8	-2.9
Cash flow from investment activities	-36.3	-41.5
Cash flow from financing activities	-2.4	43.2
Changes in financial resources	-18.9	-1.2
Financial resources as per 1 January	45.8	47.0
Financial resources as per 31 December	26.9	45.8

On the group reporting date, the statement of financial position total of the group of companies amounted to EUR 228.5 million compared to EUR 213.0 million in the previous year. The statement of financial position structure is as follows:



Long-term assets are fixed assets and other assets that are expected to be realised more than five years after the group reporting date.

Compared to the previous year, fixed assets rose by EUR 31.8 million, from EUR 122.8 million to EUR 154.6 million. This increase is mainly the result of the investments in the construction of our new multi-purpose congress and trade fair hall CityCube Berlin and its outdoor facilities as well as the investment in our new central kitchen. The total fixed assets' share of the statement of financial position total rose from 57.7% to 67.6%.

The short-term assets consist mainly of credit institute balances, receivables from supplies and services and other assets. Short-term assets declined by EUR 15.2 million compared to the previous year. This is mainly the result of a EUR 21.1 million drop in liquid assets, while receivables and other assets increased by EUR 5.6 million.

The financial year's good results have further improved our financial structure. The equity capital rose by EUR 5.3 million. The equity ratio increased from 24.6% to 25.3%.

The long-term debts consist chiefly of loan liabilities with a residual time to maturity of more than five years, which amounted to EUR 37.1 million (previous year EUR 40.4 million). The decrease was mainly the result of the repayment of loans amounting to EUR 2.4 million. Moreover, we consider

the special items for investment subsidies (increased by EUR 2.6 million compared to the previous year) and pension provisions to be long-term liabilities. The historically low interest rates have caused the discount factor to drop, leading to a EUR 0.7 million increase in pension liabilities.

The short-term liabilities consist of other reserves and tax provisions amounting to EUR 48.6 million (previous year EUR 40.0 million), down payments received (EUR 25.2 million; previous year: EUR 28.1 million), the short-term share of the liabilities to credit institutes (EUR 20.2 million; previous year: EUR 19.3 million), the liabilities from supplies and services (EUR 8.1 million; previous year: EUR 5.2 million), other accounts payable (EUR 5.1 million; previous year: EUR 4.1 million) and negative accruals and deferrals (EUR 1.3 million; previous year: EUR 1.4 million). Short-term liabilities rose by a total of EUR 10.4 million during the year under review. The main reason for this is the rise in other reserves by EUR 8.5 million (primarily due to the decommissioning and maintenance obligations as well as the provisions for onerous contracts).

Messe Berlin Group	2014	2013	Comparison of changes on previous year	
	million €	million €	million €	%
Long-term assets	154.6	123.9	30.7	24.8
Short-term assets	73.9	89.1	-15.2	-17.1
Assets	228.5	213.0	15.5	7.3
Equity capital	57.8	52.5	5.3	10.0
Long-term liabilities	62.2	62.4	-0.2	-0.3
Short-term liabilities	108.5	98.1	10.4	10.6
Liabilities	228.5	213.0	15.5	7.3

At Messe Berlin, the asset and capital structure is as follows:

Messe Berlin GmbH	2014	2013	Comparison of changes on previous year	
	million €	million €	million €	%
Long-term assets	153.2	120.6	32.6	27.0
Short-term assets	55.0	69.3	-14.3	-20.6
Assets	208.2	189.9	18.3	9.6
Equity capital	58.5	52.8	5.7	10.8
Long-term liabilities	52.1	52.2	-0.1	-0.2
Short-term liabilities	97.6	84.9	12.7	15.3
Liabilities	208.2	189.9	18.3	9.6

Due to investment activities the statement of financial position total for Messe Berlin GmbH also rose by EUR 18.3 million. It amounts to EUR 208.2 million, EUR 153.2 million (73.6%) of which consists of fixed assets. Financial assets comprise EUR 12.7 million. The equity ratio for Messe Berlin GmbH is 28.1% (previous year 27.8%). The long-term liabilities consist of the long-term share of the liabilities to credit institutes, pension provisions and special items for contributions to fixed assets.

Overall conclusion

The assessment of the business development, the financial and assets situation and the operating results of Messe Berlin GmbH and the group of companies is positive overall. The company fulfilled its financial obligations at all times.

Non-financial performance indicators

Workforce

Messe Berlin has well-trained, highly capable and motivated employees. To ensure that this situation continues in the future, the group considers it important to offer its employees interesting and challenging tasks and flexible working time models as well as fair remuneration and attractive additional benefits.

Messe Berlin GmbH pays its employees according to the German Collective Agreement for Public Service Employees (TVöD). As a result of the wage negotiations in 2014, wages were increased by 3% or by EUR 90 at the least, effective 1 March 2014, and by a further 2.4% effective 1 March 2015. The remuneration for trainees was increased by EUR 40 effective 1 March 2014 and was increased by EUR 20 effective 1 March 2015. The uniform vacation time permitted to all employees has been 30 days since 2014, and the vacation time for trainees was increased in 2014 from 27 to 28 days. In addition, the de facto guarantee that trainees will be hired by the company after their traineeships are over was extended to cover all areas where training programs are in line with workforce needs. Due to the excellent business result for 2013, in May 2014 a special bonus was paid out to all employees to whom the legal wage agreement applies.

The company pension scheme, which safeguards a good standard of living after retirement, is very important for our employees. In the case of all employees bound by the legal wage agreement, Messe Berlin pays 6.45% of their gross wages into a supplementary pension scheme (VBL). In the case of employees not bound by the wage agreement, a sum varying between 4.5% and 6.9% of their gross wages is paid into the insurance scheme. The legal framework also enables employees to pay part of their wages into two alternative insurance schemes with no tax or social security obligations.

To help its employees find a better balance between work and family responsibilities, Messe Berlin offers a flexible working time model and a range of part-time work models that are matched as closely as possible to individual needs.

Our training program is another important pillar of our sustainability-oriented human resources policy. At the end of 2014 the group had 30 trainees (previous year 32) preparing for careers as office clerks or event salespersons or working to gain Bachelor of Arts (B.A.) degrees in trade fair, congress and event management. This program of dual study in business management with a focus on trade fairs and congresses is offered by Messe Berlin GmbH in cooperation with the Ravensburg University of Cooperative Education in Baden-Württemberg.

Messe Berlin regularly offers in-house continuing education courses and also enables its employees to take external qualification courses that are tailored to the needs of the company and the employees.

The company also sets great store by a good workplace culture and regards the overall mood of its workforce as an important indicator of the status of this culture. It conducts workforce surveys at regular intervals with the support of the Great Place to Work (GPTW) research and consulting institute. As part of a company-specific diversity concept, Messe Berlin also strives to enhance its profile as an employer that appreciates and promotes the uniqueness of each one of its employees. The main aspects of this diversity concept are implemented by the diversity groups, which focus respectively on gender, internationality/cultural diversity, handicapped workers, aging and sexual identity.

Messe Berlin GmbH also successfully participated in the "Equal Wages" project and as a result was one of the five companies certified by the German Federal Anti-Discrimination Agency.

Employees

The Messe Berlin group of companies employed 768 as of 31 December 2014. By comparison with 31 December 2013, the number of employees had increased by 54 persons. Messe Berlin GmbH employed 399 men and women as of 31 December 2014, a figure that represents an increase of 35 persons. At the Messe Berlin group of companies, the average number of employees in a year increased from 691 to 753.

After the end of financial year 2014, there were no events of special significance that would have had a major effect on the assets, financial situation or operating results of Messe Berlin GmbH or the Messe Berlin group of companies.

Risk strategy

We define risks as possible negative deviations, and opportunities as positive deviations, from planned performance in the course of our company's development. The business activities of Messe Berlin inevitably involve risks that despite great care cannot be entirely avoided. The topmost priority of Messe Berlin's risk policy is to exploit existing opportunities and to undertake only business risks that can be considered reasonable and that open up new opportunities for earnings.

Supplementary report

Risk management

Risk management system

Messe Berlin employs a risk management system to identify, evaluate and document business risks within the group. This system is regularly re-examined to ensure its suitability and effectiveness.

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

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 the regular monthly reports, which always include an estimate of the key year-end business figures for all levels of the group, special individual risks are communicated to the management and the Supervisory Board in a corporate risk report at predefined regular intervals, depending on their importance.

The development of risks is monitored within the group using early warning indicators. Economic fluctuations are shown as risk factors affecting business development. In the course of the annual business 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 in the course of the expansion of business activities and new projects are only entered into if an entrepreneurial assessment regards the opportunities and risks to be adequately controllable.

Risk areas

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 exhibition grounds and with construction work are an additional concern. There are currently no high-probability risks which could jeopardise the existence of the company, nor can any be expected to occur in financial year 2015.

Compliance

Messe Berlin decided to set up a Compliance Management System (CMS) in 2010. The system was administered by external lawyers. In February 2014 the Compliance, Organisation, Risk Management and Revision departments were combined into the Corporate Governance division and reorganised. They cooperate closely and form an integrated Corporate Governance Management System.

The group's management is responsible for ensuring that the statutory regulations and the company's internal directives are complied with. An in-house compliance officer of Messe Berlin GmbH cooperates with the "risk owners" to register and assess the compliance risks of the corporate group. An external ombudsperson also registers any compliance risks that are brought to his or her attention. As part of a system for reporting tips, the ombudsperson is the contact for whistleblowers. The aim of the system is to expose irregularities within the group and to counter compliance risks early on.

The future of ExpoCenter Airport Berlin Brandenburg GmbH

The necessary investment in the P2 parking areas at the ExpoCenter Airport exhibition grounds was completed in 2014. The investment was financed with the remainder of the original investment budget and with a shareholders' loan from Messe Berlin GmbH amounting to EUR 1.0 million.

The postponement of the opening of the Berlin Brandenburg BER airport to the second half of 2017 poses risks to the joint venture ExpoCenter Airport Berlin Brandenburg GmbH. Because of the unfavourable marketing situation resulting from the postponement of the airport's opening, the joint venture will be facing a liquidity gap starting at the end of 2015. This gap can be closed by a notified shareholder loan of EUR 1.0 million from the partner ZAB ZukunftsAgentur Brandenburg GmbH. The requisite talks are being conducted with the state government of Brandenburg. In order to safeguard the group's solvency beyond 2015, the management is cooperating with the shareholders to work out and assess various alternative solutions.

Reorganisation of the ILA Berlin Air Show

The continuing massive financial losses of the ILA in recent years, as well as thoughts about an alternative interim use of the ExpoCenter Airport grounds, have led the management to consider fundamentally reorganising the event. For example, alternative scenarios were already designed and calculated during the past financial year.

The main reasons for the continuing high financial losses are the flight programme, the expensive temporary halls and the temporary paths and parking spaces. In addition, the demand for stand spaces has stagnated for several years now because of the generally difficult market situation for aircraft manufacturers in Europe. Because of the opening date of the BER, it must be assumed that a flight programme for the ILA 2018 can no longer be implemented. For the ILA 2016, we already need a marketable adjustment of the basic concept that also offers a feasible outlook for the ILA in 2018 and the following years.

*Prospects,
opportunities and
risks associated
with future
developments*

Final decision on use of the ICC is still pending

A final decision by the federal state of Berlin regarding the ultimate use of the ICC is still pending. Messe Berlin has included a total of EUR 14.4 million in downtime maintenance costs in its financial planning for the period from 2015 to 2019, in addition to the one-time decommissioning costs of EUR 4.0 million that were mostly paid out in financial year 2014. EUR 3.9 million of the EUR 14.4 million are earmarked for 2015. Any costs beyond this planned amount pose a risk to Messe Berlin.

Growth markets

In the saturated German trade fair market, our focus is mainly on expanding our market shares by further strengthening our leading trade fairs, as well as on developing new products by extending the value chain. In addition, the management also sees opportunities for further growth through acquisitions and engagement in cooperative projects. We believe that China is the individual market with the greatest growth potential. To prepare for setting up a number of trade fairs in China, Messe Berlin is planning to establish a company in China.

Planning fundamentals for anticipated business development

The future development of the operating results, financial situation and assets situation is being planned on the basis of assumptions that currently appear plausible and sufficiently probable, even though the economic background is still marked by a degree of uncertainty. Consequently, actual developments may differ significantly from previous assumptions and from the resulting plans and trend forecasts.

Anticipated business conditions

According to the Federal Ministry of Economic Affairs and Energy, Germany has emerged from the business slowdown of last summer and is back on course for growth. This trend was already noticeable during the fourth quarter of 2014. A 1.5% increase of the gross domestic product is expected for financial year 2015. Low oil prices and the weak euro will give an additional boost to the competitiveness of the German economy. Modest development is expected in the euro zone, whereas the USA and the UK are regarded as growth drivers for the global economy. The trade fair sector association AUMA anticipates that trade fair results will grow slightly by about 1% by comparison with the respective previous events. According to an AUMA survey, major companies are relying more strongly on trade fairs as a medium and are planning to increase their advertising budgets in the years ahead. Excess capacity at local exhibition grounds and stagnating exhibitor and visitor figures in Germany will result in a further increase in the number of trade fairs conducted abroad by German trade fair organisers. AUMA

predicts that the 277 trade fairs conducted abroad in 2013 and the 306 in 2014 will be followed by an expected 313 in 2015. The main target countries are still China, Russia and India, but nowadays South Africa is also clearly offering significant business opportunities for German trade fair organisers.

Anticipated development of business and profits

The Messe Berlin group will organise 23 in-house events in financial year 2015, with 16 of them taking place at the exhibition grounds in Berlin. The trade fair calendar for 2015 will be rounded out by 50 guest trade fairs and congress events.

From 9 to 11 June 2015 a new international trade fair – Stage|Set|Scenery – will be celebrating its premiere on the exhibition grounds in Berlin. It will focus on the themes of professional theatre planning; architecture; film; event services; stage, lighting, audio, video and media technology; makeup; costume design and stage set construction; acoustics; and studio, exhibition and museum technology. An integral component of Stage|Set|Scenery will be the International Stage Technology Conference, which will include an international symposium, presentations by professionals, workshops and seminars. The new exclusive trade fair for vintage cars, MOTORWORLD Classics Berlin, is planned for 8 to 11 October 2015. The main target groups are top vintage car dealers and buyers from Germany and abroad, as well as specialists in valuable rare automobiles and accessories.

Messe Berlin expects the combined turnover of its five most profitable trade fairs — IFA, ITB, FRUIT LOGISTICA, International Green Week and PANORAMA — to increase by 9% compared to the reference year 2013. The new multifunctional trade fair and conference hall CityCube Berlin will increase the turnover in the conference segment. Here as well, the event portfolio will be extremely international in the years ahead. In 2015 the events held in the CityCube Berlin will include conferences of the European Society of Intensive Care Medicine and the European Academy of Neurology.

The total turnover for 2015 is expected to exceed that of the reference year 2013 by approximately 20%. The result for financial year 2015 will be predictably lower than those for even-numbered years because of the regular rotation of the Messe Berlin events. For 2015 the group expects a total turnover, including the turnover of its subsidiaries, of approximately EUR 225.0 million and an annual loss of EUR 5.0 million before taxes. Turnover of EUR 150.4 million and a negative result of EUR 6.9 million is expected for Messe Berlin GmbH. Messe Berlin will pay EUR 3.9 million in downtime maintenance costs for the ICC in 2015, and this amount will be deducted from its overall financial result.

A number of events have already been successfully concluded in financial year 2015. The 80th IGW was attended by 1,658 exhibitors from 68 countries (previous year 1,650 exhibitors from 69 countries). Messe Berlin's personnel and exhibition space capacity was fully utilised by the PANORAMA fashion trade fair, which was staged in parallel to the IGW at the Berlin ExpoCenter City. More than 550 brands presented their new collections on 37,500 square metres of exhibition space in ten trade fair halls in the southern section of the exhibition grounds. FRUIT LOGISTICA 2015, the platform for the fruit and vegetable sector, was staged in February 2015 with 2,785 exhibitors from 83 countries and approximately 65,000 trade visitors from more than 135 countries.

Anticipated financial and assets situation

The planning for financial year 2015 has taken into account the lower result due to the regular rotation of events, which will decrease the operating cash flow of the Messe Berlin GmbH group of companies. By contrast, the negative cash flow from investment activities will be significantly reduced to about EUR 5 million because the main investment projects were concluded in 2014. The company expects a total negative cash flow of about EUR 4 million. The group's total liquidity is expected to decrease by about EUR 17 million to EUR 28 million. A corresponding development is planned for Messe Berlin GmbH.

From today's perspective, Messe Berlin GmbH and its group of companies will have enough liquidity available in financial year 2015 if the current framework conditions remain unchanged.

16 March 2015



Dr Christian Göke



Consolidated statement of financial position 2014

*Consolidated
financial statement
and annual financial
statement as per
31 December*

Assets	31. 12. 2014		31. 12. 2013	
	TEUR	TEUR	TEUR	TEUR
A. Fixed assets				
I. Intangible assets				
1. Rights and licences acquired against payment	1,819		1,793	
2. Goodwill	0		671	
3. Down payments made	238	2,057	136	2,600
II. Tangible fixed assets				
1. Land, titles to land and buildings incl. buildings on other premises	138,515		49,924	
2. Technical installations and machinery	4,496		4,833	
3. Operating and business equipment	4,861		4,120	
4. Down payments made and installations under construction	3,981	151,853	61,177	120,054
III. Financial assets				
1. Shares in affiliated companies	80		80	
2. Shareholdings	26		26	
3. Loans to companies in which shares are held	500		0	
4. Securities included in the fixed assets	43	649	43	149
		154,559		122,803
B. Liquid assets				
I. Inventories				
1. Raw, auxiliary and operating materials	175		194	
2. Work in progress	557		711	
3. Goods	158		137	
4. Down payments made	726	1,616	309	1,351
II. Accounts receivable and other assets				
1. Receivables from supplies and services	16,541		11,485	
2. Receivables due from affiliated companies	20		0	
3. Other assets	10,852	27,413	10,370	21,855
III. Liquid asset securities				
Other securities		71		53
IV. Cash in hand, balances with financial institutions and cheques		44,780		65,879
		73,880		89,138
C. Deferred revenue		57		34
D. Active balance from the capital account		38		1,024
		228,534		212,999

Liabilities	31. 12. 2014 TEUR	31. 12. 2013 TEUR
A. Equity capital		
I. Subscribed capital	20,708	20,708
II. Capital reserves	12,578	12,578
III. Other retained earnings	109	109
IV. Net group profit	22,047	17,263
V. Differences in equity capital resulting from currency conversion	83	-46
VI. Adjustment items for shares held by other shareholders	2,315	1,810
	57,840	52,422
B. Balance from capital consolidation	0	32
C. Special items contributions to fixed assets	9,655	7,095
D. Provisions		
1. Provisions for pension or similar obligations	15,195	14,496
2. Provisions for tax	2,349	2,279
3. Other provisions	46,254	37,720
	63,798	54,495
E. Liabilities		
1. Liabilities to credit institutes	57,300	59,700
2. Down payments received on orders	25,162	28,066
3. Liabilities from supplies and services	8,127	5,238
4. Liabilities to affiliated companies	0	65
5. Other liabilities of which from taxes TEUR 2,268 (previous year TEUR 763) of which for social security TEUR 30 (previous year TEUR 31)	5,099	4,131
	95,688	97,200
F. Deferred revenue	1,536	1,755
G. Deferred tax liabilities	17	0
	228,534	212,999

Consolidated statement of profit or loss 2014

*Consolidated
statement of profit or
loss for the period
from 01 January
to 31 December*

	2014		2013	
	TEUR	TEUR	TEUR	TEUR
1. Sales revenues		269,423		187,562
2. Reduction (in previous year increase) in stock of work in progress		-154		126
3. Other operating income of which income from currency conversion TEUR 351 (previous year TEUR 30)		6,961		6,864
4. Material costs				
a) Cost of raw, auxiliary & operating materials and goods brought in	-15,269		-15,397	
b) Cost of buying in services	-160,145	-175,414	-102,923	-118,320
5. Personnel costs				
a) Wages and salaries	-43,455		-37,731	
b) Social security contributions and costs for pensions and benefits of which, for pensions TEUR 2,692 (previous year TEUR 2,024)	-9,746	-53,201	-8,555	-46,286
6. Write-downs on intangible assets and tangible assets		-8,203		-5,944
7. Other operating costs of which, costs of currency conversion TEUR 247 (previous year TEUR 148)		-28,719		-19,318
8. Income from investments of which from affiliated companies TEUR 83 (previous year TEUR 0)		83		0
9. Other interest and similar income		98		197
10. Interest and similar expenditures of which costs from discounting provisions TEUR 964 (previous year TEUR 1,003)		-2,427		-2,334
11. Result from normal business activities		8,447		2,547
12. Taxes on income and earnings		-2,778		-1,260
13. Other taxes		-125		-17
14. Annual group surplus		5,544		1,270
15. Profits share of other shareholders		-760		-512
16. Group profit		4,784		758
17. Profit carried over from previous year		17,263		16,505
18. Net group profit		22,047		17,263

Consolidated statement of cash flows
2014

*Consolidated
statement of cash
flows for the
financial year 2014*

	2014 TEUR	2013 TEUR
Annual group surplus	5,544	1,270
Write-downs on fixed asset items	8,203	5,944
Increase (in previous year decrease) of provisions	9,303	-9,617
Other income not affecting statement of financial position	-411	-291
Losses from disposal of tangible fixed assets	4	140
Increase (in previous year decrease) in inventories, receivables and other assets not classified as investments or financing activities	-4,878	1,800
Increase in claims and other liabilities not classified as investments or financing activities	654	768
Cash flow from current business activity	18,419	14
Payments-in from disposal of tangible assets	6	16
Payments-out for investment in tangible assets	-38,658	-45,033
Payments-out for investment in intangible fixed assets	-562	-204
Payments-in from disposal of financial assets	0	11
Payments-out for investment in financial assets	-500	-81
Payments-in from investment subsidies	2,971	3,130
Payments-out from sales of shares in consolidated companies less liquid funds	0	-59
Payments-out for acquisition of consolidated companies less liquid funds	-249	-262
Cash flow from investment activity	-36,992	-42,482
Payments-in from raising financial credit	0	45,000
Payments-out from repayment of financial credit	-2,400	-1,800
Payments-out to minority shareholders	-255	-419
Cash flow from financing activity	-2,655	42,781
Changes in financial resources	-21,228	313
Exchange rate changes and changes due to consolidated entry, in financial resources	129	-74
Financial resources at the start of the period	65,879	65,640
Financial resources at the end of the period	44,780	65,879

Group equity schedule

2014

Group equity schedule for the financial year 2014

	Subscribed capital	Capital reserves	Earned group equity capital
	TEUR	TEUR	TEUR
1.1.2013	20,708	12,578	16,614
Annual group surplus	0	0	758
Other result	0	0	0
Distribution of profits	0	0	0
Changes in the scope of consolidation	0	0	0
31.12.2013	20,708	12,578	17,372
Annual group surplus	0	0	4,784
Other result	0	0	0
Distribution of profits	0	0	0
31 December 2014	20,708	12,578	22,156

Currency conversion TEUR	Equity capital of Messe Berlin GmbH TEUR	Equity capital of the minority shareholders TEUR	Group equity capital TEUR
41	49,941	1,791	51,732
0	758	512	1,270
-87	-87	0	-87
0	0	-419	-419
0	0	-74	-74
-46	50,612	1,810	52,422
0	4,784	760	5,544
129	129	0	129
0	0	-255	-255
83	55,525	2,315	57,840

Statement of financial position 2014

Statement of financial position Messe Berlin GmbH as of 31 December

Assets	31. 12. 2014		31. 12. 2013	
	TEUR	TEUR	TEUR	TEUR
A. Fixed assets				
I. Intangible assets				
1. Rights and licences acquired against payment	885		763	
2. Down payments made	238	1,123	137	900
II. Tangible fixed assets				
1. Buildings on other premises	129,278		41,451	
2. Technical installations and machinery	1,587		1,776	
3. Operating and business equipment	4,556		3,700	
4. Down payments and installations under construction	3,962	139,383	60,819	107,746
III. Financial assets				
1. Shares in affiliated companies	7,559		6,810	
2. Shareholdings	4,169		4,169	
3. Loans to companies in which shares are held	1,000	12,728	0	10,979
		153,234	119,625	
B. Liquid assets				
I. Inventories				
Raw, auxiliary and operating materials		44		59
II. Receivables and other assets				
1. Receivables from supplies and services	13,963		9,401	
2. Receivables due from affiliated companies	5,002		4,770	
3. Other assets	8,997	27,962	9,217	23,388
III. Cash in hand, balances with financial institutions and cheques		26,922		45,815
		54,928	69,262	
C. Deferred revenue		9		0
D. Active balance from the capital account		38		1,023
		208,209		189,910

Liabilities	31. 12. 2014	31. 12. 2013
	TEUR	TEUR
A. Equity capital		
I. Subscribed capital	20,708	20,708
II. Capital reserves	12,578	12,578
III. Other retained earnings	109	109
IV. Profit carried over	19,419	17,624
V. Annual profits	5,658	1,795
	58,472	52,814
B. Special items for contributions to fixed assets	9,655	7,094
C. Provisions		
1. Provisions for pensions	10,587	10,252
2. Provisions for tax	522	1,326
3. Other provisions	42,719	34,542
	53,828	46,120
D. Liabilities		
1. Liabilities to credit institutes	48,800	51,200
2. Down payments received on orders	22,485	23,776
3. Liabilities from supplies and services	6,958	4,281
4. Liabilities to affiliated companies	2,854	919
5. Liabilities to companies in which shares are held	443	426
6. Other liabilities	3,178	1,525
of which from taxes TEUR 1,860 (previous year TEUR 445) of which for social security TEUR 0 (previous year TEUR 2)		
	84,718	82,127
E. Deferred revenue	1,536	1,755
	208,209	189,910

Statement of profit or loss 2014

Statement of
profit or loss for
Messe Berlin GmbH
for the period from
1 January to
31 December

	2014		2013	
	TEUR	TEUR	TEUR	TEUR
1. Sales revenues		187,298		133,005
2. Other operating income of which income from currency conver- sion TEUR 2 (previous year TEUR 5)		9,697		9,315
3. Material costs				
a) Cost of raw, auxiliary and operating materials	- 10,725		- 11,010	
b) Cost of buying in services	-120,898	-131,623	-82,910	-93,920
4. Personnel costs				
a) Wages and salaries	-25,601		-21,592	
b) Social security contributions and costs for pensions and benefits of which, for pensions TEUR 2,463 (previous year TEUR 1,820)	-6,481	-32,082	-5,488	-27,080
5. Write-downs on intangible assets and tangible assets		-6,169		-3,906
6. Other operating costs of which, costs of currency conversion TEUR 5 (previous year TEUR 14)		-29,421		-20,324
7. Income from investments of which from affiliated companies TEUR 1,656 (previous year TEUR 988)		1,656		988
8. Income from profit transfer agreements		9,254		5,165
9. Income from loans from financial assets of which, from affiliated companies TEUR 0 (previous year TEUR 6)		0		6
10. Other interest and similar income of which from affiliated companies TEUR 7 (previous year TEUR 28)		72		195
11. Costs from absorption of losses		0		-107
12. Interest and similar costs of which costs from discounting provisions TEUR 529 (previous year TEUR 670)		-1,641		-1,686
13. Result from normal business activities		7,041		1,651
14. Taxes on income and earnings		-1,310		158
15. Other taxes		-73		-14
16. Annual profits		5,658		1,795



Hall 20

ector galleries

↑
Hall 20

Appendix

2014

Group appendix and Appendix 2014

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1. Preliminary remarks

The annual financial statement of Messe Berlin GmbH and the consolidated 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 regulating limited companies, as well as taking into consideration the principles of correct book-keeping and group accounting. The statements of profit or loss have been prepared in accordance with the aggregate cost method.

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

The purpose of Messe Berlin GmbH is to organise, stage and provide support for trade fairs, exhibitions, congresses and conferences, sporting and entertainment events in order to strengthen Berlin's position in Germany 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 consolidated entity (the group) also includes eleven domestic and one foreign subsidiary (previous year: eleven domestic and one foreign subsidiary), on which Messe Berlin GmbH has the power to exert a direct or indirect controlling influence. As part of the process of full consolidation the following companies are included in the consolidated financial statement:

Capital Catering GmbH, Berlin
MB Capital Services GmbH, Berlin
CSG-Team GmbH, Berlin
Capital Facility GmbH, Berlin

General details

MW Messe-, Ausstellungs- und Dienstleistungsgesellschaft Wolfsburg mbH, Wolfsburg

E.G.E. European Green Exhibitions GmbH, Berlin

MAZ Messe- und Ausstellungszentrum Mühlengeez GmbH, Mühlengeez

Global Produce Events 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 holds a 50% stake in ExpoCenter Airport Berlin Brandenburg GmbH, Schönefeld. The company is included proportionately in the consolidated financial statement.

K.I.T. Swiss AG, CH-Laufenburg, of which K.I.T. Group GmbH holds 100% of the shares, was not included in the consolidated financial statement under the option according to Section 296 Paragraph 2 HGB as it is 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 group reporting date for the consolidated financial statement and all the companies included in the consolidated financial statement is 31 December 2014. The initial consolidation must take place at the time at which the possibility for control of the assets and of the financial and operational actions of the acquired company passes to the group.

The statement of financial positions of the companies forming the consolidated entity have been put together uniformly in accordance with statement of financial position 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 companies' assets and liabilities, which are to be included in the consolidated financial 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 group reporting date. Negative balances are recognised as income in a scheduled procedure, provided that expected losses or costs do not mitigate against liquidation.

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

Receivables, liabilities, costs and income between the companies involved are offset against one another. Interim results — insofar as they are significant — are eliminated.

With the exception of equity capital, a statement in a foreign currency is converted into euros at the exchange rate in force on the reporting date. The foreign companies' equity capital (subscribed capital, reserves, profit or loss carried forward) is converted at the historic rate at the time of first inclusion of the subsidiary in the consolidated financial statement. The statement of profit or loss 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. Fundamentals

The annual financial statements for the companies included in the consolidated financial statement have been put together uniformly in accordance with the statement of financial position and assessment methods of Messe Berlin GmbH, while taking ongoing business activities into account. The statement of financial position and assessment methods applied in previous years have remained unchanged.

5. Fixed assets

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

A fixed value is set for small catering items of Messe Berlin GmbH which are regularly replaced and are of secondary importance compared with the overall value.

***Statement of
financial position
and assessment
principles***

The principles defined by Section 6 Paragraph 2 EStG, respectively Section 6 Paragraph 2a EStG are applied to low-value assets. Depreciable goods and chattels with initial costs not exceeding EUR 410 are written down in full in the year of acquisition. Low-value assets with initial costs of 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 statement of financial position at the initial cost or at a lower adjusted value, and loans are always shown at a nominal value.

6. Liquid assets

Raw, auxiliary and operating materials as well as goods are assessed at their initial cost or lower adjusted value on the reporting date and incomplete deliverables are assessed at the manufacturing cost. The production costs for future events comprise quantifiable, directly allocable 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 statement of financial position at a nominal value or initial cost or at an adjusted lower value on the reporting date. Individual risks are taken into account by means of reasonable adjustments in value.

Securities are shown on the statement of financial position 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 statement of financial position either at a nominal value or at an adjusted lower value on the reporting date.

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 income and costs are also offset accordingly.

8. Special items

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

9. Provisions and liabilities

Provisions 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 settlement amount required in accordance with the principles of a rational commercial assessment are made in accordance with the principles of a rational commercial assessment for uncertain liabilities and the threat of losses from pending businesses (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 discounted for the time remaining until maturity at the average market rate of interest. Liabilities are shown as such at the amount of their fulfilment.

10. Deferred taxes

Deferred taxes are determined using the temporary differences between the estimates in the financial statement 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 consolidated financial statement.

11. Foreign currency conversion

Assets and liabilities shown in foreign currencies are converted at the mean exchange rate in effect on the reporting date. In accordance with Section 256a HGB, for a residual time to maturity of one year or less, the initial cost principle and the realisation principle are not applied.

12. Fixed assets

A breakdown of the asset items and their development in 2014, as summarised in the Messe Berlin statement of financial position and the consolidated statement of financial position, is shown in the respective fixed assets schedule.

A list showing share ownership as of 31 December 2014 is included in the appendix.

*Explanations
regarding the
statements of
financial position*

Accruals to the financial assets of Messe Berlin GmbH consist mainly of a contractually variable purchase-price adjustment payment of TEUR 249 for the purchase of an additional 25% of the shares of K.I.T. Group GmbH on 1 January 2013. In the statement of financial position item for loans to companies in which it has shares, Messe Berlin GmbH also shows a loan of TEUR 1,000 that it granted to ExpoCenter Airport Berlin Brandenburg GmbH during the financial year. In addition, a total of TEUR 500 was attributed in the financial year to the previously made value adjustments of the shareholdings in E.G.E. European Green Exhibitions GmbH and K.I.T. Group GmbH.

The key business occurrences regarding tangible assets include the completion and commissioning of the CityCube Berlin and the new central kitchen at Messe Berlin GmbH. These occurrences are shown in the statement of financial position item Land, titles to land and buildings incl. buildings on other premises. The accruals amounting to TEUR 33,728 are mainly due to these two construction projects.

In the statement of financial position item down payments and installations under construction, the accruals amounting to TEUR 2,803 refer to existing construction projects at the ExpoCenter City, including the expansion of passageways between halls on the exhibition grounds and the construction of an underground access way to the CityCube.

With regard to the group, it is also necessary to report that ExpoCenter Airport Berlin Brandenburg GmbH has completed the car park buildings on the grounds of the ExpoCenter Airport. The car park buildings and other accruals at the ExpoCenter Airport Berlin Brandenburg GmbH led to accruals of TEUR 792 in the statement of financial position item Land, titles to land and buildings incl. buildings on other premises.

13. Accounts receivable and other assets

Receivables and other assets of Messe Berlin (TEUR 27,962; previous year: TEUR 23,388) all have a residual time to maturity of less than one year. Within the group (TEUR 27,413; previous year: TEUR 21,855) are shown TEUR 64 (previous year: TEUR 162) of other assets with a residual time to maturity of more than one year.

Receivables from affiliated companies of Messe Berlin GmbH amounting to TEUR 5,002 (previous year: TEUR 4,770) result mainly from the transfer of subsidiaries' earnings.

As was the case in previous years, the other assets of Messe Berlin GmbH (TEUR 8,997; previous year: TEUR 9,217) mainly include down payments (TEUR 6,760; previous year: TEUR 6,680) and receivables from tax offices (TEUR 1,502; previous year: TEUR 1,811).

14. Active accruals and deferrals

The active accruals and deferrals in the group (TEUR 57; previous year: TEUR 34) consist exclusively of the payments for costs for a specific period following the group reporting date.

15. Active balance from the capital account

This item shows an active surplus (TEUR 38; previous year: TEUR 1,024) which results from offsetting active assets of the cover funds of Messe Berlin GmbH with a time value of TEUR 564 (previous year: TEUR 3,964), which is not accessible to any other creditors. For Messe Berlin GmbH this is offset against liabilities from part-time allowances for older employees of TEUR 526 (previous year: TEUR 1,020).

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 results of the companies included in the consolidated financial statement, unless these have been distributed.

The shares held by other partners (TEUR 2,315; previous year: TEUR 1,810) refer to the original share capital and the shares of the profits held by minority shareholders in E.G.E. European Green Exhibition GmbH, Global Produce Event GmbH and K.I.T. Group GmbH.

Foreign currency conversion of the equity capital in Singapore dollars in the financial statement of Messe Berlin (Singapore) Pte. Ltd. reveals a difference amounting to TEUR 83 (previous year: TEUR -46). 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 income amounting to TEUR 32. The negative balance was completely written off as of 31 December 2014.

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.

In the financial year under review 'Special items' includes GRW funding provided by the investment bank amounting to TEUR 2,971.

The sum was allocated for construction of the CityCube Berlin.

19. Provisions

The provisions shown in the group for pensions (TEUR 15,195; previous year: TEUR 14,496) 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 as well as their surviving dependents.

These liabilities are based on individual and collective agreements. The assessment of the pension liabilities was obtained using the projected-unit credit method. The reserves were calculated on the basis of an actuarial interest of 4.58% p.a. (previous year: 4.89% p.a.) and an upward trend in pensions and wages of 2% p.a. and 3% p.a. (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 532 (previous year: TEUR 505) for the unconsolidated statement and TEUR 937 (previous year: TEUR 798) for the group are shown as interest expenditures (before being offset with the corresponding income of TEUR 44 from the cover funds) in the statement of profit or loss.

The tax provisions shown in the consolidated financial statement amounting to TEUR 2,206 (previous year: TEUR 2,258) result mainly from corporation tax and trade tax. In addition, tax provisions were created for e.g. foreign income taxes (TEUR 30; previous year: TEUR 21) as well as for property taxes (TEUR 110; previous year: TEUR 0).

The other provisions 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. In particular, they include the maintenance obligations arising from the lease agreement with the federal state of Berlin (TEUR 24,516 for Messe Berlin GmbH), provisions for the threat of losses (TEUR 9,676 for Messe Berlin GmbH, TEUR 9,695

for the group), provisions for outstanding suppliers' invoices (TEUR 3,998 for Messe Berlin GmbH, TEUR 5,100 for the group), provisions for holiday and leisure time due (TEUR 1,673 for Messe Berlin GmbH, TEUR 2,262 for the group), provisions to cover part-time allowances for older employees (TEUR 0 for Messe Berlin GmbH, TEUR 249 for the group) and provisions for bonuses (TEUR 1,520 for Messe Berlin GmbH, TEUR 2,287 for the group).

The calculation of the provisions to cover part-time allowances for older employees was in accordance with Section 253 Paragraph 2 Sentence 1 HGB and was based on a discount interest rate of 3.13% p.a. (previous year: 3.62% p. a.). Future wage increases estimated at 3% p.a. were also taken into account. Using the projected unit credit method, the provision for long-term deposits (accounts for hours worked) was calculated in the group with a discount interest rate of 4.58% p. a. (previous year: 4.89% p. a.) with future wage increases estimated at 3.0% p. a.

In the unconsolidated financial statement of Messe Berlin GmbH long-term personnel obligations were offset against assets amounting to TEUR 4,130 (TEUR 1,004 for pension liabilities and TEUR 3,126 for other provisions). In the consolidated financial statement of Messe Berlin long-term personnel obligations were offset against assets amounting to TEUR 4,570 (TEUR 1,004 for pension liabilities and TEUR 3,567 for other provisions).

Allocated amounts for offsetting according to Section 246 Paragraph 2 Sentence 2 HGB:	Group		Messe Berlin	
	2014 in TEUR	2013 in TEUR	2014 in TEUR	2013 in TEUR
Amounts allocated for liabilities				
Pension liabilities	16,199	15,542	11,591	11,298
Long-term accounts for hours worked	3,080	2,172	2,769	1,921
Early retirement scheme liabilities	917	1,410	526	1,020
Initial cost of assets				
Pension liabilities	960	966	960	966
Long-term accounts for hours worked	2,846	2,625	2,547	2,375
Early retirement scheme liabilities	641	1,137	500	997
Adjusted value of the assets				
Pension liabilities	1,004	1,046	1,004	1,046
Long-term accounts for hours worked	2,900	2,806	2,600	2,555
Early retirement scheme liabilities	705	1,551	564	1,410
Allocated costs				
Pension liabilities	937	798	532	505
Long-term accounts for hours worked	112	84	99	54
Early retirement scheme liabilities	108	121	90	113
Allocated income				
Pension liabilities	44	80	44	80
Long-term accounts for hours worked	54	181	53	180
Early retirement scheme liabilities	64	24	64	23

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 2014.

20. Liabilities

Within the group, the liabilities to financial institutions amount to TEUR 57,300 (previous year: TEUR 59,700).

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 took out two loans of TEUR 8,500 each (totalling TEUR 17,000). ExpoCenter Airport Berlin Brandenburg GmbH is shown in the consolidated financial statement with a share of 50%. In order to finance the construction of display halls on the exhibition grounds at Selchow, Messe Berlin GmbH also took out a loan of TEUR 8,000 on 7 November 2011.

In order to finance the CityCube Berlin, Messe Berlin GmbH took out further loans in financial year 2013.

On 25 February 2013/26 February 2013 Messe Berlin GmbH signed an agreement to take out a loan of TEUR 12,000. On 26 March 2013/27 March 2013 it signed another agreement to take out an additional TEUR 12,000. On 25 February 2013/26 February 2013 Messe Berlin GmbH also took out two non-bonded loans amounting to TEUR 10,500.

TEUR 3,371 (previous year: TEUR 2,400) of the group's total liabilities to credit institutes have a residual time to maturity of a maximum of one year, TEUR 16,855 (previous year: TEUR 16,855) have a residual time to maturity of between one and five years and TEUR 37,074 (previous year: TEUR 40,445) have a residual time to maturity of more than five years.

TEUR 2,871 (previous year: TEUR 2,400) of Messe Berlin GmbH's total liabilities to credit institutes have a residual time to maturity of a maximum of one year, TEUR 14,355 (previous year: TEUR 14,355) have a residual time to maturity of between one and five years and TEUR 31,574 (previous year: TEUR 34,445) have a residual time to maturity of more than five years.

In addition, TEUR 22,485 (previous year: TEUR 23,776) of down payments are shown for Messe Berlin GmbH and correspondingly TEUR 25,162 (previous year: TEUR 28,066) for the group. The down payments have residual time to maturity of up to one year.

The group's liabilities from supplies and services amount to TEUR 8,127 (previous year: TEUR 5,238) and those of Messe Berlin GmbH to TEUR 6,958 (previous year: TEUR 4,281). In each case, as in the previous year, the residual time to maturity of these liabilities is a maximum of one year.

Of the other liabilities amounting to TEUR 3,178 (previous year: TEUR 1,525) in the unconsolidated financial statement and TEUR 5,099 (previous year: TEUR 4,131) in the consolidated financial statement, Messe Berlin's tax liabilities amount to TEUR 1,860 (previous year: TEUR 445) and group tax liabilities amount to TEUR 2,268 (previous year: TEUR 763), while Messe Berlin social security liabilities amount to TEUR 0 (previous year: TEUR 2) and group social security liabilities amount to TEUR 30 (previous year: TEUR 31). As in the previous year, 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 25 (previous year: TEUR 56), with a residual time to maturity of between one and five years.

Of the liabilities to affiliated companies, those of Messe Berlin GmbH amount to TEUR 2,854 (previous year: TEUR 919) and those of the group to TEUR 0 (previous year: TEUR 65). The statement of financial position of Messe Berlin GmbH also shows liabilities to companies in which it has shares amounting to TEUR 443 (previous year: TEUR 426). As in the previous year, all liabilities regarding the group and affiliated companies have a residual time to maturity of a maximum of one year.

21. Deferred taxes

For Messe Berlin GmbH, deferred tax assets as of 31 December 2014 resulted from temporary differences between the financial and tax statements and differences between tax losses carried forward.

Messe Berlin GmbH	31.12.2014		31.12.2013	
	Deferred tax assets ¹	Deferred tax liabilities ¹	Deferred tax assets ¹	Deferred tax liabilities ¹
	TEUR	TEUR	TEUR	TEUR
Long-term assets	1	0	1	0
Short-term assets	0	0	1,203	0
Long-term liabilities	1,224	0	761	0
Short-term liabilities	3,049	19	1,836	1,022
Losses carried forward	4,902	0	4,518	0
Subtotal	9,176	19	8,319	1,022
Balance	19	0	1,022	0
Total	9,157	0	7,297	0

¹ Assessment rates — corporation tax/solidarity surcharge: 15.8%; trade tax: 14.3%

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 2014: 410%). These rates are used as the basis for the calculation.

For Messe Berlin GmbH, temporary differences between the book values in the financial and tax statements exist, amounting to TEUR 14,101 (previous year: TEUR 9,207) as well as tax losses carried forward amounting to around EUR 50 million (previous year: EUR 57 million) for the corporation tax and around EUR 46 million (previous year: EUR 54 million) for the trade tax.

For the group the temporary differences amount to TEUR 14,176 (previous year: TEUR 9,226).

Group	31.12.2014		31.12.2013	
	Deferred tax assets ¹	Deferred tax liabilities ¹	Deferred tax assets ¹	Deferred tax liabilities ¹
	TEUR	TEUR	TEUR	TEUR
Long-term assets	1	17	1	0
Short-term assets	0	0	1,203	0
Long-term liabilities	1,224	0	761	0
Short-term liabilities	3,055	19	1,842	1,022
Losses carried forward	4,940	0	4,706	0
Subtotal	9,220	36	8,513	1,022
Balance	19	-19	1,022	-1,022
Total	9,201	17	7,491	0

¹ Assessment rates — corporation tax/solidarity surcharge: 15.83%; trade tax: 14.35%; income tax, Singapore: 17%

The deferred tax liabilities of TEUR 17 (previous year: TEUR 0) pertain to K.I.T. Group GmbH and were shown as liabilities as of 31 December 2014. Differences resulting from consolidation measures amount to a liability surplus of TEUR 10. Capitalisation of surplus in both the individual and consolidated financial statements is dispensed with in accordance with Section 274 Paragraph 1 Sentence 2, Section 300 Paragraph 2 Sentence 2 HGB.

22. Business not included in the statement of financial position, contingencies and other financial liabilities

Messe Berlin GmbH is jointly and severally liable for the afore-mentioned loans of ExpoCenter Airport Berlin Brandenburg GmbH, which each amount to TEUR 8,500. As of the group reporting date, based on the planning for 2015 and 2016 the risk of incurring this liability is regarded as minimal.

Utilising the right of choice in accordance with Art. 28 Paragraph 1 Sentence 2 EGHGB, pension obligations are shown neither in the group nor unconsolidated statement of financial position.

Messe Berlin staff who receive their remuneration in accordance with TVöD are insured through the 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%). For 482 persons this resulted in a contribution of TEUR 1,747, of which Messe Berlin provided 6.45% (previous year: 6.45%). The employees' own contribution amounts to 1.41% of their income (previous year: 1.41%).

In 2014 a capitalisation payment amounting to (initially) 1.77% (previous year: 1.81%) of the compulsory complementary pension sum was also paid. The final percentage will be determined in autumn 2015 when all contributions and insurance payments have been calculated. In 2013 it was 1.716%.

The contribution rates in 2015 remain unchanged for employers and employees. The initial capitalisation payment rate is 1.72%. Because the resulting indirect pension obligations cannot be reliably determined, no amount is shown.

In 2015, there were no other financial liabilities of any importance that were not connected to ongoing business operations. Events held in the first quarter caused financial liabilities that are within the usual scope and that were taken into account during planning. These liabilities consist of a large number of small amounts.

During the financial year under review, no other significant business activities took place that are not included in the statement of financial position.

23. Business conducted with affiliated companies and persons

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

24. Sales revenues

The sales revenues in the unconsolidated and consolidated financial statements are as follows:

*Explanations
concerning the
statements of
profit or loss*

	Group		Messe Berlin GmbH	
	2014 TEUR	2013 TEUR	2014 TEUR	2013 TEUR
In-house events	134,401	91,430	120,937	81,097
Guest events, congresses and other events	58,159	37,543	17,861	14,860
Services	41,177	30,220	21,181	15,399
Catering services	8,928	7,478	0	0
Portfolio and facility services	12,150	12,171	16,371	15,639
Other sales revenues	14,608	8,720	10,948	6,010
Total	269,423	187,562	187,298	133,005

One of the reasons why sales revenues increased within the group was that a large number of events were held during the financial year due to the event cycles.

Sales revenues from portfolio and facility services amounting to TEUR 10,000 (previous year: TEUR 10,000) result from payments made by the federal state of Berlin for ongoing maintenance and repairs.

	Group turnover abroad	
	2014 TEUR	2013 TEUR
In-house events	5,239	5,163
Congresses and other events	14,685	11,938
Services	1,721	1,513
Other sales revenues	764	157
Total	22,409	18,771

Compared to 2013 group turnover abroad rose to TEUR 3,638. As in the previous year, the congresses abroad organised by K.I.T. Group GmbH were a significant factor in this development.

25. Other operating income

Other operating income of the group show income unrelated to the accounting period from the liquidation of provisions and of value adjustments on receivables totalling TEUR 3,191 (TEUR 2,690 for Messe Berlin).

	Group		Messe Berlin GmbH	
	2014	2013	2014	2013
	TEUR	TEUR	TEUR	TEUR
Income from liquidation of provisions (not specific to the accounting period)	2,584	3,553	2,256	3,187
Income from liquidation of value adjustments on receivables (not specific to the accounting period)	607	365	434	277
Income from liquidation of special items for contributions	411	291	411	291
Income from disposal of fixed assets and attribution of financial assets	77	39	577	4
Remaining operating income	3,282	2,616	6,019	5,556
Total	6,961	6,864	9,697	9,315

26. Staff

The average numbers of employees and trainees were as follows during the year under review:

	Group		Messe Berlin GmbH	
	2014	2013	2014	2013
Employees	753	691	390	363
Trainees	30	32	18	21
Total	783	723	408	384

Temporary staff were also employed as required.

27. Write-downs

In the financial year under review, the scheduled write-downs for Messe Berlin GmbH amounted to TEUR 6,169 (previous year: TEUR 3,906). The increase is due mainly to the proportional inclusion of the write-downs for the CityCube and the central kitchen at the ExpoCenter City, both of which were completed in 2014.

Within the group, the write-downs amounted to TEUR 8,203 (previous year: TEUR 5,944). Again, the increase compared to the previous year is due mainly to the completion during the financial year of the aforementioned construction projects at the ExportCenter City and the car parks at the ExpoCenter Airport. During the year under review, write-downs were made for the last time of goodwill within the group. These write-downs amounted to TEUR 920 (previous year: TEUR 933). These write-downs amounted to TEUR 249 (previous year: TEUR 262), of which TEUR 262 concerned purchase-price adjustment payments resulting from the acquisition in 2010 of 51% of the shares and in 2013 from a 24% increase (TEUR 671; previous year: TEUR 671) in the stake held in K.I.T. Group Berlin GmbH.

28. Other operating costs

Other operating costs of the group mainly consist of costs from the allocation of a total of TEUR 8,486 (TEUR 8,467 for Messe Berlin) to the provisions for onerous contracts. Other operating costs of the group increased by TEUR 9,401 (TEUR 9,097 for Messe Berlin) compared to the previous year. This increase resulted primarily from allocations to the provisions for onerous contracts at Messe Berlin. Neither the group nor Messe Berlin show any appreciable costs that are not specific to the accounting period.

29. Financial results

During the financial year, interest payments amounting to TEUR 1,106 (previous year: TEUR 1,014) were made for the aforementioned loans taken out by Messe Berlin GmbH.

30. Taxes

An external audit of Messe Berlin and of its affiliated companies — Capital Catering GmbH and MW Messe-, Ausstellungs-, und Dienstleistungsgesellschaft Wolfsburg mbH — as well as of the subsidiaries not forming part of Messe Berlin GmbH began in 2013. The auditing period spanned the financial years 2008 to 2011. The audit examined the corporation tax and the solidarity surcharge as well as the trade tax and the value added tax. The audit had not yet been completed at the time this report was compiled.

Within the group, costs from income taxes totalled TEUR 2,778 (previous year: TEUR 1,260). This figure consists mainly of tax on profits from Messe Berlin GmbH (TEUR 1,310) and K.I.T. Global GmbH (TEUR 1,026) as well as from the creation of deferred tax liabilities (TEUR 17) at K.I.T. Group GmbH.

Explanations regarding the statement of cash flow and joint ventures

As in the previous year, the financial resources consist of short-term bank balances as well as cash and cheques amounting to TEUR 44,780 (previous year: TEUR 65,879). Value adjustments to the financial resources resulting from fluctuating exchange rates and amounting to TEUR 129 are shown. TEUR 548 concern the financial resources of the company on a proportionately consolidated basis (previous year: TEUR 567).

In the financial year 2014, the group paid interest amounting to TEUR 1,463 (previous year: TEUR 1,333) and received interest amounting to TEUR 162 (previous year: TEUR 195). Income taxes paid amounted to TEUR 1,507 (previous year: TEUR 764). Dividends paid to minority shareholders amounted to TEUR 255 (previous year: TEUR 419).

Within the group, shares in the joint venture ExpoCenter Airport Berlin Brandenburg GmbH generated short-term assets amounting to TEUR 662 (previous year: TEUR 573), long-term assets amounting to TEUR 12,729 (previous year: TEUR 12,455), short-term liabilities amounting to TEUR 684 (previous year: TEUR 91) and long-term liabilities amounting to TEUR 8,000 (previous year: TEUR 8,500). Costs amounted to TEUR 1,068 (previous year: TEUR 962).

Other explanations

31. Management and Supervisory Board

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

Management:

Dr Christian Göke
Chief executive officer

Ingrid Maaß
(to 27 November 2014)
Chief operating officer

Supervisory Board:

Peter Zühlsdorff

(from 3 June 2014)

Shareholders

Deutsche Industrie Holding GmbH, Berlin

Chair (from 7 July 2014)

Hans-Joachim Kamp

(to 2 June 2014)

Chairman of the Supervisory Board of

Philips Deutschland GmbH, Hamburg

Chairman (to 2 June 2014)

Cornelia Yzer

Senator

Senate Department for Economics, Technology and Research, Berlin

First deputy chair (to 2 June 2014 / from 7 July 2014)

Thomas Jaegler

Sous-chef

Capital Catering GmbH, Berlin

Employees' representative

Second deputy chair (to 2 June 2014 / from 7 July 2014)

Jean-Claude Baumgarten

(to 2 June 2014)

Vice chair

World Travel & Tourism Council, London, U.K.

Ute Biernat

(to 2 June 2014)

Chief Executive Officer

UFA SHOW GmbH, Cologne

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

MESSE BERLIN

Thomas Ellerbeck
(from 3 June 2014)
Member of the TUI AG Management Board
Group Director Corporate & External Affairs
TUI AG, Hannover/Berlin

Klaus Feiler
State secretary
Senate Department for Finance, Berlin

Ellen Funk-Fritz
Chair of the Works Council
Messe Berlin GmbH, Berlin
Employees' representative

Dr Beatrice Kramm
(to 2 June 2014)
Managing Partner
Polyphon Film- und Fernsehgesellschaft mbH, Hamburg/Berlin

Catherine Mühlemann
(to 2 June 2014)
Member of the Administrative Board, media entrepreneur, lecturer,
Partner Andmann Media Holding
Andmann Media Holding, Baar, Switzerland

Ulrike Niggemann
(from 3 June 2014)
Chief operating officer
Dr Wolf Media / Fruchthandel Magazin, Düsseldorf

Dr Alexander Pett
(from 1 July 2014)
Managing Director
gfu – Gesellschaft für Unterhaltungs- und Kommunikationselektronik mbH,
Frankfurt am Main

Joachim Rukwied
President
German Farmers' Association, Berlin

Stephan Ruppel
(to 2 June 2014)
Retired
Employees' representative

Dirk Schade
(from 3 June 2014)
Project Manager IFA Public Media / Events
Messe Berlin GmbH, Berlin
Employees' representative

Georg Walkenbach
(from 3 June 2014)
Managing Partner
Beurer GmbH, Ulm

Wolf-Dieter Wolf
Managing Partner
Grundkonzept Financial Services Wirtschaftsberatungs- und
Beteiligungsgesellschaft mbH, Berlin

Norbert Zeglin
Head, Procurement
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:

	Dr Christian Göke TEUR	Ingrid Maaß ¹ TEUR
Fixed amount	316	264
Bonuses	153	50
Non-pecuniary and other remuneration	28	32
Total	497	346

¹ (Chief operating officer to 27 November 2014)

Former managers and their dependents received TEUR 978 (previous year: TEUR 742) in pensions and benefits.

For the groups of persons referred to, pension provisions were made as of 31 December 2014 totalling TEUR 10,635 (previous year: TEUR 10,452) before offsetting with the actuarial reserve (TEUR 1,004).

In the year under review members of the Supervisory Board received remuneration amounting to TEUR 88 (previous year: TEUR 83). These are made up as follows:

in TEUR¹	2014
Hans-Joachim Kamp	16.1
Peter Zühlsdorff	14.8
Cornelia Yzer	5.1
Thomas Jaegler	5.1
Jean-Claude Baumgarten	1.3
Ute Biernat	1.3
Ulrike Brabant	3.8
Jan Eder	3.8
Thomas Ellerbeck	2.5
Klaus Feiler	4.3
Ellen Funk-Fritz	4.3
Dr Beatrice Kramm	1.3
Catherine Mühlemann	1.3
Ulrike Niggemann	2.5
Dr Alexander Pett	2.3
Joachim Rukwied	4.3
Stephan Ruppel	1.3
Dirk Schade	2.5
Georg Walkenbach	2.5
Wolf-Dieter Wolf	3.8
Norbert Zeglin	3.8
Total²	87.5

¹ Individual values, rounded

² The total amount corresponds to the sum of the amounts without rounding

As an unlisted company, Messe Berlin GmbH applies the Berlin Corporate Governance Code. The declaration by the Management and Supervisory Board of conformity with the Berlin Corporate Governance Code was submitted to a vote by the Supervisory Board on 17 December 2014 and received its approval. The declaration of conformity has been made available on the company's website.

32. Exceptions according to Section 264 Paragraph 3 HGB.

On 17 October 2014 as sole shareholder Messe Berlin GmbH adopted the resolution for Capital Catering GmbH, MB Capital Services GmbH, Capital Facility GmbH and MW Messe-, Ausstellungs- und Dienstleistungsgesellschaft Wolfsburg mbH that use be made of the exceptions according to Section 264 Paragraph 3 HGB for the financial year 2014. The respective companies are exempted from the preparation of an annual financial statement including the situation report and from the auditing and reporting of the annual financial statement for the financial year 2014.

33. Total auditor's fee

The total auditor's fee for the financial year is composed of final audit fees (TEUR 105) and fees for other certification services (TEUR 21). The final audit fees cover the auditing of the annual financial statements of Messe Berlin GmbH and the other subsidiaries and the auditing of the consolidated financial statement.

Berlin, 16 March 2015



Dr Christian Göke

Enclosure 1: Group fixed assets

2014

Development of the group's fixed assets for the financial year 2014

	Initial cost of assets				Initial cost of assets 31.12.2014 TEUR
	Initial cost of assets 01.01.2014 TEUR	Accruals TEUR	Transfers TEUR	Disposals TEUR	
I. Intangible assets					
Rights and licences acquired against payment	14,358	460	215	0	15,033
Goodwill	3,389	249	0	0	3,638
Down payments made	136	102	0	0	238
	17,883	811	215	0	18,909
II. Tangible fixed assets					
Land, titles to land and buildings incl. buildings on other premises	68,885	34,521	58,877	0	162,283
Technical installations and machinery	6,477	25	0	0	6,502
Operating and business equipment	22,155	1,309	907	-1,102	23,269
Down payments and installations under construction	61,177	2,803	-59,999	0	3,981
	158,694	38,658	-215	-1,102	196,035
III. Financial assets					
Shares in affiliated companies	80	0	0	0	80
Shareholdings	26	0	0	0	26
Loans to companies in which shares are held	0	500	0	0	500
Securities included in the fixed assets	43	0	0	0	43
	149	500	0	0	649
	176,726	39,969	0	-1,102	215,593

	Write-downs			Book values		
	Write-downs 01.01.2014 TEUR	Accruals TEUR	Disposals TEUR	Write-downs 31.12.2014 TEUR	Book value 31.12.2014 TEUR	Book value 31.12.2013 TEUR
	12,565	650	-1	13,214	1,819	1,793
	2,718	920	0	3,638	0	671
	0	0	0	0	238	136
	15,283	-1,570	-1	-16,852	2,057	2,600
	18,961	4,807	0	23,768	138,515	49,924
	1,644	362	0	2,006	4,496	4,833
	18,035	1,464	-1,091	18,408	4,861	4,120
	0	0	0	0	3,981	61,177
	38,640	6,633	-1,091	44,182	151,853	120,054
	0	0	0	0	80	80
	0	0	0	0	26	26
	0	0	0	0	500	0
	0	0	0	0	43	43
	0	0	0	0	649	149
	53,923	8,203	-1,092	61,034	154,559	122,803

Enclosure 2: Fixed assets Messe Berlin GmbH 2014

Development of fixed assets of Messe Berlin GmbH for the financial year 2014

	Initial cost of assets				Initial cost of assets 31.12.2014 TEUR
	Initial cost of assets 01.01.2014 TEUR	Accruals TEUR	Transfers TEUR	Disposals TEUR	
I. Intangible assets					
Rights and licences acquired against payment	10,814	226	215	0	11,255
Down payments made	137	101	0	0	238
	10,951	327	215	0	11,493
II. Tangible fixed assets					
Buildings on other premises	59,835	33,728	58,538	0	152,101
Technical installations and machinery	3,149	6	0	0	3,155
Operating and business equipment	20,622	1,175	907	-794	21,910
Down payments and installations under construction	60,819	2,803	-59,660	0	3,962
	144,425	37,712	-215	-794	181,128
III. Financial assets					
Shares in affiliated companies	7,310	249	0	0	7,559
Shareholdings	5,038	0	0	0	5,038
Loans to companies in which shares are held	0	1,000	0	0	1,000
	12,348	1,249	0	0	13,597
	167,724	39,288	0	-794	206,218

	Write-downs				Write-downs 31.12.2014 TEUR	Book values	
	Write-downs 01.01.2014 TEUR	Accruals TEUR	Disposals TEUR	Attribu- tions		Book value 31.12.2014 TEUR	Book value 31.12.2013 TEUR
	10,051	319	0	0	10,370	885	763
	0	0	0	0	0	238	137
	10,051	319	0	0	10,370	1,123	900
	18,384	4,439	0	0	22,823	129,278	41,451
	1,373	195	0	0	1,568	1,587	1,776
	16,922	1,216	-784	0	17,354	4,556	3,700
	0	0	0	0	0	3,962	60,819
	36,679	5,850	-784	0	41,745	139,383	107,746
	500	0	0	-500	0	7,559	6,810
	869	0	0	0	869	4,169	4,169
	0	0	0	0	0	1,000	0
	1,369	0	-	-500	869	12,728	10,979
	48,099	6,169	-784	-500	52,984	153,234	119,625

Enclosure 3: Breakdown of share ownership 2014

Breakdown of share ownership

	Share of nominal capital %	Equity capital TEUR	Result TEUR
Affiliated companies (direct)			
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 GmbH, Berlin ^{1,2}	100	182	0
MW Messe-, Ausstellungs- und Dienstleistungsgesellschaft Wolfsburg mbH, Wolfsburg ^{1,2}	100	626	0
Messe Berlin (Singapore) PTE. LTD., Singapore ^{2,3}	100	1,626	843
K.I.T. Group GmbH, Berlin ²	75	1,290	1,265
Global Produce Events GmbH, Berlin ²	70	810	785
E.G.E. European Green Exhibitions GmbH, Berlin ²	50	1,757	25
Shareholdings			
ExpoCenter Airport Berlin Brandenburg GmbH, Selchow ⁴	50	8,856	-446
Affiliated companies (indirect)			
MB Capital Services GmbH, Berlin			
CSG-Team GmbH, Berlin ²	100	224	23
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	420	258
K.I.T. Group GmbH Dresden, Dresden ²	55.08	98	65
K.I.T. Swiss AG. CH-Laufenburg ^{5,6}	100	256	66

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

² fully consolidated

³ original share capital: 100,000 SGD

⁴ partially consolidated

⁵ according to Section 296 Paragraph 2 HGB, and/or Section 311 Paragraph 2 HGB of lesser importance and therefore not included in the consolidated financial statement

⁶ Share capital: 100,000 CHF



Audit certificate

2014

Audit certificate

We have examined the annual financial statement – consisting of the statement of financial position, statement of profit or loss and appendix, of Messe Berlin GmbH and the group – with the inclusion of the book-keeping of Messe Berlin GmbH, Berlin, together with the consolidated financial statement prepared by the company – consisting of the statement of financial position, statement of profit or loss, statement of cash flow, 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 2014. 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 consolidated financial statement together with its report on the state of the company and the group.

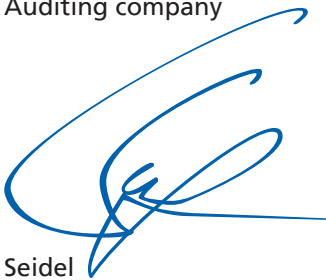
We have examined the annual and consolidated financial statement in accordance with Section 317 HGB, having due regard to the German principles of correct financial auditing as laid down by the auditing institute – Institut der Wirtschaftsprüfer – (IDW). These specify that the audit should be planned 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 consolidated financial statement and in the report on the state of the company and the group, with regard to assets, finances and operating results, 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 operating results 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 consolidated 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, 16 March 2015

Ernst & Young GmbH
Auditing company

A blue ink handwritten signature, appearing to be 'Seidel', with a large, sweeping initial 'S'.

Seidel
Auditor

A blue ink handwritten signature, appearing to be 'Pilawa', with a large, sweeping initial 'P'.

Pilawa
Auditor

Corporate governance report **2014**

Corporate governance report for the financial year 2014

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

In the corresponding application of Section 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 2014 and to future statement periods, these are shown in the present tense.

1. Cooperation between the management and the Supervisory Board

The management and the Supervisory Board work together 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. Personnel of the management and the Supervisory Board 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 reports for all issues concerning planning, business development, the risk situation, risk management and compliance that are relevant to the company; sufficient time shall be given to receive documents before convening for meetings and management decisions. Target/performance comparisons shall be made. Any divergence from the plan shall be shown in a plausible and understandable way and any necessary counter-measures that are proposed shall be an implementable form.

In meeting their obligations the management and the Supervisory Board shall comply with correct business management practice; they shall observe the obligation to exercise due care required for the correct and conscientious performance of the tasks of the management and the Supervisory Board. D&O insurance cover without an excess has been arranged for the management and the Supervisory Board. The agreements with the management state that Messe Berlin—in particular in the event of a change in the stake held by the federal state of Berlin—is entitled to amend the D&O insurance cover for the management, even without the consent of the chief executive officer. Furthermore, under the terms the chief executive officer agrees that the D&O third party insurance shall be entitled to demand excess, amounting to 10% of the damage incurred, being at maximum equal to 1.5 times the fixed amount of the chief executive officer's annual remuneration. Until now, the terms regarding excess have not been included in the current insurance policies as corresponding amendments to the agreement would result in higher insurance costs.

Each year in the business report the management and the 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 Board 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 group's management is responsible for ensuring that the statutory regulations and the company's internal directives are complied with. 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 currently consists of the Chief Executive Officer, Dr Christian Göke. The second board member, Ms Ingrid Maaß, left the company, effective 27 November 2014. The rules of procedure regulate the tasks of the management, the responsibility of individual board members 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.

The CEO's remuneration comprises a fixed amount and also a variable remuneration. The variable remuneration is made on the basis of an agree-

ment 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 (former) management members is listed individually in the 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, and due to the fact that the agreement runs for three years, the agreement with the chief executive officer has not been designed in such a way that payments to the management members 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 for 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. This contact includes regular consultations about strategy, business development and risk management. The Chairman of the management (CEO) advises the Chairman of the Supervisory Board without delay about any important 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. The Supervisory Board held one extraordinary meeting in financial year 2014.

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 management members 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 7 July 2014 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 awarding of the auditing contract to the auditor, the definition of the priorities of the audit and the agreement about fees. The Supervisory Board has appointed a member of this committee who is neither the Chairman of the Supervisory Board nor the Chairman of the Personnel and Presidial Committee to chair the meetings that address auditing issues.

The Personnel and Presidial Committee held one extraordinary meeting in financial year 2014.

The Supervisory Board also has an Investment Committee. Its task is to advise the Supervisory Board about real investments 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 authority to any committees.

The Supervisory Board has not specified an age limit for the management members. It is not the practice for a management member 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 considers that it includes a sufficient number of independent members. No member of the Supervisory Board reaches the limit of membership of 5 or 10 supervisory

boards. The members of the Supervisory Board have not held posts as bodies of competing companies or acted as their consultants.

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

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 amount. Remuneration is not provided on the basis of results or special services. The total remuneration is shown in the appendix to the annual financial statement.

The individual remuneration paid to each member is shown.

On 3 June 2014, the shareholders' meeting elected a new Supervisory Board as scheduled. Nine Supervisory Board members from the previous term of office were re-elected, while six members were newly elected to the Supervisory Board. The first, constitutive Supervisory Board meeting, the first, constitutive meeting of the Personnel and Presidial Committee and the first, constitutive meeting of the Investment Committee were all held on 7 July 2014.

One Supervisory Board member attended less than half of the Supervisory Board meetings that were held between 1 January and 2 June 2014 (former term of office). No Supervisory Board member attended less than half of the Supervisory Board meetings that were held between 3 June and 31 December 2014.

The Supervisory Board regularly examines the efficiency of its activities. It has established that nothing occurred to restrict its efficiency.

4. Conflicts of interest

The management observes 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 new term of office of the Supervisory Board was subject to any conflict of interest. One former Supervisory Board member was subject to a conflict of interest during the former term of office and thus abstained from taking part in a resolution.

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

No business transactions have been concluded with the company by (former) members of the management, by persons associated with them, or by companies 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. Due to legal regulations, no uniform regulation has been made by the group to disclose to or inform the Supervisory Board should such business arrangements arise.

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

In 2014 the Chairman of the management, Dr Christian Göke, was

- a member of the Board of the Association of the German Trade Fair Industry (AUMA),
- a member of the Supervisory Board of Berlin Tourismus & Kongress GmbH (visitBerlin),
- 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 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 Administrative Council of the German National Tourism Board (DZT),
- a member of the Economic Advisory Council of the Berlin Regional Sports Federation (Landessportbund Berlin),
- a member of the World Travel and Tourism Council (WTTC).
- a member of the Directors' Council of the General Business Association for Berlin and Brandenburg (AWB) (from 11 April 2014),

- Deputy Chairman of the Supervisory Board of ExpoCenter Airport Berlin Brandenburg GmbH (from 1 December 2014)

In 2014 the former management member Ms Ingrid Maaß was

- Chairwoman of the Supervisory Board of ExpoCenter Airport Berlin Brandenburg GmbH (until 4 February 2014),
- Deputy Chairwoman of the Supervisory Board of ExpoCenter Airport Berlin Brandenburg GmbH (5 February 2014 to 28 November 2014),
- a member of the Supervisory Board of E.G.E. European Green Exhibitions GmbH (26 February 2014 to 28 November 2014),
- a Board member of Wasser Berlin e. V.

The (former) management members did not perform any 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 (former) members of the management or to members of the Supervisory Board or to relatives or dependents of the members of these bodies.

5. Transparency

The Supervisory Board was informed about the following topics: The CityCube Berlin was opened in May 2014. The final inspections by all of the registered inspectors and the fire-protection experts were successfully performed. The supreme building supervision authority of the federal state of Berlin approved the building's use on 27 August 2014. As a result, the CityCube is now a permanently approved meeting place. Some of the final invoices have still not been received. However, the company has damage claims against construction firms, although the enforcement of these claims depends on the solvency of these firms and the acknowledgement of the claims by the pertinent insurance companies.

After the Senate Department for Economics, Technology and Research gave its approval, Messe Berlin initiated the process for beginning downtime operations at the ICC by giving notice to the supreme building supervision authority in August 2014. As a result of the Supervisory Board's resolution of 7 July 2014, Messe Berlin bears the downtime costs of EUR 4 million. Because these costs were not planned, appropriate provisions had to be made that impact Messe Berlin's results in 2014.

Because it is still not known when Berlin Brandenburg Airport (BER) will be opened, there is no scope for improved business and financial planning relative to last year. Although ILA 2016, which will take place on the new exhibition grounds in Selchow (Berlin ExpoCenter Airport), would benefit

from the opening of the BER airport, we have to expect additional costs until this occurs.

To some extent, information about the company is also published on the Internet. The latest corporate governance report is made available at the company's website.

6. Accounting

The annual financial statement and the consolidated 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 consolidated financial statement, the federal state 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 federal state 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 – also with regard to the auditors' organisations – or with regard to the company/ members of its bodies. There are no doubts about the independence of the auditor, its bodies or the person 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 in the course of the audit. The auditor is not aware of any facts that would compromise the accuracy of the statement given according to the Berlin Corporate Governance Code.

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

Report of the Supervisory Board

2014

Report of the Supervisory Board

Cooperation between the Supervisory Board and Management

In 2014, the Supervisory Board once again discharged its tasks as a supervisory body as stipulated by law and the company articles and continuously monitored the company's management. The Supervisory Board supported the management in a consultative capacity and was involved in all decisions that were of fundamental importance to 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 management (CEO) kept the Chairman of the Supervisory Board regularly informed (verbally and in writing) about all important business occurrences and about the economic development of the company. Between meetings, the Chairman of the Supervisory Board regularly shared information and ideas with the management.

The members of the Supervisory Board always had sufficient time to critically examine the presented reports and the draft resolutions from the management, and to discuss them with the latter. Operational topics were presented to the Supervisory Board in a meticulous manner on the basis of a analysis of the value potential and of the opportunities and risks. The Supervisory Board has given its approval to the individual business transactions.

The representatives of the shareholders and the employees discussed the items on the agendas of the plenary sessions in separate preliminary talks. At each meeting, the participants receive information about ongoing business operations as well as the current key data reports of the Messe Berlin Group. At each meeting, reports are given about the meetings of the Personnel and Presidial Committee and the Investment Committee. Other focal topics are mentioned below.

Supervisory Board meetings

In the financial year 2014, the Supervisory Board of Messe Berlin GmbH convened in five sessions, including one extraordinary and one constitutive meeting. In addition, two resolutions were introduced following a written vote conducted outside the meetings of the Supervisory Board.

The first (extraordinary) meeting focused on the company's strategy, which was discussed on 23 January 2014. The management stated that in addition to securing and strengthening the five internationally leading trade fairs (International Green Week, FRUIT LOGISTICA Berlin, ITB Berlin, IFA and

InnoTrans) and enhancing the other events, the company would aim to expand its operations by creating new events and increasing the international scope of other trade fairs.

At the first ordinary meeting on 2 April 2014, the Supervisory Board focused on the annual and consolidated financial statements for 2013. At the recommendation of the Personnel and Presidial Committee and after discussing the matter with the attending auditors, the Supervisory Board approved the use of the earnings and adopted the annual financial statement 2013 for presentation at the shareholders' meeting. After extensive deliberation, the Supervisory Board also approved the establishment of a company in the form of a WFOE (Wholly Foreign-Owned Enterprise) in Guangzhou, China. The management reported on the imminent opening of the CityCube and the competition of the new central kitchen facility, which was opened on 26 February 2014. The Supervisory Board acknowledged the reports.

In accordance with the company articles, the five-year term of office of all the Supervisory Board members expired after the members' actions for financial year 2013 were formally approved at the shareholders' meeting on 3 June 2014. The employee representatives who had previously been newly elected and the shareholder representatives who had been newly elected by the shareholders came together for a constitutive meeting on 7 July 2014. At this meeting, Mr Peter Zühlsdorff was elected Chairman of the Supervisory Board, Senator Cornelia Yzer was elected First Deputy Chairwoman and Mr Thomas Jaegler was elected Second Deputy Chairman. At this meeting, the Supervisory Board also elected the members of the Personnel and Presidial Committee, which was also given the responsibilities of an auditing committee, and the members of the Investment Committee. As a result, the members of the Supervisory Board, the Personnel and Presidial Committee and the Investment Committee were newly appointed for the term of office extending from 2014–2019. The Supervisory Board acknowledged the completion of the CityCube Berlin and its successful commissioning as an event venue by the DGB congress and the ITUC World Congress, which took place right after the facility was opened in early May 2014.

In this and in the following meetings in 2014, the Supervisory Board also discussed the future use of the ICC Berlin following its scheduled closure for refurbishment in mid-June 2014 as well as the impact this would have on Messe Berlin. The representatives of the federal state of Berlin informed the Supervisory Board that the federal state of Berlin was examining a variety of potential concepts for the ICC. However, no decision was reached on this matter in 2014. In this meeting, the Supervisory Board also approved the construction of two additional permanent passageways between halls. The Supervisory Board held its third ordinary meeting on 6 October 2014.

One of the meeting's main points was the report on the results of the employee survey, which was conducted in 2013 in accordance with internationally recognised standards and in cooperation with the Great Place to Work Institute. The responsible unit head at Messe Berlin told the Supervisory Board about the areas where the survey revealed the need for action in order to create a strategic personnel development approach.

On 17 December 2014, the Supervisory Board convened for its last ordinary meeting in the year under review. At this meeting, the management provided in-depth explanations of the business and financial plan for 2015 as well as of the medium-term planning for 2016–2019. In accordance with the company articles, the Supervisory Board approved the business and finance plan after extensive discussions. In addition, the Supervisory Board members were informed of personnel appointments on the second management level and the Supervisory Board approved these appointments.

The Supervisory Board also extensively deliberated the future of the ILA. The Supervisory Board was informed of the talks with the BDLI concerning a redesign of the event, and in particular about the management's suggestion to discontinue the cost-intensive flight programme. However, a consensus has not yet been reached with the BDLI. The Supervisory Board was also informed that Flughafen Berlin Brandenburg GmbH thinks that flight demonstrations could basically still be held at ILA 2016 but no longer at ILA 2018 and later events.

At this meeting, the Supervisory Board also gave a declaration in accordance with the Berlin Corporate Governance Code (more about this in the "Corporate Governance" section).

In financial year 2014 no member of the Supervisory Board attended less than half of the meetings held by the board.

Reports on the work of the committees

During 2014, the Personnel and Presidial Committee held five regular meetings and one extraordinary meeting.

In accordance with a decision by the Supervisory Board on 7 July 2014, the Personnel and Presidial Committee also deals with issues involving accounting and risk management, compliance, the necessary independence of the auditor, the awarding of the auditing contract to the auditor, the definition of the auditing priorities and the agreement about fees. At this meeting, the Supervisory Board also assigned to the Personnel and Presidial Committee the tasks and authority of an audit committee until the end of the current term of office.

At its constitutive meeting on 7 July 2014, the members of the Personnel and Presidial Committee elected Mr Peter Zühlsdorff Chairman, Senator Cornelia Yzer First Deputy Chairwoman and Mr Thomas Jaegler Second Deputy Chairman. Senator Cornelia Yzer was also elected to chair meetings on auditing matters, while Mr Klaus Feiler was elected to be the first deputy chairman of such meetings.

At its meetings, the Personnel and Presidial Committee addressed human resources issues at the management and turned the Supervisory Board's decisions into recommendations for the ordinary shareholders' meeting. The committee performed this latter task within the framework of the annual financial statement.

During financial year 2014, the Investment Committee held four meetings at which it regularly obtained reports on how the construction of the CityCube Berlin was progressing and whether the costs were staying within the specified budget.

The committee also acknowledged the final report concerning the new central kitchen facility. In addition, the Investment Committee addressed the preparation of the Master Plan for the Berlin ExpoCenter City.

At its first and constitutive meeting on 7 July 2014, the members of the Investment Committee elected Mr Wolf-Dieter Wolf Chairman, Mr Jan Eder First Deputy Chairman and Mr Norbert Zeglin Second Deputy Chairman for the Supervisory Board's new term of office, which extends from 2014–2019.

Corporate governance

On the basis of a decision by the Supervisory Board on 30 September 2004, Messe Berlin GmbH applies the Berlin Corporate Governance Code. The Corporate Governance Report 2014 and the corresponding declaration according to Section 161 AktG by the management and the Supervisory Board are published on the Messe Berlin website, including in the Business Report.

Audit of the annual financial statement

The annual financial statement and consolidated financial statement provided by the management, together with the situation report and group situation report for financial year 2014, 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.

At meetings on 23 March and 15 April 2015, the auditors informed the Personnel and Presidial Committee and the Supervisory Board respectively about the contents of the annual financial statement and the consolidated financial statement for 2014 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 consolidated 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.

Personnel changes to the Supervisory Board and the management

Due to the elections held by the group employees of Messe Berlin GmbH on 3 April 2014 and by the shareholders of Messe Berlin GmbH on 3 June 2014, Ms Ulrike Brabant, Ms Ellen Funk, Mr Thomas Jaegler, Mr Dirk Schade and Mr Norbert Zeglin were appointed to represent the employees and Mr Jan Eder, Mr Thomas Ellerbeck, Mr Klaus Feiler, Ms Ulrike Niggemann, Mr Joachim Rukwied, Mr Georg Walkenbach, Mr Wolf-Dieter Wolf, Ms Senator Cornelia Yzer and Mr Peter Zühlsdorff were appointed to represent the shareholders on the Supervisory Board during the new term of office from 2014–2019. In a by-election, the shareholders later elected Dr Alexander Pett to the Supervisory Board, effective 1 July 2014. The election used a written circular to reach a resolution outside of a meeting. The employee representative Mr Stephan Ruppel left the Supervisory Board, as did the shareholder representatives Mr Jean-Claude Baumgarten, Ms Ute Biernat, Mr Hans-Joachim Kamp, Dr Beatrice Kramm and Ms Catherine Mühlemann.

The new Supervisory Board's term of office commenced on 3 June 2014.

Frau Ingrid Maaß, who was appointed Chief operating officer as of 1 August 2013, ceased to be Chief operating officer on 28 November 2014. Dr Christian Göke, Chief Executive Officer since 1 July 2013, is currently managing the company with sole responsibility.

The company has initiated the selection process for appointing another Chief operating officer.

Berlin, 15 April 2015



The Supervisory Board
Peter Zühlsdorff
Chairman

