

Annual Report 2019

Messe Düsseldorf Group

Contents

- 05 **Shareholders and Board** of Management of Messe Düsseldorf GmbH
 - 07 **Supervisory Board** of Messe Düsseldorf GmbH
 - 08 **Facts and Figures on the Performance** of Messe Düsseldorf GmbH
 - 09 **Events** Organized by Messe Düsseldorf GmbH in 2019
-

Messe Düsseldorf GmbH

- 10 **Balance Sheet** of Messe Düsseldorf GmbH
 - 13 **Income Statement** of Messe Düsseldorf GmbH
 - 14 **Movements in the Fixed Assets** of Messe Düsseldorf GmbH
 - 16 **Notes on the Balance Sheet and Income Statement**
of Messe Düsseldorf GmbH
-

The Messe Düsseldorf GmbH Group

- 26 **Combined Group and Company Management Report** of Messe Düsseldorf GmbH
 - 37 **The Messe Düsseldorf GmbH Group**
 - 38 **Consolidated Balance Sheet** of Messe Düsseldorf GmbH
 - 41 **Consolidated Income Statement** of Messe Düsseldorf GmbH
 - 42 **Movements in the Consolidated Fixed Assets** of Messe Düsseldorf GmbH
 - 44 **Notes on the Consolidated Balance Sheet and Income Statement**
of Messe Düsseldorf GmbH
 - 54 **Statement of Changes in Equity** in the Messe Düsseldorf GmbH Group
 - 56 **Consolidated Cash Flow Statement** of Messe Düsseldorf GmbH
 - 57 **Shareholdings** of Messe Düsseldorf GmbH
-

- 58 **Dialogue**

Shareholders and Board of Management

of Messe Düsseldorf GmbH

Shareholders

	€ '000	Proportion of capital held
City of Düsseldorf	8,829	56.50 %
Industrieterrains Düsseldorf-Reisholz AG, Düsseldorf	3,125	20.00 %
The Land of North Rhine-Westphalia via its holding company Beteiligungsverwaltungsgesellschaft des Landes Nordrhein-Westfalen mbH, Düsseldorf	3,125	20.00 %
The Düsseldorf Chamber of Industry and Commerce	273	1.75 %
The Düsseldorf Chamber of Handicrafts	273	1.75 %
Nominal capital	15,625	100.00 %

The Management

Dipl.-Betriebswirt Werner Matthias Dornscheidt	CEO, Chairman of the Managing Board	Up to 30 June 2020	Düsseldorf
Dipl.-Betriebswirt Wolfram Nikolaus Diener		As from 1 July, 2020	Düsseldorf
Dipl.-Kaufmann Hans Werner Reinhard		Up to 31 September 2019	Düsseldorf
Dipl.-Kaufmann Bernhard Johannes Stempfle			Düsseldorf
Dipl.-Volkswirt Erhard Wienkamp		As from 1 January 2020	Düsseldorf

Supervisory Board

of Messe Düsseldorf GmbH

Supervisory Board of Messe Düsseldorf GmbH in 2018

In the business year under review, the Company's Supervisory Board was made up as follows:

Chairman

Thomas Geisel, Mayor of Düsseldorf, capital of North Rhine-Westphalia

Vice-Chairpersons

Dr.-Ing. h. c. Wolfgang R. Bays, Vice-President of Düsseldorf Chamber of Industry and Commerce – as from May 2019

Andreas Ehlert, President of the Düsseldorf Chamber of Handicrafts – up to May 2019

Andreas Hartnigk, Lawyer, Member of Düsseldorf City Council

Gabriele Schafer, Chairperson of the Employees' Council, Messe Düsseldorf GmbH Employees' Representative

Members

Uwe Balzer, Company Engineer, Messe Düsseldorf GmbH Employees' Representative

Bernd Bresgen, Qualified Bank Clerk, Messe Düsseldorf GmbH Employees' Representative – up to May 2019

Michael de Buhr, Deputy Head of Department, Messe Düsseldorf GmbH Employees' Representative – as from May 2019

Karl-Uwe Bütof, Chief of Division in the Land of North Rhine-Westphalia's Ministry of Economic Affairs, Innovation, Digitization and Energy

Friedrich G. Conzen, Businessman, Deputy Mayor of Düsseldorf

Christoph Dammermann, Undersecretary in the Land of North Rhine-Westphalia's Ministry of Economic Affairs, Innovation, Digitization and Energy

Ursula Holtmann-Schnieder, Lecturer in Family / Adult Education, Member of Düsseldorf City Council

Dipl.-Wirtschaftsjurist Karsten Houf (business law graduate), Senior Project Manager, Messe Düsseldorf GmbH Employees' Representative

Dipl.-Ing. Ian Hume, Head of Department, Messe Düsseldorf GmbH Employees' Representative

Dipl.-Sozialarbeiter Günter Karen-Jungen (graduate social worker), former Deputy Mayor and Member of Düsseldorf City Council

Janine Kipping, Secretary of the Works Council, Messe Düsseldorf GmbH Employees' Representative – as from May 2019

Manfred Kornfeld, Commercial Director of Industrieterrains Düsseldorf-Reisholz AG

Dipl.-Kffr. Claudia Laskowski, Head of Department, Messe Düsseldorf GmbH Employees' Representative – up to May 2019

Dipl.-Volkswirt Manfred Neuenhaus, Member of Düsseldorf City Council

Dr. Steffen Neumann, Chief of Division in the Land of North Rhine-Westphalia's Ministry of Finance

Angelika Penack-Bielor, Member of Düsseldorf City Council

Dipl.-Ing. Stefanie Rübsamen, Head of Department, Messe Düsseldorf GmbH Employees' Representative

Frank Spielmann, Member of Düsseldorf City Council

Facts and Figures on the Performance

of Messe Düsseldorf GmbH

		2015	2016	2017	2018	2019
Total capacity*	m ²	304,800	304,800	291,580	291,580	305,727 °
Available hall space	m ²	261,800	261,800	248,580	248,580	262,727 °
Available open-air space	m ²	43,000	43,000	43,000	43,000	43,000
Space utilized*	m ² (gross)	1,624,789	2,247,486	1,858,831	1,618,357	1,701,618
Space rented out*	m ² (net)	891,438	1,308,304	1,162,415	948,782	1,014,145
Fairs and exhibitions*	total	29	31	31	26	29
Self-organized events*		18	19	18	15	18
Partner / guest events*		11	12	13	11	11
Total consolidated sales	(€ million)	302.0	442.8	366.9	294.0	378.5
Consolidated sales (Germany)	(€ million)	202.1	369.7	297.1	222.6	308.4
Consolidated sales (foreign)	(€ million)	99.9	73.1	64.8	71.4	70.1
Consolidated annual profit	(€ million)	10.3	58.8	55.0	24.3	56.6
Group workforce		1,207	932	831	831	860
Exhibitors*	total	25,819	32,383	29,210	26,827	29,222
Exhibitors (German-based)		9,189	10,796	9,579	8,462	8,940
Exhibitors (foreign-based)		16,630	21,587	19,631	18,401	20,282
Visitors*	total	1,084,121	1,591,424	1,344,548	1,125,187	1,373,780
Visitors from Germany		802,291	899,322	857,739	782,119	869,458
Visitors from abroad		281,830	692,102	486,809	342,878	504,322
Düsseldorf Congress Sport & Event GmbH						
Event days		314	308	303	277	240
Events		3,463	3,695	3,461	2,197	1,277 **
Participants		2,355,149	2,269,494	2,508,083	1,632,448	373,490 **

* Düsseldorf exhibition site – due to the differing numbers of events, the annual figures are only partly comparable.

For reasons relating to calculation, rounding differences amounting to +/- one unit (€, %, etc.) may occur in the tables.

** As from 01.01.2019, the method of counting both events and participants was modified.

° During the construction phase of the new South Entrance (commencing June 2017)

Events Organized

by Messe Düsseldorf GmbH in 2018

	Exhibitors German- based	Exhibitors foreign- based	Exhibitors Total	Net exhibition area m ²	Visitors Total	Visitors Of which foreign- based in %
A+A	566	1,545	2,111	78,152	73,507	51
BEAUTY with mads	460	178	638	23,756	67,320	12
boot Düsseldorf	787	1,187	1,974	104,596	247,789	20
CARAVAN SALON DÜSSELDORF	421	224	645	112,100	270,567	10
COMPAMED*	234	566	800	13,244		
ENERGY STORAGE EUROPE	109	47	156	2,304	4,017	37
EuroCIS	237	245	482	13,927	13,374	51
GIFA	337	643	980	48,155	45,597	66
K	971	2,359	3,330	177,059	224,116	73
MEDICA**	894	4,704	5,598	114,538	111,154	74
METEC	163	455	618	22,321	17,821	67
NEWCAST	54	379	433	7,613	3,404	64
ProWein	977	5,928	6,905	74,105	61,500	54
REHACARE	282	471	753	19,128	38,587	26
tasc	52	7	59	1,212	1,290	11
THERMPROCESS	143	194	337	10,664	5,923	68
TOP HAIR	126	64	190	7,597	41,655	7
TourNatur	177	73	250	3,656	45,896	4
Other events	1,950	1,013	2,963	180,018	100,263	31
Sum total	8,940	20,282	29,222	1,014,145	1,373,780	37

* Number of visitors included in MEDICA visitor total

** Number of visitors includes visitors to COMPAMED

Balance Sheet

of Messe Düsseldorf GmbH at 31 December 2019

Assets	31.12.2019	31.12.2018
	€ '000	€ '000
Fixed assets		
Intangible assets		
Concessions, industrial property rights purchased and similar rights and assets, including licences	7,475	8,426
Advance payments made	615	380
	8,090	8,806
Tangible assets		
Land, land rights and buildings, including buildings on third-party land	412,799	302,190
Other equipment, factory and office equipment	10,121	10,348
Advance payments made and assets under construction	21,685	85,537
	444,605	398,075
Financial assets		
Shares in affiliated enterprises	9,316	5,005
Participations	12,169	6,669
Other loans	2	5
	21,487	11,679
	474,182	418,560
Current assets		
Inventories		
Raw materials, auxiliary materials and supplies	80	73
Receivables and other assets		
Trade receivables	10,218	4,747
Receivables from shareholders	2	58
Receivables from affiliated enterprises	2,606	2,699
Receivables from enterprises in which participations are held	1,237	1,288
Other assets	23,316	25,221
	37,379	34,013
Cash-in-hand, bank balances and cheques	179,649	83,638
	217,108	117,724
Prepaid expenses	8,159	6,381
Sum total	699,449	542,665

Equity and liabilities	31.12.2019	31.12.2018
	€ '000	€ '000
Equity		
Subscribed capital	15,625	15,625
Capital reserves	111,398	111,398
Other revenue reserves	120,000	120,000
Distributable profit	200,936	164,211
	447,959	411,234
Accruals		
Accruals for pensions and similar obligations	19,852	19,331
Tax accruals	9,277	4,687
Other accruals	52,665	33,060
	81,794	57,078
Liabilities		
Advance payments received in respect of orders	125,359	32,092
Trade payables	15,815	15,074
Payables to shareholders	12	0
Payables to affiliated enterprises	20,840	19,889
Other liabilities	7,670	7,298
(of which taxes: €915k; previous year: €836k)		
	169,696	74,353
Sum total	699,449	542,665

Income Statement

of Messe Düsseldorf GmbH for the Period from 1 January to 31 December 2019

	31.12.2019	31.12.2018
	€ '000	€ '000
Sales	344,047	260,382
Own work capitalized	258	221
Other operating income	9,756	9,449
(including € 259k due to currency conversion; previous year: € 84k)		
Event-related expenses		
a) Cost of raw materials, auxiliary materials and supplies, and of purchased merchandise	9,716	7,661
b) Cost of purchased services	150,377	125,365
	160,093	133,026
Human resources expenses		
a) Wages and salaries	48,693	44,772
b) Social security charges and costs of retirement pensions and other welfare benefits	12,775	13,015
(including €4,725k for retirement pensions; previous year: €5,743k)		
	61,468	57,787
Depreciation on intangible and tangible fixed assets	20,230	20,327
Other operating expenses	48,266	45,586
(of which miscellaneous taxes: € 2,237k; previous year: € 1,746k)		
(including € 34k due to currency conversion; previous year: € 19k)		
Income from participations	8,438	8,011
(including € 438k from affiliated enterprises; previous year: € 822k)		
Interest and similar income	102	298
Write-downs on financial assets	0	762
Interest and similar expenditure	1,938	1,768
(including € 215k from affiliated enterprises; previous year: € 210k)		
(including € 666k impact on interest due to the valuation of accruals; previous year: € 697k)		
Taxes on income and profits	19,782	3,845
Net income for the year	50,825	15,260
Profit brought forward from the previous year	150,111	148,951
Distributable profit	200,936	164,211

Movements in the Fixed Assets

of Messe Düsseldorf GmbH in the 2019 Business Year

	Cost of acquisition/manufacture					Depreciation					Book values		
	Status at 1.1.2019	Additions	Reclassi- fications	Retire- ments	Status at 31.12.2019	Status at 1.1.2019	Additions	Reclassi- fications	Retire- ments	Status at 31.12.2019	Status at 31.12.2019	Status at 31.12.2018	
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	
Intangible assets													
Concessions, industrial and similar rights and assets, and licences in such rights and assets	48,700	1,097	380	21	50,156								
	380	615	-380	0	615	40,274	2,428	0	21	42,681	7,475	8,426	
	50,701	1,712	0	21	50,771	0	0	0	0	0	615	380	
Tangible assets													
Land, land rights and buildings, including buildings on third-party land	796,182	45,006	80,493	1,339	920,342	493,992	13,835	0	284	507,543	412,799	302,190	
Other equipment, factory and office equipment	43,548	3,742	93	1,913	45,470	33,200	3,967	0	1,818	35,349	10,121	10,348	
Advance payments made and assets under construction	85,536	16,941	-80,586	206	21,685	0	0	0	0	0	21,685	85,536	
	925,266	65,689	0	3,458	987,497	527,192	17,802	0	2,102	542,892	444,605	398,074	
Financial assets													
Shares in affiliated enterprises	12,164	2,152	0	0	14,316	7,159	0	2,159	0	5,000	9,316	5,005	
Loans to affiliated enterprises	0	0	0	0	0	0	0	0	0	0	0	0	
Participations	12,169	0	0	0	12,169	5,500	0	5,500	0	0	12,169	6,669	
Loans to enterprises in which participations are held	0	0	0	0	0	0	0	0	0	0	0	0	
Other loans	5	0	0	3	2	0	0	0	0	0	2	5	
	24,338	2,152	0	3	26,487	12,659	0	7,659	0	5,000	21,487	11,679	
Sum total	1,000,305	69,553	0	3,482	1,064,755	580,125	20,230	7,659	2,123	590,573	474,182	418,559	

Explanatory Notes

to the Balance Sheet and Income Statement of Messe Düsseldorf GmbH

I. General principles

The annual financial statements of Messe Düsseldorf GmbH, Düsseldorf (entered in the Commercial Register of the Düsseldorf District Court/Amtsgericht under HRB No. 63) have been prepared in compliance with the mercantile law provisions relating to large joint-stock companies.

For the Income Statement, the total costs (type of expenditure) method has been opted for. The peculiarities of trade fair business are taken into consideration.

II. Accounting and valuation policies

Purchased intangible assets are reported at their acquisition cost less the scheduled depreciation charge. Depreciation is based on the straight-line method, taking the normally applicable useful life of the asset into account.

Tangible assets are valued at acquisition or manufacturing costs and, provided their useful life is limited in time, scheduled depreciation is deducted. If necessary, additional depreciation is applied based on the value appropriate for the assets on the balance-sheet date.

Since 2014, buildings have been depreciated solely on a straight-line basis. Investments in extensions to buildings are depreciated in accordance with an elevated assessment basis or so as to match the whole building's remaining useful life.

The straight-line method is used for depreciation on additions to movable assets. Straight-line depreciation is calculated pro rata temporis.

Low-value assets with a value of between EUR 52 and EUR 800 are written off fully in the year of acquisition and are simultaneously reported as a retirement in the fixed assets movements schedule. In line with the increase in the tax threshold for low-value items, in 2018 the ceiling for low-value assets was increased from EUR 410 to EUR 800 for the first time.

Shares in affiliated companies and participations are carried at cost of acquisition or at such lower value as may be appropriate.

Shares in foreign subsidiaries are valued on the basis of a currency conversion at the appropriate historical rates of exchange or at such lower values as may be appropriate.

Loans are shown at their nominal value less any principal repaid. Write-downs are made to the extent required to reflect any identifiable risks.

The values of inventories are assessed at the reporting date on the basis of the lower of acquisition or manufacturing cost or on that of the lower of stock exchange or market price.

Receivables and other assets are shown at their nominal value. Appropriate individual write-downs have been applied to trade receivables in order to cover the overall risk of non-payment. Interest-free receivables with a remaining term of more than one year are discounted as of the balance-sheet date.

In the Company's General Meeting held on 17 May 2019, the shareholders passed a resolution to the effect that an amount of EUR 14,100k from the net income for 2018, totalling EUR 15,260k, be distributed with effect from 31 August 2019. The remaining net income for the year, amounting to EUR 1,160k, was carried forward to new account. The distributable profit figure at 31 December 2019 includes an amount totalling EUR 150,111k consisting of profit brought forward from previous years.

The asset-value of direct accruals for pensions is established on the basis of actuarial principles following the projected unit credit method (PUC method), and also applying the 2018 G standard tables of Dr. Klaus Heubeck. Accruals for pensions are discounted at a flat rate, this being the average market interest rate of the last ten years, applicable to an assumed remaining term of 15 years, as published by the Deutsche Bundesbank (German Federal Bank) for the month of December 2019. For 2019, this interest rate was assumed to be 2.71 (previous year 3.21) percent. The calculation following the PUC method is based on the following assumptions regarding trends:

- Trend in wages and salaries: 2.7 percent (previous year: 2.7 percent)
- Trend in the income ceiling for social security contributions: 2.7 percent (previous year: 2.7 percent)
- Trend in pensions: 2.2 percent (previous year: 2.2 percent)
- Fluctuation: 1.0 percent (previous year: 1.0 percent)

All other accruals have been set up at a required payment level that takes account of all risks identified as such up to the reporting date on the basis of a prudent business assessment. Accruals with a remaining term of more than one year are discounted on the basis of the actuarial interest rates published by the Deutsche Bundesbank.

Liabilities are stated at the amounts repayable. The payments received on account mainly relate to trade fairs and events scheduled for subsequent years.

Receivables and liabilities in foreign currencies are entered in the accounts at the rate of exchange applicable at the time, and are then valued at year-end at the rate applicable on the closing date. As regards receivables and liabilities with a remaining term of more than one year, the principle of lowest value or highest value is applied, as the case may be.

When deferred taxes are calculated, deferred tax assets exceed liabilities. This is due in particular to differences between tax-law and commercial-law valuations of shares in affiliated enterprises, participations and accruals, based on a tax rate of 31.23 percent. The option provided for in Section 274 subsection 1 sentence 2 HGB (Commercial Code) of capitalizing the surplus in deferred tax assets, amounting to EUR 10,502k (previous year: EUR 9,573k) was waived.

III. Explanatory notes and disclosures concerning the Balance Sheet

Fixed assets

Apart from purchased software, the intangible assets mainly consist of usufructuary rights. The additions mainly relate to a new system providing information on events and extensions to the new Online Order System. The advance payments made relate to the development of a software package for registering stand personnel and to the perfection of various portals.

The additions to tangible assets are predominantly attributable to additions to buildings and to facilities under construction. As regards buildings, the items concerned mainly relate to the construction of the new Hall 1 and the shuttle bus carriageway. The purchases in the field of operating and office equipment relate to the purchase of a new telescoping work platform, the replacement of computer hardware, and kitchen and restaurant equipment. The additions to facilities under construction stem predominantly from outdoor facilities and the Hall 1 canopy roof, site clearance for the northern trade fair area, and the construction of the new Exhibition Hall 9. Retirements from the building segment are mainly attributable to the Stockumer Höfe warehouse fire and the real property transfer tax capitalized in previous years and reimbursed in the business year under review. The retirements in the rest of the sphere of tangible assets mainly result from retirements of plant and office equipment and of computer hardware.

The retirements in the sphere of facilities under construction relate to planning costs for Hall 9 in respect of building projects no longer carried out in this form.

The increase in financial assets is primarily attributable to the write-ups of the investment book value of GEC – German Exposition Corp. Int. GmbH and that of Messe Düsseldorf ASIA Pvt. Ltd., Singapore. Due to the ongoing positive nature of both these companies' commercial prospects, the investment book value of GEC – German Exposition Corp. Int. GmbH was written up by EUR 5,500k, thus taking this to a total of EUR 11,883k. In the financial year under review, the net

carrying amount of the Company's stake in Messe Düsseldorf ASIA Pvt. Ltd. was written up by EUR 2,159k, thus taking the latter to a total of EUR 2,159k. The equity of Messe Düsseldorf India Pvt. Ltd., New Delhi/India, was written up by EUR 2,152k to a total of EUR 4,609k. At 31 December 2019, the net carrying amount of the Company's stake in Messe Düsseldorf India Pvt. Ltd. amounted to EUR 2,152k.

For further details, the reader is referred to the fixed assets movements schedule attached to the Notes to the financial statements as Annex I.

The list of subsidiaries and other holdings is attached to the Notes as Annex 2.

Receivables and other assets

As in the previous year, trade receivables have a remaining term amounting to less than one year.

In the receivables from affiliated enterprises and receivables from enterprises in which participations are held, trade receivables have been set off against trade payables, the latter amounting to EUR 41k (previous year: EUR 188k). Furthermore, the receivables from affiliated enterprises include other assets amounting to EUR 2,526k (previous year: EUR 2,154k).

The other assets include claims relating to value-added tax refunds amounting to EUR 2,725k (previous year: EUR 3,556k). Furthermore, there are also claims relating to refunds of trade tax (EUR 7,923k), corporation tax (EUR 5,535k), capital yield tax (EUR 2,097k), and the solidarity surcharge (EUR 115k). These claims for refunds will not legally arise until the Company submits its advance VAT and tax returns. In addition, the other assets include creditors with debit balances to the amount of EUR 1,397k and EUR 2,000k, deriving from a short-term investment with Bayerische Beamtenlebensversicherung a.G.

Accruals

The Company's pension obligations to former managerial staff and one current manager are fully covered by pension accruals. In the year under review, these obligations led to changes in pension accruals amounting to EUR 520k (previous year: EUR 1,882k), with a net impact on results. The difference ensuing from the application of the 10-year average interest rate compared to the 7-year rate results in a EUR 1,667k (previous year: EUR 1,976k) reduction in accruals for pensions.

The tax accruals mainly cover trade tax and corporation tax relating to the year under review and also accruals designed to cover tax audits.

The other accruals cover all risks identified up to the reporting date and have been calculated on the basis of prudent commercial principles.

The accruals underwent the following movements:

	1.1.2019	Amount utilized	Amount written back	Additions	31.12.2019
	€ '000	€ '000	€ '000	€ '000	€ '000
1. Accruals for pensions and similar obligations	19,331	1,072	0	1,593	19,852
2. Tax accruals	4,686	2,933	0	7,524	9,277
3. Other accruals					
Risks associated with order processing					
Outstanding invoices	9,185	3,964	526	19,494	24,189
Human resources and the social sphere					
Accruals for staff bonuses	437	437	0	1,293	1,293
Accruals for vacations	1,922	1,922	0	2,302	2,302
Accruals for anniversaries	2,787	422	0	632	2,997
Accruals for management bonuses	678	678	0	688	688
Miscellaneous accruals	478	375	1	485	587
	6,302	3,834	1	5,400	7,867
Other accruals					
Impending losses	4,710	0	166	2,789	7,333
Fiscal risks in foreign countries	12,100	0	0	400	12,500
Annual financial statements costs	287	142	23	178	300
Miscellaneous accruals	476	0	0	0	476
	17,573	142	189	3,367	20,609
	33,060	7,940	716	28,261	52,665
	57,077	11,945	716	37,378	81,794

Liabilities

In the payables to affiliated enterprises and payables to enterprises in which participations are held, trade receivables have been set off against trade payables, the latter amounting to EUR 1,417k (previous year: EUR 523k). Further-

more, the payables to affiliated enterprises include other payables amounting to EUR 15,004k (previous year: EUR 15,004k) deriving from cash pooling with Messe Düsseldorf China and other payables amounting to EUR 4,626k (previous year: EUR 4,626k) deriving from cash pooling with Messe Düsseldorf North America.

The Company's liabilities at 31.12.2019 were classified as follows on the basis of their remaining terms:

	Total amount € '000	With a remaining term of		
		up to 1 year € '000	up to 5 years € '000	more than 5 years € '000
Payments received on account	125,359	125,359	0	0
Trade payables	15,815	15,815	0	0
Payables to shareholders	12	12	0	0
Payables to affiliated enterprises	20,840	20,840	0	0
Other liabilities	7,670	5,363	1,801	506
	169,696	167,389	1,801	506

The Company's liabilities at 31.12.2018 were classified as follows on the basis of their remaining terms:

	Total amount € '000	With a remaining term of		
		up to 1 year € '000	up to 5 years € '000	more than 5 years € '000
Payments received on account	32,092	32,092	0	0
Trade payables	15,074	15,074	0	0
Payables to shareholders	0	0	0	0
Payables to affiliated enterprises	19,889	19,889	0	0
Other liabilities	7,298	4,547	1,942	809
	74,353	71,602	1,942	809

IV. Explanatory notes on the Income Statement

Sales

Business segment	2019 € '000	2018 € '000
Events in Germany	296,552	217,827
Foreign events	29,087	32,150
Other revenues	18,408	10,405
	344,047	260,382

The sales revenue from abroad stems mainly from events in Russia, the People's Republic of China, and India. EUR 369k of sales (previous year: EUR 275k) is related to events of previous years.

Other operating income

Income not relating to the accounting period mainly consists of EUR 717k (previous year: EUR 2,147k) in the form of income deriving from write-backs of accruals. The non-operating income consists predominantly of write-ups to GEC and Messe Düsseldorf Asia totalling EUR 7,659k (previous year: EUR 5,500k) and of a 2019 electricity tax refund amounting to EUR 290k. The EUR 259k income from the retirement of assets mainly ensues from a refund of real property transfer tax incurred in 2012.

Event-related expenses

The differentiation between event-related expenditure and other operating expenses was effected via an assessment of the individual costs. The event-related expenditure consists of costs that are directly allocable to a cost unit. Deliveries of fabricated goods are recorded under "cost of raw materials, auxiliary materials and supplies, and of purchased merchandise". Construction work and other services are included in "cost of purchased services".

It is mainly energy costs, workshop consumables, and expenditure on advertising materials that are shown under "cost of raw materials, auxiliary materials and supplies, and of purchased merchandise", whereas the "cost of purchased services" item mainly covers expenditure on commissions, stand construction services purchased, rental charges, and advertising expenditure.

Other operating expenses

In addition to exhibition site maintenance costs, the other operating expenses mainly consist of rental charges for premises, legal and consultancy expenses, expenditure on advertising and IT expenses, insurance policies, site security and cleaning services, and additions to accruals. The non-operating expenditure totalling EUR 4,396k (previous year: EUR 2,038k) is mainly due, to the amount of EUR 2,789k, to allocations to the accrual for impending losses and, to the amount of EUR 940k, to retirements of tangible fixed assets. The retirements of tangible fixed assets are mainly accounted for by the Stockumer Höfe warehouse fire at the beginning of the year. The other taxes incurred in the business year concerned and shown as part of other operating expenses amounted to EUR 2,237k (previous year: EUR 1,746k).

Income from participations

	2019 € '000	2018 € '000
GEC – German Exposition Corporation International GmbH	8,000	7,000
Messturm Düsseldorf Verwaltungsgesellschaft mbH	438	822
Düsseldorf Congress GmbH	0	189
	8,438	8,011

Write-downs on financial assets

The write-downs on financial assets related to Messe Düsseldorf India Pvt. Ltd., New Delhi/India.

Interest and similar expenditure

In addition to interest on interest rate swap transactions amounting to EUR 970k (previous year: EUR 788k), the item also covers expenditure deriving from the discounting of accruals in the amount of EUR 666k (previous year: EUR 697k). Expenditure on interest arising from cash pooling with affiliated companies amounts to EUR 215k (previous year: EUR 210k).

Taxes on income and profits

The item mainly shows expenditure on corporation tax and the solidarity surcharge amounting to EUR 9,513k (previous year: EUR 1,228k), and also expenditure on trade tax amounting to EUR 9,409k (previous year: EUR 1,705k), in both cases for the business year under review. Furthermore, the item includes expenditure amounting to EUR 1,310k (previous year: EUR 912k) due to allocations to accruals covering tax risks relating to previous years and a tax refund from previous years amounting to EUR 450k (previous year: 0).

Appropriation of profits

The management proposes that a EUR 6,500k portion of the net income for the year, totalling EUR 50,825k, be paid out as a dividend. The remaining sum amounting to EUR 44,325k should be carried forward to new account.

Report on post-balance sheet events

In March 2020, the ProWein, wire, Tube, BEAUTY, TOP HAIR – DIE MESSE Düsseldorf, interpack, components, drupa, ENERGY STORAGE EUROPE and SportsInnovation trade fair events were postponed in response to the recommendation of the Federal Government's crisis task force. Four guest events and various foreign trade fairs were similarly postponed by their organizers. The postponement of these

events is a precautionary measure in response to the recent sharp rises in the figures for persons infected by corona, in Europe too. With these postponements, Messe Düsseldorf followed the recommendation of the Federal Government's crisis committee to the effect that the principles of the Robert Koch Institute should be taken into account in the risk assessment of holding major events. The decision, taken on 10 March 2020 by the Düsseldorf regional capital, to follow the North-Rhine Westphalian Ministry of Health decree relating to the staging of major events corroborates Messe Düsseldorf's policy. The postponements of events in 2020 will have a negative impact on the net worth, financial position and profitability of Messe Düsseldorf GmbH.

V. Other disclosures

Consolidated financial statements

In its capacity as the parent company, Messe Düsseldorf GmbH includes the following subsidiaries, in which it has either a direct or an indirect majority holding, fully in its consolidated financial statements:

- 000 Messe Düsseldorf Moscow, Moscow/Russia
- Messe Düsseldorf China Ltd., Hong Kong/China
- Messe Düsseldorf (Shanghai) Co., Ltd. Shanghai/China
- Messe Düsseldorf North America Inc., Chicago/USA
- Messe Düsseldorf ASIA Pte. Ltd., Singapore
- Messeturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf
- FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG, Pullach

Furthermore, the Company's holding in Düsseldorf Congress GmbH (formerly Düsseldorf Congress Sport & Event GmbH), Düsseldorf, an associated company, is also included in the consolidated financial statements.

The company will be included in the consolidated financial statements for Düsseldorf, capital of North-Rhine Westphalia. The latter will not be disclosed.

Human resources

In addition to the four members of the management, on average as many as 692 (previous year: 673) staff members were employed during the business year. The workforce is subdivided into 562 full-time employees (previous year: 542) and 130 part-time employees (previous year: 131). These numbers correspond to a staff of 617 (previous year: 602) calculated on a full-time basis. In addition, the casual staff and apprentices employed numbered on average 167 (previous year: 157) and 18 (previous year: 12), respectively.

Other financial obligations and contingent liabilities

For financial reasons, in the business years from 1999 to 2003 two sale and lease-back transactions were carried out with FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG, Düsseldorf (abbreviated to FIXXUS), regarding real estate items hitherto owned by Messe Düsseldorf GmbH.

In 1999, Exhibition Hall 6 (multi-purpose hall) was sold to FIXXUS for a purchase price of EUR 87,520k and leased back for an annual leasing instalment of, at present, EUR 6,642k. The leasing agreement runs till 30 September 2022. Furthermore, a right of purchase agreement was concluded with FIXXUS. In accordance with the latter, the right of purchase can be exercised by Messe Düsseldorf GmbH when the 22.5th rental year has elapsed since the beginning of the term of the leasing agreement. The agreement states that, if the right of purchase is exercised, an appropriate purchase price is to be paid, but at least the fiscal residual book value amounting to EUR 8,779k, at the end of the 22.5th rental year.

In a contract dated 15 December 2003, Messe Düsseldorf GmbH sold FIXXUS part ownership rights relating to Messeturm B for a purchase price of EUR 12,000k. At 31 December 2019, the annual rental payments amounted to EUR 865k. The leasing agreement runs till 29 December 2023. The right of purchase agreement concluded under this contract gives Messe Düsseldorf GmbH a repurchase right when the 20th rental year has elapsed. An appropriate purchase price is to be paid, but at least the fiscal residual book value amounting to EUR 5,100k.

The leasing rates payable in future under the above leasing agreements amount to EUR 22,162k (previous year: EUR 29,236k).

Further obligations amounting to EUR 436k (previous year: EUR 860k) stemmed from the leasing rates and guaranteed sales revenues payable in future; in addition, there were commitments totalling EUR 19,749k (previous year: EUR 23,720k) based on rental agreements and leases. Accordingly, on the balance-sheet date the other financial obligations totalled EUR 42,347k (previous year: EUR 52,956k), EUR 37,839k (EUR 48,324k) of these being obligations vis-a-vis affiliated enterprises.

On the balance-sheet date, the Company's purchase commitments totalled EUR 36,116k (previous year: EUR 129,334k).

On the balance-sheet date, guarantees amounting to EUR 399k had been issued in favour of employees to cover employees' investment loans. In addition, there were guarantees amounting to EUR 16k relating to trade-related transaction relationships.

Messe Düsseldorf GmbH grants its employees benefits under the occupational pension scheme; for this purpose, employees have been insured with the Rhenish Supplementary Pension Fund, Cologne (RZVK). The Fund's pension commitment covers old-age pensions, pensions for reduction in earnings capacity, and survivors' pensions for the insured persons' widows, widowers, and orphans. To the best of our current knowledge, the institutional assets of the public supplementary pension funds and the contributions system in its existing structure do not adequately or completely cover the existing pension commitments of the employers participating in the scheme. The cover shortage thus ensuing comes to a substantial sum - an amount of EUR 75,396k - a financial obligation that will hit public employers hard in future. By way of exercising the option, provided for under commercial law, of reporting indirect pension obligations as a liability (Art. 28 para 1 EGHGB/Introductory Act to the German Commercial Code), in the business year under review, as in previous years, no accrual was set up. The Supplementary Pension Fund (RZVK) levy shown on the Income State-

ment under human resources expenses amounts to EUR 3,291k for the year under review (previous year: EUR 3,223k). The contribution levied amounts to 4.25 percent of the remuneration on which contributions are payable - EUR 40,661k (previous year: EUR 38,546k). In addition, a 3.5 percent financial reorganization charge is also imposed. The contribution rate can be regarded as remaining constant. The level of the financial reorganization charge is likely to increase even further pending the establishment of definitive capital cover for the supplementary pension system. At 31 December 2019, the possibility of a claim arising from the above contingent liabilities cannot be ruled out.

Hedging policy and financial derivatives

Due to its being an internationally-operating company, both the business operations and financing transactions of Messe Düsseldorf GmbH are exposed to financial risks. The risks involved may arise in particular as a result of interest rate changes and exchange rate fluctuations.

In accordance with the Company's risk management system, action is taken to limit these risks not only by identifying, analyzing and assessing them but also by using financial derivative instruments. Pursuant to a management directive, it is not permissible to use such derivatives for speculative purposes.

At 31 December 2019, Messe Düsseldorf GmbH had concluded a total of three (previous year: three) interest rate swap transactions designed to hedge against interest rate-related payment flow risks relating to variable-interest liabilities to banks – entered into for the purpose of financing future capital projects. These three interest rate swap transactions provide a hedge for future loans with a total volume of EUR 60,000k; the latter are to be anticipated with a high degree of probability. As regards these interest rate swaps covering future loan transactions, no valuation unit can be set up at the moment. For this reason, a EUR 6,926k (previous year: EUR 4,137k) accrual has been created in respect of the market value to be covered.

Auditors' fees

In accordance with Section 285 item 17 HGB (Commercial Code), the disclosure of auditors' fees has been waived, as the latter are included in the Company's consolidated financial statements.

Transactions contrary to market principles

No transactions contrary to market principles involving companies or persons close to the Company have been performed.

Disclosures regarding the Company's bodies

The remuneration paid to the Managing Board of Messe Düsseldorf GmbH in the business year totalled EUR 1,751k (previous year: EUR 1,738k). The remuneration paid to former members of the Managing Board and their surviving dependants amounted to EUR 1,073k (previous year: EUR 952k).

Under occupational pension schemes, in the business year under review, direct insurance contributions were incurred for Mr Stempfle, for Mr Reinhard, and for Mr Diener, these amounting to EUR 175k, EUR 126k and EUR 117k, respectively.

In addition to this, expenditure was incurred for Mr Dornscheidt in the form of allocations to pension accruals amounting to EUR 159k.

An accrual amounting to EUR 15,212k (previous year: EUR 13,783k) has been set aside to cover pension obligations to former members of the Managing Board and their surviving dependants.

In the business year concerned, expenses for the Supervisory Board amounted to EUR 87k (previous year: EUR 81k).

Combined Group and Company Management Report of Messe Düsseldorf GmbH

for the 2019 Business Year

Explanations regarding the Report

Pursuant to Section 315 subsection 5 HGB (Commercial Code), the present Report combines both the Management Report of the Messe Düsseldorf Group consisting of Messe Düsseldorf GmbH and its consolidated subsidiaries, and the Management Report of Messe Düsseldorf GmbH.

Basic information

Business model

The present-day Messe Düsseldorf GmbH was founded on 7 January 1947 under the name of Nordwestdeutsche Ausstellungensgesellschaft mbH – NOWEA. Today, the Messe Düsseldorf Group's product portfolio includes roughly 120 events encompassing a wide variety of sectors both at home and abroad and it employs worldwide a workforce of 860 persons. Both in terms of floor space rented out and in terms of sales, the Group ranks among the world's major trade fair organizers. At 31 December 2019, 14 companies in 7 countries belonged to the Messe Düsseldorf Group. The Group currently generates its highest foreign sales in Russia, China, and India.

Economic survey

Macroeconomic and sector-specific boundary conditions

The last financial year brought us, in international terms, the feeblest economic growth since the financial crisis of 2009. Global gross domestic product saw a mere 2.9% growth in 2019; at the same time, the IMF is proceeding on the assumption of economic growth of 1.7 percent for all developed economies. For the emerging and developing countries, a growth rate of about 3.9 percent is expected. The causes of this slowdown in economic growth are to be found in political tensions and trade disputes.

In the past year, economic growth in the USA, the world's largest economy, came to only 2.4 percent. While private consumption proved to be quite robust, investment activity of companies in the USA gradually weakened.

The eurozone was burdened to an even greater degree by weakening worldwide demand, by the trade war between the USA and China, and by the danger of a disorderly exit of Great Britain from the European Union. The EU's gross domestic product (GDP) lay at just under 1.1 percent. Due to its close dependence on industry and foreign trade, German economic growth only reached 0.6 percent.

The Chinese economy's growth, too, fell sharply compared to the previous year, and only lay at around 6.1 percent in 2019. In line with expectations, the other Asian economies were not able to evade the slowdown in international trade and the weakening of the Chinese economy. In the group of emerging and developing nations, India was one of the countries that was hit hardest. There, growth dropped to around 5 percent.

The central and eastern European region suffered the impact of the economic crisis in Turkey, of the low oil price, and of a decline in Russia's economic growth.

The German trade fair companies, too, saw their positive development somewhat inhibited in 2019. On the whole, the 163 international and national trade fairs went off practically at the level of their previous events. The fact that the interest of international exhibitors and visitors continued to grow was quite remarkable.

In 2020, the global trade fair industry is being hit very hard and in a totally unexpected manner by the coronavirus pandemic. The German trade fair companies alone have, to date, postponed or cancelled a total of 109 domestic and 919 foreign events. The financial impact on the German trade fair scene is extremely severe. Hence, in response to the recommendation of the Federal Government's crisis task force, Messe Düsseldorf has postponed the ProWein, wire, Tube, BEAUTY, TOP HAIR – DIE MESSE Düsseldorf, interpack, components, drupa, ENERGY STORAGE EUROPE and SportsInnovation trade fair events. In addition, four guest events and various foreign trade fairs have been postponed or cancelled. As a result of these postponements, in 2020, the Messe Düsseldorf Group will have to suffer a deterioration exceeding EUR 181 million in its pretax result.

The Messe Düsseldorf Group's business performance

Sales and profits situation

The 2019 business year saw an increase in the Group's sales revenues from EUR 294,023k to EUR 378,471k. Due to the 2019 trade fair year being a relatively strong one for cyclical reasons compared to the previous year, the Group's sales registered a EUR 84,448k increase. It was above all the K, A+A and GIFA events that contributed to the improved sales revenues.

89 percent of consolidated sales were generated by Messe Düsseldorf. The portion of consolidated sales attributable to the foreign subsidiaries increased by EUR 2,785k to EUR 42,059k. The bulk of these were generated in Russia and China.

Major items of other operating revenues ensued from the write-back of other accruals amounting to EUR 726k and from the write-up of the net carrying amount of the Company's stake in GEC amounting to EUR 5,500k. Due to trade fair cycles, event-related expenditure increased by EUR 28,094k. Human resources expenditure increased as a result of increases in pay ensuing from collective bargaining agreements, the increase in staff numbers, and the results-based employee bonus.

The Group's net earnings for the year after tax amounted to EUR 56,544k (previous year: EUR 24,269k). Factors contributing to the improved result were the fact that the Group's 2019 business year was a relatively strong one due to trade fair cycles and the impact of the GEC dividend payment plus the latter's write-up.

Net asset position and financial situation

Compared with the previous year, the Messe Düsseldorf Group's total assets increased by 25.8 percent to EUR 785,638k (previous year: EUR 624,709k). As in the past, the Group's net asset position is greatly influenced by the fixed assets figure (65.8 percent) and by the level of liquid assets (28.0 percent). The increase in tangible assets increase in

tangible fixed assets has been mainly brought about by the construction of Exhibition Hall 1. Furthermore, at a plus of 94.6 percent, cash and cash equivalents have practically doubled, thus corresponding to 28.0 percent of the asset side of the balance sheet. The increase in cash and cash equivalents due to cyclical factors corresponds to the increase in advance payments on the equity and liabilities side. Assets tied down in the long term are covered completely by equity over the long term.

On the equity and liabilities side, Group equity increased from EUR 476,144k to EUR 518,811k. This corresponds to an equity ratio of 66.0 percent (previous year: 76.2 percent). Short-term accruals increased mainly as a result of the increase in accruals for outstanding purchase invoices for the construction of the new Hall 1. Payments received on account exhibited a EUR 96,063k increase to EUR 133,669k.

The Group's financial situation was mainly affected by the construction of the new Hall 1, by the 2019 dividend payout, and by the 2019 annual result. Overall, the Group's cash and cash equivalents increased, at 31 December 2019, by EUR 107,004k to a level of EUR 220,116k.

Apart from that, the reader's attention is drawn to the consolidated cash flow statement, which is part of the consolidated financial statements, enclosed herewith as Annex 1.3.

Liquidity

Messe Düsseldorf can draw on a credit line of EUR 7,500k, EUR 522k of which was being used as collateral at 31 December 2019. On the whole, the Company was in a position to settle its liabilities at all times.

The Group's net worth, financial situation and profitability give an accurate picture corresponding to its actual circumstances, thus reflecting the overall success of Messe Düsseldorf's business year.

Messe Düsseldorf GmbH's business performance

Sales and profits situation

2019 proved to be a successful exhibition year for Messe Düsseldorf GmbH. In the 2019 business year, the Company organized 29 events of its own, including guest events, on just above 1.0 million square metres of net hall space rented out, these events being attended by 29,222 exhibitors and more than 1.4 million visitors.

Various key international trade fairs drove the trend in sales. Alongside the annual MEDICA, ProWein, CARAVAN SALON and boot Düsseldorf events, K, A+A and GIFA were the main sales boosters and highlights, which gave a major impetus to the future performance of their respective sectors. The events with the most sales were K with its 3,330 exhibitors and roughly 224,116 visitors, and MEDICA with 5,598 exhibitors and 111,154 visitors.

The following events - shown in comparison with the previous year - were staged at the Düsseldorf site:

	2019	2018
Fairs and exhibitions:		
Own events	18	15
Guest events	11	11
Net hall space rented out	1,014,145 m ²	947,826 m ²
Number of exhibitors	29,222	26,827
Number of visitors	1,373,780	1,125,187

As regards the Company's self-organized events, the relatively strong trade fair year meant that attendance by visitors was, as was to be expected, up on the previous year's figure. The same applied to net floor space rented out and the numbers of exhibitors. Compared to the predecessor events, the numbers of exhibitors were 2.9 percent higher than those of the previous events, with net floor space rented out being similarly 2.3 percent up. The numbers of visitors too were 1.9 percent above those of the predecessor events. Overall, Messe Düsseldorf's growth rates have been above the average figures for the sector as a whole.

As regards the guest events, the picture that emerges is a mixed one: while the visitor figures and the floor space rented out were both successfully increased compared to the predecessor events, the numbers of exhibitors appeared to be slightly reduced.

Last year too, the international flair of the various events, one of Messe Düsseldorf's quality characteristics, was significantly perceptible at the Düsseldorf exhibition site. The percentage of foreign exhibitors at the self-organized events came to 73.4 (previous events: 71.3 percent), with that of foreign visitors coming to 37.1 percent (previous events: 36.6 percent). The largest percentages of foreign visitors were registered by the K and MEDICA events (73.0 percent and 74.3 percent, respectively). The highest ratio of foreign exhibitors was registered by the ProWein trade fair (85.9 percent), followed by NEWCAST (87.5 percent) and MEDICA (84.0 percent).

As regards international trade fair business, Messe Düsseldorf GmbH can look back on a successful business year, organizing 33 events on commission and 13 self-organized events and participations. The bulk of these events were staged in Russia, China, and the United Arab Emirates.

In the year under review, sales totalling EUR 344,047k were generated. Compared to the previous year, this adds up to a EUR 83,665k boost in sales. The other operating income was mainly characterized by the write-ups of GEC and the Messe Düsseldorf ASIA shareholding. Human resources expenditure increased as a result of increases in pay ensuing from collective bargaining agreements, the increase in staff numbers, and the results-based employee bonus. On a par with the increase in sales revenue, event-related expenditure also exhibited a EUR 27,067k rise. The Group's net earnings for the year after tax amounted to EUR 50,825k (previous year: EUR 15,260k). With due regard to the aforementioned effects, the increase in profitability mainly resulted from the fact that the 2019 trade fair year was a relatively strong one due to trade fair cycles.

Net asset position and financial situation

Compared with the previous year, Messe Düsseldorf's total assets increased by 28.9 percent to EUR 699,449k (previous year: EUR 542,665k). The fixed assets item is dominated by real estate and buildings. The increase in tangible fixed assets was predominantly due to the construction of Exhibition Hall 1. Furthermore, the Company's cash and cash equivalents increased by EUR 96,011k to a level of EUR 179,649k.

On the equity and liabilities side, the Company's equity registered a EUR 36,725k increase. The EUR 14,100k dividend payout can be compensated for by the net profit for the year, amounting to EUR 50,825k, achieved by the Company. In particular on account of the increase in total assets, the equity ratio decreased by 11.8 percent to 64.0 percent (previous year: 75.8 percent). If the proposal for appropriation of the 2019 profit, amounting to EUR 6,500k, is taken into account, this leads to a 0.9 percent reduction in the equity ratio. Messe Düsseldorf can draw on a credit line of EUR 7,500k, EUR 522k of which is being used as collateral. As a result of the 2020 trade fair year being quite strong due to trade fair cycles, the receipts from payments made on account were EUR 93,267k higher than those in the previous year, this taking them to EUR 125,359k. In addition to accruals for pensions and tax accruals, the accruals - totalling EUR 81,794k - mainly comprise accruals for outstanding invoices, other human resources costs, and tax risks relating to Messe Düsseldorf GmbH's foreign business.

Messe Düsseldorf GmbH's cash and cash equivalents increased by EUR 96,011k, from EUR 83,638k to a level of EUR 179,649k. The development of Messe Düsseldorf's financial situation was mainly affected, on the one hand, by the increase in payments received on account and, on the other hand, by the construction of the new Hall 1 plus the dividend payment.

Liquidity

The development of Messe Düsseldorf GmbH's liquidity situation was mainly affected, on the one hand, by the increase in payments received on account and, on the other hand, by the construction of the new Hall 1 plus the dividend payment.

The Company's net worth, financial situation and profitability give an accurate picture corresponding to the Company's actual circumstances, thus reflecting the overall success of Messe Düsseldorf's business year.

Business performance of the Group's international subsidiaries

Messe Düsseldorf North America Inc. is a 100-percent subsidiary of Messe Düsseldorf. The company's main task is to obtain business in terms of exhibitors and visitors from the USA, for trade fairs at the Düsseldorf site, and also to organize and stage trade fairs, exhibitions and similar events in the American region. The successive establishment of events in the USA has increasingly made sales less dependent on the rotation of events in Düsseldorf. In 2017, together with a partner the company founded ESNA Expo LLC., Delaware/USA, in which it held a 55.0 percent interest at 31 December 2019. Under US-GAAP rules, subgroup consolidated financial statements have to be drawn up. While subgroup sales amounted to EUR 6,465k (previous year: EUR 5,829k), for cyclical reasons the company registered a EUR 811k profit for the year (previous year: a net loss amounting to EUR -102k).

The Singapore-based Messe Düsseldorf ASIA Pte. Ltd., a 100-percent subsidiary of Messe Düsseldorf, organizes its own trade fairs in the Asian region while also obtaining business in terms of exhibitors and visitors for events in Düsseldorf. The 2019 business year saw sales increase to EUR 8,155k (previous year: EUR 5,348k), while, for cyclical reasons, net profit for the year improved by EUR 641k to EUR 1,419k (previous year: EUR 778k).

The purpose of 000 Messe Düsseldorf Moscow is to organize and stage trade fairs, exhibitions and similar events in Russia. In the year under review, the sales revenue of 000 Messe Düsseldorf Moscow increased to EUR 16,494k (previous year: EUR 14,643k). Simultaneously, the company returned a decreased net profit for the year, amounting to EUR 2,131k (previous year: EUR 3,015k). With margins in Russia currently being fairly meagre, the increase in sales is not enough to compensate for the exchange rate losses produced by the ailing Russian currency.

Messe Düsseldorf China Ltd., in which Messe Düsseldorf holds a 100 stake, is responsible together with its 100-percent subsidiary Messe Düsseldorf (Shanghai) Co., Ltd. for obtaining business in the form of exhibitors and visitors for events in Düsseldorf as well as organizing these companies' own events in China. Due to the 2019 trade fair year being a relatively weak one in China for cyclical reasons, the Group's sales there saw a decrease from EUR 14,110k to EUR 12,487k. Accordingly, net profit for the year also decreased - to EUR 4,563k (previous year: EUR 5,974k).

Business performance of the Group's national subsidiaries

Messe Düsseldorf's 50-percent subsidiary Düsseldorf Congress GmbH (previously: Düsseldorf Congress Sport & Event GmbH) provides services for congresses and other events, including events held in the CCD Congress Center, Düsseldorf, in the CCD Ost, and in the HORISUM complex (Messe Düsseldorf's exhibition halls). As of 1 August 2018, the Company divisions comprising live-entertainment/sports events, and including the Mitsubishi Electric HALLE, the MERKUR SPIELE ARENA, the ISS DOME and CASTELLO, Düsseldorf, were outsourced to D.LIVE GmbH & Co. KG, Düsseldorf. Hence, comparability with the previous year's figures is only feasible to a limited degree. Sales amounted to EUR 15,048k (previous year: EUR 27,282k), while the company returned a profit of EUR 383k for the year (previous year: EUR 310k). The decline in sales is mainly due to the outsourcing of the live entertainment / sport events segments.

Messturm Düsseldorf Verwaltungsgesellschaft mbH is a 50-percent subsidiary of Messe Düsseldorf. The company rents

out Messturm (Tower) A, of which it is the owner. The revenues from rental income come to EUR 2,980k. The EUR 223k increase reflects the rent adjustment carried out with effect from 1 January 2019. The EUR 301k annual profit (previous year: EUR 626k) was essentially reduced as a result of planning expenses for the 2021 maintenance measure.

With a 94 percent stake in the company, Messe Düsseldorf is a limited partner of FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG. Under a sale-and-lease-back scheme, the company has purchased Exhibition Hall 6 together with part ownership of Messturm (Tower) B from Messe Düsseldorf GmbH and leases these buildings back to the latter on a long-term basis. In the business year under review, FIXXUS returned a net profit for the year of EUR 2k (previous year: EUR 9k), while generating sales of EUR 4,676k (previous year: EUR 4,686k).

Financial and non-financial performance indicators

Financial performance indicators

Major control parameters applicable both to the Group and the Company are sales, earnings before tax (EBT), and capital expenditure on fixed assets, including expenditure on repairs and maintenance. A comparison between results and forecasts is made in the section entitled "Forecast report".

Non-financial performance indicators

The Group's business performance is not only manifested in business indicators. To maintain, in an international environment, its top position among the leading trade fair companies at both the national and the international level, Messe Düsseldorf has, for years, been continually improving its standards of service and quality. Furthermore, the Group is determinedly pursuing the strategic course that it has set for itself. The aims of this course are to safeguard and develop the trade fair programme at the Düsseldorf site and to expand international business by means of the Group's own activities or in joint ventures with partners. To this end, with the exception of a few fairs for high-quality consumer goods, Messe Düsseldorf is concentrating its activities on exhibitions cov-

ering capital goods. The goal is to become the number one company as regards the organization of capital goods trade fairs. A prerequisite for this is highly-capable staff – which is why Messe Düsseldorf invests in training and advanced training schemes and also occupational safety.

On average, throughout the 2019 business year, the Group employed a staff of 860 worldwide (previous year: 843) plus casual staff numbering 167 (previous year: 161). To train its staff, Messe Düsseldorf offers advanced training courses in foreign languages and IT applications, as well as highly-specialized schemes in individual cases. Furthermore, employees have an opportunity to acquire experience of foreign countries with partners in Finland, Sweden, Great Britain and the USA under an international exchange scheme.

Statement with regard to company management (quota for women)

2015 saw the coming into force of the "Law on Equal Participation of Women and Men in Leadership Positions in both the Private Sector and the Public Sector". On the basis of the requirements that this law entails, both the Supervisory Board and the Company's General Meeting are both endeavouring to take women into consideration as appropriate. Considering the work of the current management body and taking into account the female candidates that might be eligible, the General Meeting currently sees neither a legal possibility nor a practical necessity for implementing this quota for women. For that reason, a target quota of 0 percent was laid down for the Management Board. As regards the Supervisory Board, the target figure for the proportion of women was set at 28 percent. For the two levels of management below the Management Board, the Board adopted a resolution laying down a 25 percent quota for women. At 31 December 2019, the proportion of women in the Supervisory Board was at a level of 24 percent, this figure being 27 percent for the two levels of management below the Management Board.

Reports on risks, forecasts and opportunities

Risk report

Risk management system

The Group has a risk management system into which all the divisions of Messe Düsseldorf GmbH and those of its subsidiaries are integrated. The task of the risk management system is to identify, assess, and communicate/report any possible risks or opportunities so as to enable countermeasures or mitigating action to be initiated in good time. The risk management system is managed by the Company's internal auditing body and is closely dovetailed with Messe Düsseldorf's internal auditing system. All these systematic monitoring operations have, in their entirety, the aim of guaranteeing the security and efficiency of business operations, the reliability of financial reporting, and the conformity of all Company activities with statutes and regulations.

What Messe Düsseldorf defines as a risk is an exposure to losses, ensuing from events or actions, that may have a negative impact on the Group's net worth, financial situation and profitability.

Individual risk categories are defined on the basis of this overall risk definition. The various risk categories express the severity of the repercussions to which the Group's net worth, financial situation and profitability will be exposed if a risk materializes. In this classification, the following risk categories have been laid down:

- Operating risks
- Ad hoc risks

Operating risks are risks whose expected level of loss would not have the effect of jeopardizing the Group's existence, but which, viewed separately or in their interaction with other operating risks, would have a more than negligible impact on the Group's net worth, financial situation and profitability.

Ad hoc risks are risks whose expected level of loss and probability of materialization would trigger an immediate report to the Board of Management and from the Board of Management to the Supervisory Board.

In the risk committee, the risks reported by the risk owners are evaluated and discussed. Subsequently, the risk committee chairperson reports directly to the management.

Risks

Individual risks are assessed on the basis of the anticipated level of loss and the probability of the risk actually materializing. In the year under review, the risks affecting the parent company and those affecting the Group were identical. Risks identified at 31 December 2018:

Probability of materialization	Level of loss		
	Low	Relevant	Critical
Very high (75-100%)	-	1	-
High (50-75 %)	-	3	-
Medium (25-50 %)	-	-	-
Low (0-25 %)	-	-	-

The risk with the highest probability of materialization relates to the postponement, decided on in March 2020, of nine of the Company's self-organized events. In addition, four guest events and various foreign trade fairs have also been postponed. The postponement of these events is a precautionary measure in response to the recent sharp rises in the figures for persons infected by corona, in Europe too. With these postponements, Messe Düsseldorf has followed the recommendation of the Federal Government's crisis committee to the effect that the principles of the Robert-Koch Institute should be taken into account in assessing the risks involved when holding major events. The decision taken in the Düsseldorf state capital on 10 March 2020 to follow the North-Rhine Westphalian Ministry of Health decree relating to the staging of major events corroborates Messe Düsseldorf's policy.

One of the risks identified as being of a relevant size, and with a high probability of materialization, relates to the situation of the Rheinische Zusatzversorgungskasse (Rhenish Supplementary Pension Fund / RZVK), Cologne. Messe Düsseldorf GmbH grants its employees benefits under the occupational pension scheme; for this purpose, employees have been insured with the Rhenish Supplementary Pension Fund (RZVK) The Fund's pension commitment covers old-age pensions, pensions for reduction in earnings capacity, and survivors' pensions for the insured persons' widows, widowers, and orphans. The Supplementary Pension Funds are currently threatened by two major risks: the relatively long-lasting period of low interest rates and the increasing length of the insured persons' life expectancy. In the long run, both these factors will lead to an increase, currently not planned for, in the cost of occupational pension schemes, thus affecting the long-term net worth, financial position and profitability of Messe Düsseldorf GmbH. The part of the shortfall in cover accounted for by Messe Düsseldorf has increased by EUR 22,306k in two years, taking it to EUR 75,396k (31 December 2017 - EUR 53,090k); EUR 14,930k of this sum is attributable alone to the risks posed by the low interest rate period and the increase in life expectancy.

The other two risks relate to a marketing and a human resources risk. The marketing risk concerns the Company's foreign markets. In the risk assessment, the risks that always exist in foreign markets, such as low exchange rates or tense political situations, have been compacted into a single risk relating to a foreign country. The level of loss pertaining to this risk in our foreign markets is intensified by the Group's subsidiaries. The second risk of relevance, and one that has a high probability of materialization, relates to the sufficiency of the Company's personnel resources and HR development. Considering the age structure of staff in several key functions, know-how transfer as part of the process of personnel replacement will have to be pursued at a minimum time lag and in a broadly diversified manner. Adequate measures have been introduced by the human resources department, acting in liaison with the various technical departments.

In the business year under review, no risks were established that, either individually or cumulatively, might be susceptible to jeopardizing Messe Düsseldorf's existence.

Risk reports relating to the use of financial instruments

At 31 December 2019, Messe Düsseldorf GmbH had concluded a total of three (previous year: three) interest rate swap transactions designed to hedge against interest rate-related payment flow risks relating to variable-interest liabilities to banks – entered into for the purpose of financing future capital projects. These three interest rate swap transactions are designed to provide a hedge for future loans with a total volume of EUR 60,000k.

Forecast report

	Forecast for 2019 €'000	Results for 2019 €'000	Forecast for 2020 €'000
Sales	357,204	378,471	227,723
Pre-tax result	46,850	77,849	-59,822
Fixed assets*	108,411	84,785	49,580

* Including repairs and maintenance

Due to the sound course of the trade fair year, Group sales revenue increased to EUR 378,471k in contrast to to the 2019 forecast. At the same time, the improvement in sales was mainly brought about in Germany. Messe Düsseldorf Moscow is continuing to benefit from the takeover of the rights relating to CPM. Furthermore, on the expenditure side, cost-conscious action limited the full use of the various project budgets, and this led to further improvement in the Group's result. In addition to the impact of the improved course of business, the positive result was additionally intensified by an unexpectedly high dividend payout from a company shareholding. Furthermore, a reduction in the depreciation pertaining to the business year under review was brought about by the slight delay in the Hall 1 construction work. The increase in the non-operating result was determined in particular by the EUR 4,500k increase in GEC's dividend payment.

One of the trade fair years originally forecast as having an extremely high sales level is now being marred on account

of the postponements induced by the corona virus. The postponements agreed in March 2020 relate to nine self-organized and four guest events. Moreover, various events abroad have been postponed or cancelled. Compared to the original budget, the Company is now reckoning with a EUR 181 million reduction in the pre-tax result and a EUR 287 million reduction in sales revenues. Alongside the annual events, it is mainly the Euroshop, wire and Tube flagship trade fairs that will determine the level of sales. The 2021 trade fair year, a relatively weak one for cyclical reasons, will be strengthened by the new time schedule for interpack, components und drupa.

Messe Düsseldorf GmbH	Forecast for 2019 €'000	Results for 2019 €'000	Forecast for 2020 €'000
Sales	326,000	344,047	194,007
Pre-tax result	39,917	70,607	-65,763
Capital expenditure on fixed assets*	107,555	85,018	49,213
Own events			
Net floor space rented out (m ²)	811,520	834,127	455,980
Numbers of exhibitors	25,365	29,222	11,980
Numbers of visitors	1,200,000	1,373,780	526,000

* Including repairs and maintenance

The positive sales variances reported by Messe Düsseldorf GmbH were mainly attributable to the good performance of the Company's own events - K, MEDICA, A+A and GIFA. This is also demonstrated by the 4 percent increase in the contribution margins of our self-organized events. In the overheads item, a reduction in the depreciation pertaining to the business year under review was brought about by the slight delay in the Hall 1 construction work. The increase in the non-operating result was determined in particular by the EUR 4,500k increase in GEC's dividend payment and by the EUR 2,178k write-up of Messe Düsseldorf Asia.

One of the trade fair years originally forecast as having an extremely high sales level is now being marred on account

of the postponements induced by the corona virus. The postponements agreed in March 2020 relate to nine self-organized and four guest events.

Moreover, various events abroad have been postponed or cancelled. Compared to the original budget, the Company is reckoning with a EUR 187 million reduction in the pre-tax result and an approx. EUR 280 million reduction in sales revenues. Alongside the annual events, it is mainly the Euroshop, wire and Tube flagship trade fairs that will determine the level of sales. The 2021 trade fair year, a relatively weak one for cyclical reasons, will be strengthened by the new time schedule for interpack, components und drupa.

Opportunity report

An integral part of the business concept is a master plan for the modernization of the exhibition site, covering all the halls and conference rooms on the site. The solid 2019 annual result makes a contribution to the success of this plan. As has already been the case in previous years, the bulk of the Company's operating cash flow has again been channelled into the modernization of the Düsseldorf exhibition site. With the new, state-of-the-art South Entrance directly on the bank of the Rhine, Messe Düsseldorf is giving a strong architectural signal at a particularly visible location and establishing high functional standards. The sum total of the capital investment in the master plan serving as a basis for all this will amount to EUR 1,200 million by the year 2030. By the end of 2020, a good EUR 559 million will have been invested in new hall construction projects and in projects involving the conversion of existing halls. All these building projects will be carried out without any public subsidies.

39 events and participations were scheduled for 2020. Due to the worldwide Covid-19 pandemic, the bulk of these events have been postponed or cancelled.

In the first quarter of 2020, nine self-organized events, four guest events, and a variety of participations in events abroad fell victim to the corona virus. These events were mainly postponed until the second half of 2020 or until the year 2021. With these postponements, Messe Düsseldorf is following the recommendation of the Federal Government's crisis task force to the effect that the principles of the Robert-Koch Institute should be taken into account in the assessment of the risks involved when holding major events.

Statement regarding compliance with the Company's public objective and the attainment of the corporate purpose established in accordance with Section 108 subsection 3 item 2 GO NRW (Local Authorities Code for the Land of North Rhine-Westphalia)

In accordance with the articles of association of Messe Düsseldorf GmbH, the object of the Company is to organize and stage fairs, exhibitions and other events that serve to promote industry, craft industries, trade and services, and to provide the counselling, project development and order placement services necessary for this purpose.

We are absolutely convinced of the fact that we have oriented the business policy and strategic position of Messe Düsseldorf in a suitable fashion.

Messe Düsseldorf GmbH Group



Consolidated Balance Sheet

of Messe Düsseldorf GmbH at 31 December 2019

Assets	31.12.2019	31.12.2018
	€'000	€'000
Fixed assets		
Intangible assets		
Concessions, industrial and similar rights and assets, and licences in such rights and assets	8,396	8,625
Advance payments made	615	380
	9,011	9,005
Tangible assets		
Land, land rights and buildings, including buildings on third-party land	459,316	354,429
Other equipment, factory and office equipment	10,751	10,917
Advance payments made and assets under construction	21,685	85,536
	491,752	450,882
Financial assets		
Shares in affiliated enterprises	2,681	519
Shares in associated enterprises	1,276	1,085
Participations	11,883	6,383
Other loans	2	4
	15,842	7,991
	516,605	467,878
Current assets		
Inventories		
Raw materials, auxiliary materials and supplies	109	102
Finished goods and merchandise	15	8
	124	110
Receivables and other assets		
Trade receivables	11,242	5,795
Receivables from affiliated enterprises	1	114
Receivables from associated enterprises	1,244	1,288
Receivables from shareholders	2	58
Other assets	26,754	27,463
	39,243	34,718
Cash-in-hand, bank balances and cheques	220,116	113,112
	259,483	147,940
Prepaid expenses	9,205	8,500
Deferred tax assets	345	389
Sum total	785,638	624,707

Equity and liabilities	31.12.2019	31.12.2018
	€'000	€'000
Equity		
Subscribed capital	15,625	15,625
Capital reserves	79,718	79,718
Revenue reserves	119,773	119,773
Difference in equity due to currency translation	438	-349
Adjusting item for minority interests	624	1,159
Distributable profit	302,633	260,217
	518,811	476,143
Accruals		
Accruals for pensions and similar obligations	19,852	19,331
Tax accruals	9,777	5,350
Other accruals	54,211	34,314
	83,840	58,995
Liabilities		
Liabilities to banks	10,917	11,133
Advance payments received in respect of orders	133,669	37,606
Trade payables	16,652	15,616
Payables to shareholders	12	0
Payables to affiliated enterprises	563	23
Other liabilities	21,062	24,973
(of which taxes: € 1,438k; previous year: € 938k)		
	182,875	89,351
Deferred tax liabilities	112	218
Sum total	785,638	624,707

Consolidated Income Statement

of Messe Düsseldorf GmbH for the Period from 1 January to 31 December 2019

	31.12.2019	31.12.2018
	€ '000	€ '000
Sales	378,471	294,023
Own work capitalized	258	221
Other operating income	8,481	10,647
Event-related expenses		
a) Cost of raw materials, auxiliary materials and supplies, and of purchased merchandise	9,716	7,661
b) Cost of purchased services	158,622	132,584
	168,338	140,245
Human resources expenses		
a) Wages and salaries	54,123	49,699
b) Social security charges and costs of retirement pensions and other welfare benefits (including € 4,725k for retirement pensions; previous year: € 5,743k)	14,267	14,364
	68,390	64,063
Depreciation on intangible and tangible fixed assets	26,346	26,646
Other operating expenses	49,649	46,032
Income from participations	8,000	7,000
Net income from shareholdings in associated enterprises	191	155
Income from long-term loans	0	0
Interest and similar income	132	321
Write-downs on financial assets and securities	0	762
Interest and similar expenditure	4,960	4,815
Taxes on income and profits	21,305	5,535
Consolidated net income for the year	56,544	24,269
Portion of loss/profit accruing to minority interests	-28	-191
Profit brought forward from the previous year	246,117	236,139
Distributable profit	302,633	260,217

Movements in the Consolidated Fixed Assets

of Messe Düsseldorf GmbH in the 2019 Business Year

	Cost of acquisition/manufacture						Depreciation					Book values		
	Status at 1.1.2019	Currency translation	Additions	Reclassifications	Retirements	Status at 31.12.2019	Status at 1.1.2019	Currency translation	Write-ups	Additions	Retirements	Status at 31.12.2019	Status at 31.12.2019	Status at 31.12.2018
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Intangible assets														
Concessions, industrial property rights and similar rights and assets purchased, and licences in such rights and assets	58,238	0	1,977	380	20	60,575	49,613	1	0	2,586	21	52,179	8,396	8,625
Goodwill	2,400	41	0	0	0	2,441	2,400	41	0	0	0	2,441	0	0
Advance payments made	380	0	615	-380	0	615	0	0	0	0	0	0	615	380
Total intangible assets	61,018	41	2,592	0	20	63,631	52,013	42	0	2,586	21	54,620	9,011	9,005
Tangible assets														
Land, land rights and buildings, including buildings on third-party land	919,900	0	45,005	80,494	1,339	1,044,060	565,471	0	0	19,558	285	584,744	459,316	354,429
Other equipment, factory and office equipment	50,329	61	4,079	93	2,178	52,384	39,411	49	0	4,202	2,029	41,633	10,751	10,918
Advance payments made and assets under construction	85,536	0	16,941	-80,586	206	21,685	0	0	0	0	0	0	21,685	85,536
Total tangible fixed assets	1,055,765	61	66,025	1	3,723	1,118,129	604,882	49	0	23,760	2,314	626,377	491,752	450,883
Financial assets														
Shares in affiliated enterprises	3,357	10	2,152	0	0	5,519	2,837	1	0	0	0	2,838	2,681	520
Shares in associated enterprises	1,085	0	191	0	0	1,276	0	0	0	0	0	0	1,276	1,085
Participations	11,883	0	0	0	0	11,883	5,500	0	5,500	0	0	0	11,883	6,383
Other loans	4	0	0	0	2	2	0	0	0	0	0	0	2	4
Total financial assets	16,329	10	2,343	0	2	18,680	8,337	1	5,500	0	0	2,838	15,842	7,992
Sum total	1,133,112	112	70,960	1	3,745	1,200,440	665,232	92	5,500	26,346	2,335	683,835	516,605	467,880

Explanatory Notes on the Consolidated Balance Sheet and Income Statement

of Messe Düsseldorf GmbH

I. General principles

The annual financial statements of Messe Düsseldorf GmbH, Düsseldorf (entered in the Commercial Register of the Düsseldorf District Court/Amtsgericht under HRB No. 63) have been prepared in compliance with the mercantile law provisions relating to large joint-stock companies. Pursuant to Section 290 HGB (Commercial Code), the Company is obligated to prepare consolidated financial statements. The consolidated financial statements of Messe Düsseldorf GmbH have been prepared in compliance with the provisions of the GmbH Act (Act concerning limited-liability companies).

For the Income Statement, the total costs (type of expenditure) method has been opted for. The peculiarities of trade fair business are taken into consideration.

II. Scope and principles of consolidation

In addition to Messe Düsseldorf GmbH, the consolidated financial statements also fully include the following subsidiaries in which Messe Düsseldorf GmbH has a direct or indirect majority holding:

- 000 Messe Düsseldorf Moscow, Moscow/Russia
- Messe Düsseldorf China Ltd., Hong Kong/China
- Messe Düsseldorf (Shanghai) Co., Ltd. Shanghai/China
- Messe Düsseldorf North America Inc., Chicago/USA
- Messe Düsseldorf ASIA Pte. Ltd., Singapore
- Messeturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf
- FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG, Pullach

Pursuant to Section 296 subsection 2 HGB (Commercial Code), the inclusion in the consolidated financial statements of Messe Düsseldorf Japan Ltd., Tokyo/Japan, Messe Düsseldorf India Pvt. Ltd., New Delhi/India, including the latter's 50-percent shareholding in EXCOSA India Pvt. Ltd., Bangalore/India, has been waived. The inclusion of ESNA Expo LLC., Delaware/USA – a 55-percent subsidiary of Messe Düsseldorf North America Inc. – has also been waived pursuant to Section 296 subsection 2 HGB.

In a contract dated 3 July 2018, Messe Düsseldorf North America Inc. took over a 50 percent shareholding in MEDITECH in Bogotá/Colombia from Corporación de Ferias y Exposiciones S.A., Bogotá / Colombia. In the same contract, both parties agreed to develop MEDITECH jointly. In 2019, MEDITECH was managed by a joint management body. Pursuant to Section 296 subsection 2 HGB, the inclusion of the MEDITECH joint venture in the consolidated financial statements as a 50 percent shareholding has been waived.

Pursuant to Section 312 HGB, the shareholding in Düsseldorf Congress GmbH, Düsseldorf, has been included in the consolidated financial statements at equity. At 31 December 2019, the equity of Düsseldorf Congress GmbH totalled EUR 2,552k (previous year: EUR 2,169k), the company's balance-sheet value amounting to EUR 1,276k (previous year: EUR 1,085k).

Messe Düsseldorf GmbH holds 33.33% of the shares in GEC – German Exposition Corporation International GmbH Berlin. Pursuant to Section 311 subsection 2 HGB, the inclusion of GEC as an associated company has been waived.

Messeturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf and FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG, Pullach, have been included in the consolidated financial statements pursuant to Section 290 subsection 2, item 4 HGB (special-purpose entities).

The capital consolidation of the companies included in the consolidated financial statements was based on book values in the case of first-time consolidation up to 31 December 2008. Pursuant to Section 301 subsection 1 sentence 2 HGB, the revaluation method has been applied for consolidation since 1 January 2009.

The positive differences arising from capital consolidation are partly allocated to the assets of the subsidiary concerned and depreciated on the basis of their useful life. Any positive differences remaining have been posted as goodwill and depreciated over a four-year period in all cases. Unscheduled write-downs are applied whenever necessary. At 31 December 2019, all items of goodwill had been written off completely.

Pursuant to Section 309 HGB, the amounts of negative goodwill arising from the capital consolidation of 000 Messe Düsseldorf Moscow (EUR 1,448k) and Messeturm Düsseldorf Verwaltungsgesellschaft mbH (EUR 3,987k) have been posted to capital reserves.

The negative goodwill arising from the initial consolidation of Messe Düsseldorf China Ltd. is shown in the adjusting item set up during capital consolidation. In 2014, the adjusting item was added to the consolidated distributable profit for the year. In an agreement dated 29 October 2012, Messe Düsseldorf acquired the remaining shares in Messe Düsseldorf China Ltd., amounting to 20 percent of the total, for a purchase price of EUR 3,500k. As part of the initial consolidation of the shares acquired, the Group acquired an intangible right to a trade fair for a sum of EUR 3,138k, which was to be written off over a five-year period. Furthermore, deferred tax liabilities amounting to EUR 549k were to be taken into account.

The EUR 21k negative goodwill arising from the initial consolidation of Messe Düsseldorf (Shanghai) Co., Ltd., Shanghai, was set off against consolidated profit brought forward. The inclusion process was carried out via the financial statements of the Messe Düsseldorf China Ltd., Hong Kong/China, subgroup as the latter company is the sole shareholder of Messe Düsseldorf (Shanghai).

Any reciprocal receivables and liabilities between the fully-consolidated companies are set off against each other. In the Consolidated Income Statement, intragroup sales revenues and other intragroup income items are set off against the corresponding expenditure. Intragroup interim profits were eliminated in the year under review.

Pursuant to Section 308a HGB, foreign currency amounts on the balance sheets of the foreign subsidiaries included in the consolidation are translated on the basis of the spot exchange middle rates applicable on the balance-sheet date. This does not apply to equity, which has been translated at the appropriate historical rates. The various income statements have been translated at the average rates applicable to the accounting period. Any currency translation differ-

ences ensuing have been posted to the adjusting items set up for this purpose, and thus have no effect on earnings.

The company will be included in the consolidated financial statements for Düsseldorf, capital of North-Rhine Westphalia. This entry will not be disclosed.

III. Accounting and valuation principles

The individual companies' financial statements on which full consolidation is based are uniformly prepared in accordance with the accounting and valuation guidelines laid down by the parent company. Uniform valuation policies have not been applied to the associated enterprises.

Purchased intangible assets are reported at their acquisition cost less the scheduled depreciation charge. Depreciation is based on the straight-line method, taking the normally-applicable useful life of the asset into account.

Tangible assets are valued at acquisition or manufacturing costs and, provided their useful life is limited in time, scheduled depreciation is deducted. If necessary, additional depreciation is applied based on the value appropriate for the assets on the balance-sheet date.

Since 2014, buildings have been depreciated on a straight-line basis. Investments in extensions to buildings are depreciated so as to match the whole building's remaining useful life.

The straight-line method is used for depreciation on additions to movable assets. Straight-line depreciation is calculated pro rata temporis.

Low-value assets with a value of between EUR 52 and EUR 800 are written off fully in the year of acquisition and are simultaneously reported as a retirement in the fixed assets movements schedule. In line with the increase in the tax threshold for low-value items, in 2018 the ceiling for low-value assets was increased from EUR 410 to EUR 800 for the first time.

Shares in affiliated companies and participations are carried at cost of acquisition or at such lower value as may be appropriate. The values of any participations in associated enterprises that are reported are stated with due consideration to the adjustments made as part of the "at equity" valuation procedure.

Loans are shown at their nominal value less any principal repaid. Write-downs are made to the extent required to reflect any identifiable risks.

The values of inventories are assessed at the reporting date on the basis of the lower of acquisition or manufacturing cost or on that of the lower of stock exchange or market price.

Receivables and other assets are shown at their nominal value. Appropriate individual write-downs are made to cover any risks that are identifiable. Interest-free receivables and other assets with a remaining term of more than one year are discounted as of the balance-sheet date.

The valuation of direct accruals for pensions is established on the basis of actuarial principles following the projected unit credit method (PUC method), and also applying the 2018 G standard tables of Dr. Klaus Heubeck. Accruals for pensions are discounted at a flat rate, this being the average market interest rate of the last ten years, applicable to an assumed remaining term of 15 years, as published by the Deutsche Bundesbank (German Federal Bank) for the month of December 2018. For 2019, this interest rate was assumed to be 2.71 (previous year 3.21) percent. The calculation following the PUC method is based on the following assumptions regarding trends:

- Trend in wages and salaries: 2.7 percent (previous year: 2.7 percent)
- Trend in the income ceiling for social security contributions: 2.7 percent (previous year: 2.7 percent)
- Trend in pensions: 2.2 percent (previous year: 2.2 percent)
- Fluctuation: 1.0 percent (previous year: 1.0 percent)

All other accruals have been set up at a required payment level that takes account of all risks identified as such up to the reporting date on the basis of a prudent business assessment. Accruals with a remaining term of more than one year are discounted on the basis of the actuarial interest rates published by the Deutsche Bundesbank.

Liabilities are stated at the amounts repayable. The payments received on account mainly relate to trade fairs and events scheduled for subsequent years.

Receivables and liabilities in foreign currencies are entered in the accounts at the rate of exchange applicable at the time, and are then valued at year-end at the rate applicable on the closing date. As regards receivables and liabilities with a remaining term of more than one year, the principle of lowest value or highest value is applied, as the case may be.

IV. Explanatory Notes and Disclosures concerning the Consolidated Balance Sheet

Fixed assets

Apart from purchased software, the intangible assets mainly consist of usufructuary rights. The additions mainly relate to a new system providing information on events, to trademark rights to a foreign event, and to extensions to the new Online Order System. The advance payments made relate to the development of a software package for registering stand personnel and to the perfection of various portals.

The additions to tangible assets are predominantly attributable to additions to buildings and to facilities under construction. As regards buildings, the items concerned mainly relate to the construction of the new Hall 1 and the shuttle bus carriageway. The purchases in the field of operating and office equipment relate to the purchase of a new telescoping work platform, the replacement of computer hardware, and kitchen and restaurant equipment. The additions to facilities under construction stem predominantly from outdoor facilities and the Hall 1 canopy roof, site clearance for the northern trade fair area, and the construction of the new Exhibition Hall 9. Retirements from the building segment are mainly

attributable to the Stockumer Höfe warehouse fire and the real property transfer tax capitalized in previous years and reimbursed in the business year under review. The retirements in the rest of the sphere of tangible assets mainly result from retirements of plant and office equipment and of computer hardware.

The retirements in the sphere of facilities under construction relate to planning costs for Hall 9 in respect of building projects no longer carried out in this form.

The increase in financial assets is primarily attributable to the write-up of the investment book value of GEC – German Exposition Corp. Int. GmbH. Due to the ongoing positive nature of this company's commercial prospects, the net carrying amount of the Company's stake in GEC – German Exposition Corp. Int. GmbH was written up by EUR 5,500k, thus taking this to a total of EUR 11,883k. The equity of Messe Düsseldorf India Pvt. Ltd., New Delhi/India, was written up by EUR 2,152k to a total of EUR 4,609k. At 31 December 2019, the net carrying amount of the Company's stake in Messe Düsseldorf India Pvt. Ltd. amounted to EUR 2,152k. The repercussions of the postponement of various events worldwide have not affected the long-term valuation of the subsidiaries and affiliates concerned.

For further details, the reader is referred to the fixed assets movements schedule attached to the Notes to the Financial Statements as Annex I.

The list of subsidiaries and other holdings is attached to the Notes as Annex 2.

FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG avails itself of the exemption stated in Section 264b HGB and waives the disclosure of its annual financial statements.

Receivables and other assets

The trade receivables item contains no receivables with a remaining term exceeding one year.

The other assets item contains receivables amounting to EUR 0k (previous year: EUR 80k) with a remaining term exceeding one year. The bulk of other assets consists of tax receivables. These claims for refunds will not legally arise until the Company submits its advance tax returns and tax returns proper.

As in the previous year, the receivables from affiliated enterprises relate to trade receivables from the subsidiaries that, pursuant to Section 296 subsection 2 HGB (Commercial Code), have not been included in the consolidated financial statements. As in the previous year, the receivables concerned have a remaining term amounting to less than one year. Trade receivables have been set off against trade payables, the latter amounting to EUR 95k (previous year: EUR 123k).

As in the previous year, the receivables from associated enterprises relate to trade receivables from the subsidiaries that are included in the consolidated financial statements at equity. As in the previous year, the receivables concerned have a remaining term amounting to less than one year.

Deferred tax assets

The deferred tax assets shown in the amount of EUR 345k (previous year: EUR 390k) are due to consolidation measures for 000 Messe Düsseldorf Moscow in compliance with Section 304 HGB. The calculation of these deferred tax assets was carried out on the basis of the 20 percent tax rate that is applicable to Russia.

Accruals

The Company's pension obligations to former managerial staff and one current manager are fully covered by pension accruals. In the year under review, these obligations led to changes in pension accruals amounting to EUR 520k (previous year: EUR 1,882k), with a net impact on results. The difference ensuing from the application of the 10-year average interest rate compared to the 7-year rate results in a EUR 1,667k (previous year: EUR 1,976k) reduction in accruals for pensions.

The tax accruals mainly cover taxes on business profits relating to the year under review and also accruals designed to cover tax audits.

The other accruals cover all risks identified up to the reporting date and have been calculated on the basis of prudent commercial principles.

The accruals underwent the following movements:

	1.1.2019	Amount utilized	Currency translation	Write-backs	Additions	31.12.2019
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
1. Accruals for pensions and similar commitments	19,331	1,073	0	0	1,594	19,852
2. Tax accruals	5,350	3,096	4	0	7,519	9,777
3. Other accruals						
<i>Risks associated with order processing</i>						
Outstanding invoices	9,411	4,424	3	526	19,845	24,309
<i>Human resources and the social sphere</i>						
Accruals for staff bonuses	437	437	0	0	1,293	1,293
Accruals for vacations	1,977	1,969	6	0	2,334	2,348
Accruals for anniversaries	2,787	421	0	0	631	2,997
Accruals for management bonuses	794	764	9	5	778	812
Miscellaneous accruals	546	375	1	6	485	651
	6,541	3,966	16	11	5,521	8,101
<i>Other accruals</i>						
Impending losses	4,710	0	0	166	2,789	7,333
Fiscal risks in foreign countries	12,100	0	0	0	400	12,500
Annual financial statements costs	394	252	3	23	297	419
Miscellaneous accruals	1,158	679	0	0	1,070	1,549
	18,362	931	3	189	4,556	21,801
	34,314	9,321	22	726	29,922	54,211
	58,995	13,490	26	726	39,035	83,840

Liabilities

The Group's liabilities at 31.12.2019 were classified as follows on the basis of their remaining terms:

	Total amount	With a remaining term of		
		up to 1 year	up to 5 years	more than 5 yrs.
	€'000	€'000	€'000	€'000
Liabilities to banks	10,917	1,638	9,279	0
Payments received on account	133,669	133,555	114	0
Trade payables	16,652	16,647	5	0
Payables to shareholders	12	12	0	0
Payables to affiliated enterprises	563	563	0	0
Other liabilities	21,062	9,881	10,675	506
	182,875	162,296	20,073	506

The Group's liabilities at 31.12.2018 were classified as follows on the basis of their remaining terms:

	Total amount	With a remaining term of		
		up to 1 year	up to 5 years	more than 5 yrs.
	€'000	€'000	€'000	€'000
Liabilities to banks	11,133	1,854	9,279	0
Payments received on account	37,606	37,569	37	0
Trade payables	15,616	15,616	0	0
Payables to shareholders	0	0	0	0
Payables to affiliated enterprises	23	23	0	0
Other liabilities	24,973	9,131	15,383	459
	89,351	64,193	24,699	459

The payables to shareholders mainly related to trade payables. The payables to affiliated enterprises consisted solely of trade payables.

Deferred tax liabilities

The deferred tax liabilities shown in the amount of EUR 112k (previous year: EUR 218k) were due to consolidation measures carried out in compliance with Section 304 HGB. There were deferred tax liabilities totalling EUR 6,420k (previous year: EUR 6,696k) based on consolidation entries pursuant to Section 306 HGB, having an impact on the result and concerning the parent company. In accordance with Section 274 HGB, this sum was set off against deferred tax assets for the same amount. The latter ensue from differences between the commercial-law and fiscal balance-sheet valuations of shares in affiliated enterprises, participations and accruals. A tax rate of 31.23 percent was applied, this being identical to the rate applied in the previous year.

V. Explanatory Notes on the Income Statement

Sales

Consolidated sales in the business year under review can be broken down according to the following business segments and regions:

Business segment	2019 € '000	2018 € '000
Own events	356,726	272,453
Guest events	8,418	14,289
Other events	13,327	7,281
	378,471	294,023
Region	2019 € '000	2018 € '000
Germany	308,389	222,620
Russia	34,269	31,230
China	16,754	20,622
Singapore	7,372	5,939
India	174	4,925
USA	4,909	4,117
Other countries	6,604	4,570
Total foreign sales	70,082	71,403
	378,471	294,023

EUR 369k of sales (previous year: EUR 275k) is related to events of previous years.

Other operating income

Income not relating to the accounting period mainly consists of EUR 726k in the form of income deriving from write-backs of accruals. The non-operating income consists predominantly of income amounting to EUR 271k from the retirement of assets and of the EUR 5,500k write-up of GEC.

Event-related expenses

The differentiation between event-related expenditure and other operating expenses was effected via an assessment of the individual costs. The event-related expenditure consists of costs that are directly allocable to a cost unit. Deliveries of fabricated goods are recorded under "cost of raw materials, auxiliary materials and supplies, and of purchased merchandise". Construction work and other services are included in "cost of purchased services".

It is mainly energy costs, auxiliary materials and supplies, and expenditure on advertising materials that are shown under "cost of raw materials, auxiliary materials and supplies, and of purchased merchandise", whereas the "cost of purchased services" item mainly covers expenditure on commissions, stand construction services purchased, rental charges, and advertising expenditure.

Other operating expenses

In addition to exhibition site maintenance costs, the other operating expenses mainly consist of rental charges for premises, legal and consultancy expenses, expenditure on advertising and IT expenses, insurance policies, site security and cleaning services, and additions to accruals. The non-operating expenditure totalling EUR 4,405k (previous year: EUR 2,039k) is mainly due, to the amount of EUR 2,789k, to allocations to the accrual for impending losses and, to the amount of EUR 965k, to retirements of tangible fixed assets. The retirements of tangible fixed assets are mainly accounted for by the Stockumer Höfe warehouse fire at the beginning of the year. The other taxes incurred in the business year concerned and shown as part of other operating expenses amounted to EUR 2,237k (previous year: EUR 2,065k).

Income from participations

As in the previous year, the income from participations relates to the out-payments of the GEC dividends.

Interest and similar expenditure

In addition to interest on interest rate swap transactions amounting to EUR 970k (previous year: EUR 788k), the item covers expenditure deriving from the discounting of accruals in the amount of EUR 666k (previous year: EUR 697k).

Taxes on income and profits

The item mainly shows expenditure on tax on business profits for the business year under review and deferred taxation ensuing from valuation adjustments. The changes in deferred taxation have given rise to revenue amounting to EUR 111k (previous year: EUR 111k) and expenditure amounting to EUR 45k (previous year: EUR 45k).

The following reconciliation between the expected business profits and income tax expense and actual tax expense is based on a tax rate of 31.23 percent, which has remained unchanged since the previous year.

	2019 € '000	2018 € '000
Expected expenditure on taxes on income and business profits	24,312	9,308
Foreign tax burden differing from the above	-492	-2,154
Tax-free income	-2,503	-1,836
Non-tax-effective income and expenditure	1,346	2,268
Losses having no effect on taxation	-2,414	-2,502
One-off taxation effects	0	-567
Tax relating to earlier business years	859	912
Other factors	196	106
	-3,007	-3,773
	21,305	5,535

Proposal for appropriation of the parent company's profits

The management proposes that a EUR 6,500k portion of the net income for the year, totalling EUR 56,544k, be paid out as a dividend. The remaining sum amounting to EUR 50,044k should be carried forward to new account.

Report on post-balance sheet events

In March 2020, the ProWein, wire, Tube, BEAUTY, TOP HAIR – DIE MESSE Düsseldorf, interpack, components, drupa, ENERGY STORAGE EUROPE and SportsInnovation trade fair events were postponed in response to the recommendation of the Federal Government's crisis task force. Four guest events and various foreign trade fairs were similarly postponed by their organizers. The postponement of these events is a precautionary measure in response to the recent sharp rises in the figures for persons infected by corona, in Europe too. With these postponements, Messe Düsseldorf has followed the recommendation of the Federal Government's crisis committee to the effect that the principles of the Robert-Koch Institute should be taken into account in the assessment of the risks involved when holding major events. The decision, taken on 10 March 2020 by the Düsseldorf regional capital, to follow the North-Rhine Westphalian Ministry of Health decree relating to the staging of major events corroborates Messe Düsseldorf's policy. The postponements of events in 2020 will have a negative impact on the net worth, financial position and profitability of Messe Düsseldorf GmbH.

VI. Other disclosures

Human resources

In addition to the four members of the management, on average 860 (previous year: 831) staff members were employed during the business year. The workforce is subdivided into 723 full-time employees (previous year: 694), 137 part-time employees (previous year: 137), and 18 apprentices (previous year: 12). In addition, the casual staff employed numbered on average 167 (previous year: 161).

Other financial obligations and contingent liabilities

On the balance-sheet date, the Company's purchase commitments totalled EUR 37,198k (previous year: EUR 129,516k).

Further obligations amounting to EUR 7,320k (previous year: EUR 8,018k) stemmed from commitments relating to long-term rental agreements and leases.

On the balance-sheet date, as in the previous year, guarantees amounting to EUR 399k had been issued in favour of employees to cover employees' investment loans. In addition, on the balance-sheet date, as in the previous year, there were guarantees amounting to EUR 16k relating to trade-related transaction relationships.

Messe Düsseldorf GmbH grants its employees benefits under the occupational pension scheme; for this purpose, employees have been insured with the Rhenish Supplementary Pension Fund (RZVK), Cologne. The Fund's pension commitment covers old-age pensions, pensions for reduction in earnings capacity, and survivors' pensions for the insured persons' widows, widowers, and orphans. To the best of our current knowledge, the institutional assets of the public supplementary pension funds and the contributions system in its existing structure do not adequately or completely cover the existing pension commitments of the employers participating in the scheme. The cover shortage thus ensuing comes to a substantial sum - an amount of EUR 75,396k - a financial obligation that will hit public employers hard in future. By way of exercising the option, provided for under commercial law, of reporting indirect pension obligations as a liability (Art. 28 para 1 EGHGB/Introductory Act to the German Commercial Code), in the business year under review, as in previous years, no accrual was set up. The Supplementary Pension Fund (RZVK) levy shown on the Income Statement under human resources expenses amounts to EUR 3,291k for the year under review (previous year: EUR 3,223k). The contribution levied amounts to 4.25 percent of the remuneration on which contributions are payable - EUR 40,661 (previous year: EUR 38,546). In addition, a 3.5 percent financial reorganization charge is also imposed. The contribution rate can be regarded as remaining constant.

Hedging policy and financial derivatives

Due to its being an internationally-operating company, both the business operations and financing transactions of Messe Düsseldorf GmbH are exposed to financial risks. The risks involved may arise in particular as a result of interest rate changes and exchange rate fluctuations.

In accordance with the Company's risk management system, action is taken to limit these risks not only by identifying, analyzing and assessing them but also by using financial derivative instruments. Pursuant to a management directive, it is not permissible to use such derivatives for speculative purposes.

At 31 December 2019, Messe Düsseldorf GmbH had concluded a total of three (previous year: three) interest rate swap transactions designed to hedge against interest rate-related payment flow risks relating to variable-interest liabilities to banks - entered into for the purpose of financing future capital projects. These three interest rate swap transactions provide a hedge for future loans with a total volume of EUR 60,000k; the latter are to be anticipated with a high degree of probability. As regards these interest rate swaps covering future loan transactions, no valuation unit can be set up at the moment. For this reason, a EUR 6,926k (previous year: EUR 4,137k) accrual has been created in respect of the market value to be covered.

Cash and cash equivalents

The cash and cash equivalents item shown in the Consolidated Cash Flow Statement corresponds to the cash in hand / bank balances item shown on the Balance Sheet.

Auditors' fees

Of the total fee calculated for the auditing of Messe Düsseldorf GmbH's annual and consolidated financial statements by the auditor appointed, a sum of EUR 134k (previous year: EUR 180k) was recorded as an expense in the business year under review. Here, EUR 122k (previous year: EUR 126k) was accounted for by auditing services, EUR 11k (previous year: EUR 16k) being attributable to other certification services, and EUR 1k (previous year: EUR 28k) being attributable to other services.

Transactions contrary to market principles

No transactions contrary to market principles involving companies or persons close to the Company have been performed.

Disclosures regarding the Company's bodies

The remuneration paid to the Managing Board of Messe Düsseldorf GmbH in the business year totalled EUR 1,751k (previous year: EUR 1,738k). The remuneration paid to former members of the Managing Board and their surviving dependants amounted to EUR 1,073k (previous year: EUR 952k).

Under occupational pension schemes, in the business year under review, direct insurance contributions were incurred for Mr Stempfle, for Mr Reinhard, and for Mr Diener, these amounting to EUR 175k, EUR 126k and EUR 117k, respectively.

In addition to this, expenditure was incurred for Mr Dornscheidt in the form of allocations to pension accruals amounting to EUR 159k.

An accrual amounting to EUR 15,212k (previous year: EUR 13,783k) has been set aside to cover pension obligations to former members of the Managing Board and their surviving dependants.

In the business year concerned, expenses for the Supervisory Board amounted to EUR 87k (previous year: EUR 81k).

Statement of Changes

in Messe Düsseldorf GmbH Group Equity with regard to the 2019 Business Year

	Parent company				Parent company			Minority interests			Total
	Subscribed capital	Capital reserves	Other Revenue reserves	Currency translation differences	Consolidated profit brought forward	Consolidated net income for the year	Equity	in capital	in profit/loss	in equity	Group equity
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Status at 31.12.2017	15,625	79,718	119,773	-97	205,441	54,699	475,159	1,425	240	1,665	476,824
Carried forward to new account	-	-	-	-	54,699	-54,699	-	240	-240	-	0
Consolidated net income for the year	-	-	-	-	-	24,078	24,078	-	191	191	24,269
Distribution of dividends	-	-	-	-	-24,000	-	-24,000	-697	-	-697	-24,697
Changes in the scope of consolidation	-	-	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-252	-	-	-252	-	-	-	-252
Status at 31.12.2018	15,625	79,718	119,773	-349	236,140	24,078	474,985	968	191	1,159	476,144
Carried forward to new account	-	-	-	-	24,078	-24,078	-	191	-191	-	0
Consolidated net income for the year	-	-	-	-	-	56,516	56,516	-	28	28	56,544
Distribution of dividends	-	-	-	-	-14,100	-	-14,100	-563	-	-563	-14,663
Changes in the scope of consolidation	-	-	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	787	-1	-	786	-	-	-	786
Status at 31.12.2019	15,625	79,718	119,773	438	246,117	56,516	518,187	596	28	624	518,811

Except for the amount posted to deferred tax assets, the Group equity generated is fully available for distribution to the shareholders.

Consolidated Cash Flow Statement

of Messe Düsseldorf GmbH for the Business Year 2019

	2019	2018
	€ '000	€ '000
Consolidated net profit/loss for the year	56,516	24,078
Portions of profit/loss accruing to minority interests	28	191
Write-ups / depreciation		
on tangible and intangible fixed assets	26,346	26,646
on financial assets	-5,500	-4,893
Increase (+) / decrease (-) in accruals	24,178	-4,267
Other income and expenses without impact on cash flow	-449	-217
Cash flow	101,119	41,538
Profits (-)/losses (+) due to the retirement of fixed assets items	694	870
Expenditure on/income from interest	4,828	4,494
Other income from participations	-8,000	-7,000
Expenditure on/income from tax on business profits	21,305	5,535
Tax on business profits paid	-25,973	-24,239
Increase (-) / decrease (+) in inventories, in trade receivables, and in other assets that are not attributable to investment or financial activities	-5,386	11,046
Increase (+) / decrease (-) in payments received on account	96,063	4,916
Increase (+) / decrease (-) in trade payables and other liabilities that are not attributable to investment or financial activities	1,828	-9,733
Inflow of funds due to regular business operations	186,478	27,427
Inflows due to retirements of tangible and intangible assets	715	217
Inflows due to retirements of financial assets	2	191
Outflows due to capital expenditure on intangible assets	-2,593	-1,726
Outflows due to capital expenditure on tangible assets	-65,768	-59,995
Outflows due to capital expenditure on financial assets	-2,152	-408
Interest payments received	132	312
Dividends received	8,000	7,000
Outflow of funds due to capital investment	-61,664	-54,409
Dividend payments to shareholders	-14,100	-24,000
Outflows due to the redemption of financial loans	-216	0
Interest payments made	-4,258	-3,986
Outflow of funds due to capital investment	-18,574	-27,986
Changes in cash and cash equivalents	106,240	-54,968
Cash and cash equivalents at the beginning of the accounting period	113,112	168,332
Changes in liquid assets due to the scope of consolidation and exchange rates	764	-252
Cash and cash equivalents at the end of the accounting period	220,116	113,112

Shareholdings

of Messe Düsseldorf GmbH

Company	Percentage of capital held in %	Equity 31.12.2019 € '000	Result in 2019 € '000
Messe Düsseldorf North America Inc., Chicago/USA	100.0	8,234	995
ESNA Expo LLC., Delaware/USA	55.0 indirekt	1,678	160
Messe Düsseldorf Japan Ltd., Tokyo/Japan	100.0	2,284	345
000 Messe Düsseldorf Moskau, Moscow/Russia	100.0	9,219	2,131
Messe Düsseldorf ASIA Pte. Ltd., Singapore	100.0	5,638	1,419
Messe Düsseldorf India Pvt. Ltd., New Dehli/India*	100.0	2,386	336
EXCOSA INDIA Pvt. Ltd., Bangalore/India*	65.0 indirekt	150	52
FIXXUS Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Rheinhalle Düsseldorf KG, Pullach	94.0	39	2
Messe Düsseldorf China Ltd., Hong Kong/China	100.0	35,189	4,256
Messe Düsseldorf (Shanghai) Co., Ltd., Shanghai/China	100.0 indirekt	6,271	263
Messturm Düsseldorf Verwaltungsgesellschaft mbH, Düsseldorf	50.0	1,021	301
Düsseldorf Congress GmbH, Düsseldorf	50.0	2,552	383
GEC – German Exposition Corporation International GmbH, Berlin**	33.33	51,129	18,478

* Closing date 31.3.2019

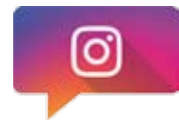
** Closing date 31.12.2018

Dialogue

FOLLOW US ON



@messeduesseldorf



#messe_duesseldorf



@md_gmbh



messeduesseldorf