

Presse
Press

Re-start of foreign business sends positive signals for the Düsseldorf location



Events in China and Russia off to a good start

Virtual events set the scene for re-start of physical trade fairs in Düsseldorf

Set of COVID measures continue to be implemented

Messe Düsseldorf reports slightly higher figures than expected for the 2020 financial year. It has countered the effects of the Covid-19 pandemic by continuing to bank on cost savings as well as strategic measures for further business development. These include digital events such as the recent virtual.drupa in April, to name but one. The new formats resulting in the process will supplement physical trade fairs in future creating even more added value for exhibitors and visitors. Furthermore, the reviving business abroad reflects the high acceptance for physical trade fairs and sends out positive signals for the imminent re-start in Düsseldorf.

Düsseldorf, 12 May 2021. The Messe Düsseldorf Group has succeeded in slightly revising its turnover upwards to EUR 136.8 million for the business year 2020 against the preliminary figures published in December 2020 (EUR 131.5 million). Compared to the high-turnover year 2019 (EUR 378.5 million) the Group posted a 63.8% decline in sales due to the impact of the COVID-19 pandemic. The loss after tax amounts to EUR 53.5 million (previous year +EUR 56.6 million).

Thanks to sound and sustainable management over the past strong business years the Group of companies can continue to enjoy a strong equity base at EUR 434.3 million (previous year EUR 518.6 million). At 62.2% (previous year 66%) the equity ratio continues to be high. This means that the Group of companies has a stable basis for overcoming the current situation.

Messe Düsseldorf GmbH posts a turnover of EUR 126 million and, hence, a 63.4 decline versus 2019 (EUR 344 million). The GmbH loss after taxes amounts to EUR 43.5 million (previous year EUR +50.8 million). The equity capital base at EUR 385.6 million (previous year EUR 448 million) and the equity capital ratio at 60.1% (previous year 64%) remain high. These figures are also slightly higher than the preliminary figures published in December.

Great importance for the city

The shareholders meeting decided in its meeting on 12 May 2021 to forego the issue of dividends in view of the current situation of Messe Düsseldorf. Dr. Stephan Keller, Lord Mayor of the state capital Düsseldorf and Chairman of the Supervisory Board of Messe Düsseldorf, emphasises the importance of Messe Düsseldorf for the location: "The task now is to strengthen Messe Düsseldorf allowing it to perform its outstanding role for

Düsseldorf again after the pandemic. Over decades it has “lured” guests from all over the world to the region who have spent plenty of money and secured jobs here, and so it will be again. Because after a time of intensive virtual creation and communication, people are longing for personal encounters again - also in business.”

In Düsseldorf 14 events with 24,400 expected exhibitors and 915,700 expected visitors had to be cancelled or postponed in 2020. At the seven events held – of these four Messe Düsseldorf events and three partner and guest events – 5,422 exhibitors met with 534,367 visitors. These events also included CARAVAN SALON held in September 2020 as the first major German trade fair after the lockdown in spring, attracting 107,000 visitors and 337 exhibitors. Wolfram N. Diener, President & CEO of Messe Düsseldorf, underlines the comprehensive hygiene and infection protection concept of Messe Düsseldorf, which was premiered at CARAVAN SALON: “With this concept we have proven: successful trade fairs with the greatest protection possible for all parties concerned are also possible in COVID times.”

Due to the lockdown regulation no trade fairs were permitted to be held at the Düsseldorf location in the first half of 2021. At present, the resumption of business at the homebase Düsseldorf is scheduled for autumn. The trade fair calendar lists CARAVAN SALON Düsseldorf (27/08 – 05/09), REHACARE (06/10 – 09/10), A+A (26/10 – 29/10), MEDICA and COMPAMED (both 15/11 – 18/11). “Holding the events depends on many factors,” says Wolfram N. Diener and explains: “One prerequisite among others is that exhibitors and visitors can travel, be accommodated and catered for here in the city. The vaccination progress gives us cause for cautious confidence. We are attentively observing the current situation and will re-assess developments with our partners to take a responsible decision.”

Sustainable management is a top priority

Currently Messe Düsseldorf GmbH's forecast for the current 2021 financial year does not have to be adjusted downwards and, as things stand, continues to stand at a turnover of EUR 107.3 million and a loss of EUR 77 million. Wolfram N. Diener sees the consistent forecast as the result of the company's sustainable management. “On account of the continued strong impact of the COVID-19 pandemic on the exhibition business as a whole we plan prudently and with long-term effect. We focus on both cost savings and on strategic measures for further business development.”

The set of measures proving effective will be continued: no new hires and vacancies will not be filled for the time being, fixed-term contracts will expire and long-term partial retirement schemes are being decided upon. Furthermore, short-time working was extended until the end of 2021. “All of these measures help us secure the liquidity of the company,” says Bernhard J. Stempfle, Managing Director Finance & Infrastructure, who goes on to say: “At the same time, we are flexible enough to offer our complete business model once we are able to do so. The agreement on short-time work, for example, features an option for gradually reducing the extent of this scheme already prior to the end of the year as soon as we can organise physical trade fairs again.”

In addition, other planned budgets as well as investment and maintenance will be cut back to a reasonable minimum. In 2020 investment stood at EUR 35.7 million (against a planned EUR 70 million), maintenance totalled EUR 10.2 million. In the current

business year 2021 investment stands at EUR 10.5 million, maintenance at EUR 7.6 million. This means that the rebuilding of Hall 9 originally planned to cost EUR 100 million, will be deferred.

Virtual formats with future potential

Beyond this, Messe Düsseldorf is permanently expanding its lines of business with a view to diversifying its revenue streams by pushing digital formats. “The current situation accelerates many developments that we already met with trade fair portals, trade fair Apps, interactive hall maps and digital information steles prior to the pandemic,” explains Wolfram N. Diener. “We have stepped up our virtual commitment even further during the COVID-19 period in order to offer our customers communication and information platforms for their industries.” Held as the first virtual-only event of Messe Düsseldorf, glasstec VIRTUAL attracted 10,000 participants from over 110 countries as well as 800 exhibitors from 44 nations in October 2020. The ranges of virtual.MEDICA and virtual.COMPAMED in November were used by some 45,000 trade visitors from 169 nations; add to this, 1,500 exhibitors from 63 countries. They were followed by virtual.drupa in April 2021 with 212 exhibitors from 35 countries and some 45,000 visitors from 155 nations.

“The newly created digital formats will in future form a more integral part of our physical trade fairs,” announces Wolfram N. Diener. “Thanks to streaming, on-demand content and exhibitor profiles people will be able to take part without being physically on location. Not forgetting that our exhibitors will also reach out to more potential customers by extending the trade fair into the digital realm. Together, they will all form one community that stays active 365 days a year. The combination of physical trade fairs with digital elements creates the biggest benefit for our customers and consolidates the leading position of Düsseldorf’s global No. 1 trade fairs as the pivotal platforms for their respective industries – for the duration of the physical trade fairs and beyond, for the rest of the year.”

By establishing the new Business Development department and pooling expertise in this area Messe Düsseldorf is also strengthening this strategically important topic. Here new business ideas for trade fairs at the homebase Düsseldorf are to be developed and acquired, among other things.

International re-start successful

The Messe Düsseldorf Group organised 16 trade fairs abroad (previous year 57), most of these in China (7) followed by Russia (4) and India (2). All in all, 43 international events were called off or postponed worldwide. Now business abroad is picking up again: in the 2nd half of 2020 alone, Messe Düsseldorf Shanghai organised six trade fairs with more than 3,200 exhibitors and 160,000 trade visitors. In April this year the plastics trade fair CHINAPLAS was already successfully held with 3,612 exhibitors (previous event: 3,622) and 152,134 visitors (previous event: 163,314) as well as the occupational Health & Safety trade fair CIOSH with 1,565 exhibitors (previous event: 1,035) and 36,000 visitors (previous event: 21,207). A total of ten of its own events are scheduled for this year.

Early this year the Russian business also managed a re-start. Russia’s leading fashion trade show CPM - Collection Première Moscow with 10,762 buyers and 550 fashion

brands marked the business re-start at the exhibition centre run by the Moscow cooperation partner Expocentre. This was followed in late April by NEFTEGAZ with 450 exhibitors from 23 countries and more than 14,000 visitors. 2021 will see Messe Düsseldorf Moscow organise twelve events, cooperation events, participations and conferences.

“The rapid resumption of business at the international locations shows that trade fairs continue to have a basis for business and that demand for physical events remains high,” analyses Erhard Wienkamp, Managing Director Operative Trade Fair Business, and adds: “This is also what we hear from partners and customers in Europe. Trade fairs will play a pivotal role in reviving the economy. Sectors need platforms for presentation, information, exchange and networking. Physical trade fairs offer encounters between people – which is so indispensable for building trust.”

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The Messe Düsseldorf Group

The Messe Düsseldorf Group generated a turnover of EUR 136.8 million in the COVID year 2020. At the seven events in Düsseldorf 5,422 exhibitors presented their products to 534,367 trade visitors. Messe Düsseldorf has developed a ground-breaking hygiene and infection protection concept, which was successfully employed at CARAVAN SALON, the first major German trade fair held since spring 2020. Düsseldorf Exhibition Centre hosts around 40 trade fairs in five sectors of expertise: “Machinery, Plants & Equipment”, “Retail, Crafts & Services”, “Medicine & Health”, “Lifestyle & Beauty” as well as “Leisure”, including 20 international No. 1 trade fairs as well as, currently, 15 robust partner and guest events. In addition, there are more than 1,000 congresses, corporate events, conferences and meetings organised by the subsidiary Düsseldorf Congress. Furthermore, the Messe Düsseldorf Group organises 75 of its own, joint and contracted events in other countries and is one of the leading export platforms in the world. The Group runs a global network of 77 international offices for 141 countries, including 7 international subsidiaries.

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