

Press release

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Messe Frankfurt aiming for €500 million in sales in 2022

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Messe Frankfurt is ready to start up again. Speaking at the Corporate Press Conference earlier today, Wolfgang Marzin, President and Chief Executive Officer of Messe Frankfurt, said: “If the pandemic situation continues to improve, we have every confidence that we will be able to get fully started again in all areas in 2022. We are aiming for sales of over €500 million.”

Mayor Peter Feldmann, Chairman of the Messe Frankfurt Supervisory Board, also stressed: “Our trade fairs, congresses and other events are central elements in the global economy and part of the economic lifeblood of Frankfurt and the Rhine-Main region in particular. I firmly believe that, once the pandemic has passed, Messe Frankfurt will be one of the top players in the international trade fair sector.”

Presuming that the pandemic situation and the restrictions imposed by local authorities permit this, events are also to be organised again at the Group’s Frankfurt base in the second half of this year. Since the pandemic broke out in March 2020, it has been scarcely possible to generate any sales at all in Germany. Outside Germany, Messe Frankfurt was only able to hold events to a limited extent, for example in China. The pandemic brought the Group’s decades of growth to an abrupt halt. Since then, Messe Frankfurt has focused on ensuring sufficient liquidity for the Group, with a flexible but strict budget. There are still no plans for redundancies. Wolfgang Marzin: “In spite of the strict cutbacks, the backing of our shareholders – the City of Frankfurt and the State of Hesse – means that, even in times like these, we are in a position to seize opportunities and invest counter-cyclically. With outside capital and a shareholder loan, Messe Frankfurt’s financial position has been secured for the current financial year and well into 2022.”

After the final financial report for financial year 2020 was submitted, Group sales were approximately €257 million (2019: approx. €736 million). With a consolidated net loss of around €122 million for the year, the result was far removed from the consolidated net profits of previous years (2019: approx. €50 million). The current financial year will also see a decline in all the Group’s financial performance indicators.

In spite of very difficult conditions, a total of 153 events were held over the past financial year – these included 46 trade fairs and exhibitions (2019: 155) with more than 33,000 (2019: 99,246) exhibiting companies and 1.2 million visitors.

As Wolfgang Marzin summed up: “The need to hold all events entirely in digital form illustrated the importance of face-to-face interaction for success in business.” And Detlef Braun, Member of the Executive Board of Messe Frankfurt, added: “The digital working environment and long-distance interaction that have been our everyday reality for over a year have led to a certain digital fatigue among many people. In the overall context of our events, hybrid events will continue to play an important part and to add value for the sectors.” It is not possible at present to predict exactly how the demand for digital and hybrid formats will actually develop. Wolfgang Marzin: “Changes will be of an evolutionary but lasting nature, with great advances being made in integrating valuable digital elements. Aspects relating to sustainability, growing environmental awareness and experience in digital interaction will lead to changes in behaviour – which, incidentally, was already happening before the coronavirus broke out.”

Messe Frankfurt is planning events in digital, hybrid and in-person formats for the third and fourth quarters of the current financial year. In just a few days’ time, the premiere of Frankfurt Fashion Week is to take place in digital form under the Frankfurt Fashion Week (FFW) Studio label. Detlef Braun: “Back in April, we opted – together with everyone else involved – to hold an exclusively digital event. With an expected international component of 80 percent, a physical event would not have been feasible given that the pandemic situation was still volatile.” Automechanika Frankfurt Digital Plus will be launched in September according to the Plug & Play principle. As Detlef Braun explains: “We developed a hybrid concept that contains a condensed physical exhibition while also allowing all participants to present themselves and network internationally by digital means.” In 2022, Automechanika will be reverting to its original cycle of being held in even-numbered years. For the first time ever, Hypermotion will be taking place parallel to Automechanika. When Nordstil opens its doors in Hamburg in July, it will be the first in-person Messe Frankfurt event to be held again in Germany.

The 70 or so guest events scheduled to take place in Frankfurt in the second half of the year – including trade fairs like Franchise Expo, White Label World Expo, the Frankfurt Book Fair and Food Ingredients & Health Ingredients Europe – will also be creating new momentum at the Group’s Frankfurt base. Uwe Behm, Member of the Executive Board of Messe Frankfurt, commented: “We are delighted that our contract with DECHEMA has been renewed.” This means that the Frankfurt exhibition grounds will be playing host to ACHEMA – the world forum and leading show for the process industries – until at least 2027. Uwe Behm: “ACHEMA is a prime example of the kind of premium international event and personal interaction that will remain important in the future as well as sending an important signal for our Frankfurt base.”

Messe Frankfurt’s great strengths – including during a pandemic – are its diversification strategy and the global presence that has been established in all world markets for over 30 years. This means that the Group is one of the few global trade fair organisers capable of running

events under their established brands at international, national and regional level in all key regions of the world. With subsidiaries and sales partners for some 190 countries, the company's international sales network is of crucial importance for this and a key interface to the sectors, particularly in the current crisis.

As Mayor Peter Feldmann concluded: "Even in challenging times, Messe Frankfurt continues to invest in its future and in expanding its portfolio, having added a total of 23 events worldwide since 2020. These include, for example, the Cross Border E-Commerce Fair in Shenzhen – the first event of its kind in China – which was added during the current financial year. As well as this, the Group will be stepping up its activities in the North Chinese city of Tianjin. Located in the centre of the Circum-Bohai-Sea Economic Zone, the city's economic importance is on a par with that of the Greater Bay Area and Yangtze River Delta and it is set to be a new global trade fair hotspot."

Background information on Messe Frankfurt

The Messe Frankfurt Group is the world's largest trade fair, congress and event organiser with its own exhibition grounds. The Group employs approximately 2,450 people at its headquarters in Frankfurt am Main and in 29 subsidiaries around the world. The company generated annual sales of approximately €257 million in 2020 after having recorded sales of €736 million the previous year. Even in difficult times caused by the coronavirus pandemic, we are globally networked with our industry sectors. We serve our customers' business interests efficiently within the framework of our Fairs & Events, Locations and Services business fields. One of the Group's key USPs is its closely knit global sales network, which extends throughout the world. Our comprehensive range of services – both onsite and online – ensures that customers worldwide enjoy consistently high quality and flexibility when planning, organising and running their events. We are expanding our digital expertise with new business models. The wide range of services includes renting exhibition grounds, trade fair construction and marketing, personnel and food services. With its headquarters in Frankfurt am Main, the company is owned by the City of Frankfurt (60 percent) and the State of Hesse (40 percent). For more information, please visit our website at: www.messefrankfurt.com