

Messe Frankfurt aiming for new sales record of €770 million

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After financial year 2023 closed on a very positive note, Messe Frankfurt will be stepping up the pace of growth even further in 2024. The company is growing with its core business and with the strategic advancement of its worldwide portfolio. Sustainability and digitalisation are key strategic factors for its existing business and its new service and business models – not least with regard to its efforts to reduce the Group’s ecological footprint on an ongoing basis.

Messe Frankfurt remains on course for success and benefits from its excellent position on the global market with its strong event brands. As Wolfgang Marzin, President and Chief Executive Officer of Messe Frankfurt, reported at the Corporate Press Conference earlier today: “Even taking into account the current geopolitical climate, we expect sales in the current financial year to increase by more than 25 percent year-on-year to €770 million, with a substantial improvement in earnings as well. That would be the highest level of sales in Messe Frankfurt’s history. The Group is adhering to its objective of attaining economic profitability while also creating key sustainable macroeconomic benefits for Frankfurt and its surrounding region.”

Mike Josef, Chairman of the Messe Frankfurt Supervisory Board and Mayor of Frankfurt, was very happy with the Group’s positive performance: “Messe Frankfurt is a traditional brand that is firmly established on the market. It is synonymous with successful event concepts and has an excellent global positioning as well. With its long-term strategic and operational measures, the Group is an economic driving force that also safeguards the future of its Frankfurt base and the metropolitan Rhine-Main region. As ever, Messe Frankfurt has our full support in its strategic growth.”

Strong business performance in 2023

Messe Frankfurt’s strong performance can be seen in the final figures for 2023, where its operating business was complete and back to full strength again for the first time in three years. Sales went up faster than expected, rising by as much as a third year-on-year to €609 million (2022: €454.2 million). Consolidated sales outside Germany were in the region of €275 million (2022: €140.2 million). This accounts for 45 percent of Group sales (2022: 31 percent). Approximately €334 million in sales revenue was generated in Germany (2022: €313.9 million). In line with the strong operational performance, this gives rise to an EBITDA (earnings before interest, taxes, depreciation and amortisation) of around €91 million (2022: approx. €41 million). In relation to sales revenue, this results in a positive EBITDA margin of 14.9 percent for the financial year (2022: 8.9 percent). The 2023 result was also a significant improvement on the previous year’s. Consolidated annual net income was around €19 million following a consolidated net loss of €-25.7 million in the previous year. A total of 349 events took place in the past financial year, with

around 86,400 exhibiting companies and over 4.3 million visitors. On average, around 81 percent of companies exhibiting at Group events in Frankfurt in financial year 2023 came from outside Germany – a new record. By the same token, approximately 54 percent of retail buyers travelled to the events from outside Germany. This means that the international component far exceeds the average for German exhibition venues calculated by AUMA, the Association of the German Trade Fair Industry.

Outlook for financial year 2024 – Profitable and sustainable growth agenda

The focus for the current financial year 2024 is once again on profitable and faster growth. Messe Frankfurt's portfolio contains many strong event brands and, owing to the rotation of events, a series of Group flagship events will be held in close succession this year, both in Frankfurt and throughout the world. Detlef Braun, Member of the Executive Board of Messe Frankfurt, noted: "Our events are stronger than ever before and all key parameters are set for growth. Quality, space, internationality, frequent exhibitor growth compared with previous events and visitor satisfaction of over 90 percent all demonstrate that our brands are making a strong comeback. Around 95 percent of sector participants at our flagship events are SMEs and start-ups. They are the backbone of their respective industries. In our role as an active economic driving force and designer of the most important trade fair formats, we see our flagship events as the anchors for their respective sectors around the world, where knowledge transfer, efficiency and inspiration are the key parameters for the long-term business success of all sector participants. Nothing can replace face-to-face interaction."

As well as business being very brisk on the Group event front, the second key driver at the company's Frankfurt base is also performing extremely well with the Locations business segment and guest event business. The level of enquiries about our locations has been higher than in the past five years. At present, more than 200 guest events have been booked until the end of the year. Messe Frankfurt expects these to be joined by further events before the year is out. Thanks to its flexible infrastructure, the Frankfurt exhibition grounds is now able to play host to multiple events at the same time.

On the subject of the company's strategic orientation, Wolfgang Marzin explained: "Messe Frankfurt's portfolio and extensive global network are USPs that we constantly hone to keep our core business robust and flexible in globally challenging markets and in a volatile geopolitical environment. We are busy rolling out products and breaking into new markets around the world for our customers." Over 20 new events have been planned worldwide for 2024 and 2025. At more than 50 locations around the world, the Group's global portfolio has played an important role in its strategic company orientation for 35 years, together with its global sales network consisting of 28 subsidiaries and over 50 sales partners. The Messe Frankfurt Group is one of the largest global players in the international trade fair sector. Detlef Braun: "As we are there for our customers at trade fairs all over the world via our subsidiaries and our close-knit sales network, there is plenty of scope for synergies within our brand families. Our flagship events and their international offshoots strengthen each other and the entire sector benefits from this."

At the same time, Messe Frankfurt is thinking and acting digitally and sustainably, and is integrating these two future components within its events and services. The company is clearly a driving force behind the move towards a more sustainable future for events. As Marzin emphasised: "In our efforts to report greenhouse gas emissions with a view to precisely recording and reducing the CO₂ drivers at our Frankfurt base, we will be

calculating the carbon footprint there on a regular basis, beginning with financial year 2023. This is a further milestone in honing our climate strategy and an important step on the way to our binding environmental target of attaining climate neutrality by 2040 at the latest.”

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