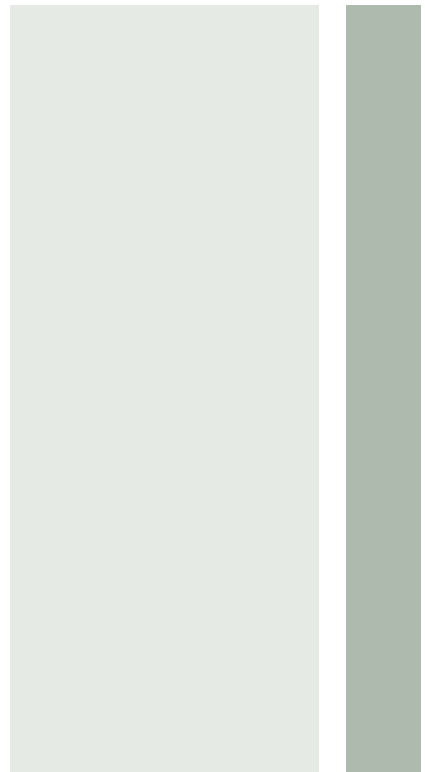
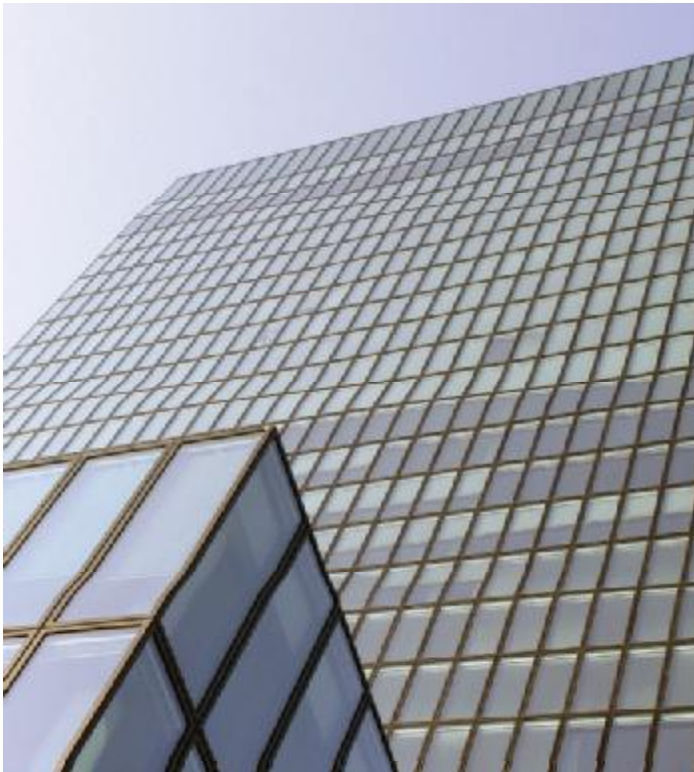


Annual Report 2003

MCH Swiss Exhibition Ltd.





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At a glance

Accounts	2003	2002
Income	CHF 179.5 m	CHF 181.2 m
Expenditure	CHF 149.2 m	CHF 151.0 m
Cash flow	CHF 30.3 m	CHF 30.2 m
Depreciation	CHF 27.1 m	CHF 26.6 m
Group profit	CHF 3.2 m	CHF 4.6 m

Share price and dividend

Share price		
– 01.01.	CHF 179.50	CHF 215.–
– 31.12.	CHF 150.–	CHF 179.50
Proposed dividend	CHF 3.– per share	CHF 4.50 per share

Events

Exhibitions		
– Own exhibitions	19	21
– Guest exhibitions	26	25
– Exhibiting companies	13 704	15 321
– Visitors	1 490 353	1 540 259
– Net exhibition area	509 955 m ²	539 650 m ²
Various hall rentals		
– Visitors	35	43
– Hall area	53 580	111 325
	104 389 m ²	159 345 m ²
Convention Center Basel		
– Conventions (with exhibition)	21 (19)	22 (19)
– Various events	262	304
– Participants	120 079	139 631

Report by the Chairman of the Board

Ladies and Gentlemen

Swiss Exhibition had to contend with extremely difficult underlying conditions in the past year: the recessionary economic climate and unforeseeable events such as the Iraq crisis and the SARS epidemic had a negative influence not only on individual events but also on the overall result. Compared with the aims of our company, the result cannot be considered satisfactory. However, in view of the difficult conditions, and compared with other exhibition companies, the nevertheless positive result must be accorded the recognition it deserves.

The consolidated results of Swiss Exhibition in 2003 show an income of CHF 179.5 m (CHF 181.2 m in 2002) and expenditure before depreciation of 149.2 m (CHF 151.0 m) with a cash flow of CHF 30.3 m (CHF 30.2 m). With a depreciation of CHF 27.1 m (CHF 25.6 m), the group profit stands at CHF 3.2 m (CHF 4.6 m). Investments made lay in the region of CHF 31.6 m (CHF 14.3 m).

In view of this result, the Board will propose payment of a dividend of CHF 3.– at the shareholders' meeting.

The share price of Swiss Exhibition fell by 16.4% during the financial year and stood at CHF 150 at the end of 2003. Although, due to its quality products, secure infrastructural assets and attractive cash flow, Swiss Exhibition is a stable company characterised by solid values, the Board of Directors decided to transfer the listing of Swiss Exhibition shares from the main segment to the SWX Swiss Exchange Local Caps segment as from 1 September 2003 owing to the company's shareholders structure and the relatively low stock exchange turnover.

On closer inspection, the business year and result appear in two very different lights: the special events (the Iraq war, SARS) on the one hand, and on the other the fact that numerous other exhibition companies benefit from enormous state subsidies and are nevertheless in the red, throws a more positive light on Swiss Exhibition's result. It proves that Swiss Exhibition has continued to gain in terms of efficiency and competitiveness.



In fact, we were able to strengthen the position of our internationally leading exhibitions in the sector of watches and jewellery, as well of art – one of the company's most important aims. Following the Federal authorities' indefensible SARS decision in connection with BASELWORLD, it was finally possible to persuade the affected clients to remain true to BASELWORLD – provided that the entire show is held in Basel in future.

In the European exhibition section, the important process of "portfolio cleansing and development" has been continued. A new project, BuchBasel, was launched, and Igeho, the International Exhibition for Industrial and Institutional Catering, Hotels, Restaurants scored a record number of both exhibitors and visitors in spite of the general trend. The traditionally popular MUBA and ICT exhibition Orbit were, on the other hand, badly affect by the economic climate. The Exhibition

management therefore decided on some fundamental alterations in order to bring about a positive change of trend. The success of MUBA 2004 confirmed the appropriateness of the measures taken.

The fact that the underlying economic conditions for exhibition companies would become harder was already clear some years ago owing to the prevalence of saturated markets with infrastructural overcapacities, additional challenges through new marketing instruments, direct influences of sector changers, and economic fluctuations. These developments were one of the main reasons for the merger between the two former companies in Basel and Zurich to form Swiss Exhibition. This strategic step created an important basis that will enable the company to prove itself successfully in the face of the big future challenge. It was, however, also clear that further measures – some of them radical – would be needed over and above the merger: the cleansing and development of the portfolio with a consistent orientation of business activities toward clients' needs; efficient and logical market structures with a strategic project management, an increase of internal competence and an intensification of cost management.

The reorganisation carried out last year has improved our prospects for the achievement of our higher goal: to create high quality marketing instruments with made-to-measure exhibitions that will be of the greatest possible benefit to customers and ensure an appropriate profit for the exhibiting companies.

In the name of the Board of Directors, I thank the women and men in Basel and Zurich for all their efforts with which they actively met the great challenges with which we are faced. I also thank all those who support the company in the various industries and at our venues in Basel and Zurich. And, last but not least, the loyalty and support of our shareholders are important pillars in the success of Swiss Exhibition. For this I would like to thank you, our shareholders, in the name of the whole company.

Robert A. Jeker
Chairman of the Board

The business year

As a developer of high quality marketing platforms: this is how René Kamm sees the task of a modern exhibition company. The Chief Executive Officer is convinced that Swiss Exhibition is on the right road and will continue to acquit itself well in spite of the difficult economic climate. Last year, various measures were introduced or implemented to form the necessary basis.

At the beginning of 2002 you took over as CEO of MCH Swiss Exhibition Ltd. Are you satisfied with last year's results?

René Kamm: It was a challenging year, with some unforeseeable and unalterable events that had to be contended with. I am not entirely satisfied with our financial result. The fact that we did not achieve our goal is, however, largely due to two circumstances: firstly, the Federal authorities' SARS decision in connection with BASELWORLD, which resulted in considerable additional expenditure; and secondly, the pronounced setback in our ICT exhibition Orbit with which we were far below budget.

In view of this and the generally very difficult underlying economic conditions, the result must be regarded as positive. We are in a considerably better position than many of our competitors, some of them who benefit from enormous state subsidies.

Furthermore, we have a lot to be proud of as regards our last year's achievements. We managed in the quickest time imaginable to prevent the worst possible consequences of the SARS decision – non-attendance of Asian customers at future BASELWORLD exhibitions – and even to win back our clients' long-term faith in our company. We also anticipate positive results of the reorganisation process completed at the end of 2003.



What was the aim of this reorganisation, and what are the most important innovations?

In the beginning of 2003, we created new business units orientated towards the market segments of our own exhibition portfolio. These are responsible for the entire management of the relevant exhibition projects: the strategic development, customer relations, the sale of services etc. The former centrally organised marketing services

and marketing communications are integrated in these business units. The e-marketing department has been transferred to the IT department in order to eliminate unnecessary interfaces here, too.

In addition, since the end of last year the technical services have been integrated in the exhibition and convention centres division, so that the overall organisation is reduced from five to four divisions. This means that the organisation has become more efficient owing to the fact that the responsibilities are concentrated, the interfaces reduced and overlapping eliminated.

The whole reorganisation process was launched under the motto "from exhibition organiser to developer of marketing platforms". We want to create high quality marketing instruments for our customers that will benefit them on a sustained basis. With the creation of the strategic business units and the concentration of all market- and clientorientated functions in them, we have created the necessary structures that will enable us to satisfy the needs of the sectors and the individual needs of our customers on a "made-to-measure" basis.

What special advantages do you offer your customers?

Exhibitions offer a number of advantages that other marketing instruments do not provide to the same extent: they bring suppliers and customers together and represent a unique platform for the development and cultivation of customer relations; they provide the possibility of sales and sales promotion, as well as the positioning of the brand identity; they create networks between all relevant market participants; they help to attract the attention of the media for the whole sector in a way that single companies cannot achieve.

Marketing platforms created in connection with exhibitions can also be regarded as business communities. Not only do the community participants share the same interests, they are also in direct business contact with one other. Their active participation is an important contribution to the success of the platform; they are part of the "product" and the "exhibition brand".

Our task is to develop exhibition concepts that enable the customer to make optimal use of these qualities. Their total advantage is far greater than the sum of the individual marketing activities can ever be. This also means that exhibitions are far more economical than various individual measures.

What are your most pressing aims, what are your special plans for the coming year?

We aim to optimise our strategic project management in the sense described above and help the initiated or introduced conceptual innovations on the road to success.

We have two high-priority objectives: firstly, the further reinforcement of the status of our internationally leading exhibitions BASELWORLD and Art Basel; and secondly, the further development of our exhibition portfolio. This consists of three main aspects: the development and reinforced internationalisation of important European exhibitions such as Swisstech and the Igeho; the stabilisation of Orbit and the exhibitions for the general public; and the establishment of the young exhibitions BuchBasel and "go", and the successful introduction of the newly conceived projects mavex and XCHAIN.

Another goal is the increase in the proportion of our own exhibitions in our calendar of events, especially in Zurich, as exemplified by the concentration of Giardina in Zurich.

Furthermore we want also to organize exhibitions on other locations as for example with the Giardina Karlsruhe.

Key figures 2003 – concentration in Basel

	Exhibitors	Net area in m ²	Visitors
19 own exhibitions	8 251	372 430	1 076 229
26 guest exhibitions	5 453	137 525	414 124
Total 45 exhibitions	13 704	509 955	1 490 353

	Number of events	Number of days	Visitors	Exhibitors	Net area in m ²
Various hall rentals	35	143	53 580	710	104 389
Convention Center Basel	283	531	120 079	566	8 230
Conference rooms Zurich	220				
Musical Theater Basel	193			175 177	

In 2003, Swiss Exhibition organised and hosted a total of 19 of its own exhibitions and 26 guest exhibitions with a total of 13 704 exhibiting companies, a net exhibition area of 509 955 square metres and 1 490 353 visitors.

At the 18 exhibitions organized by Swiss Exhibition at its venues in Basel (15) and Zurich (3), a total of 8 076 companies exhibited (7150 in Basel / 926 in Zurich), taking up a net exhibition area totalling 361 430 square metres (316 737 / 44 693), and they attracted 1 046 229 visitors (834 851 / 211 378). At Art Basel Miami Beach in Miami Beach USA, 175 galleries exhibited and were able to welcome 30 000 visitors.

The 26 guest exhibitions (5 in Basel / 21 in Zurich) attracted 5 453 exhibiting companies (641 / 4 812). They covered a net exhibition area of 137 525 square metres (9 344 / 128 181) and registered 414 124 admissions (62 750 / 351 374). During 2003, the exhibition halls in Basel were also the venue for 15 additional events, and those in Zurich for 20. Together they reported a total of 50 000 visitors.

The large number of guest exhibitions in Zurich speaks well for the attractiveness of the venue.

Last year, 21 conventions – 19 of them with an accompanying exhibition – and 262 other events took place at the Convention Center Basel. The total number of 283 events at the Convention Center Basel recorded a total of 120 079 participants and visitors.

Economic advantages

With an average of 15 to 20 persons per exhibiting company participating in the exhibition (stand personnel, stand builders etc.), last year's Swiss Exhibition hosted over two million persons at its venues in Basel and Zurich.

The economic advantage to the hotel and gastronomy sector, the building and related trades, local industries, retail trade etc. resulting from Swiss Exhibition's activities amounts to an annual total of around CHF 1.5 – 2 billion. In other words: these activities provide the basis for several thousand jobs.

Over and above this, Swiss Exhibition makes a considerable contribution to the promotion of the image and renown of the two exhibition venues and to Switzerland as an exhibitions venue. Exhibition marketing is always marketing for the venue as well. When Swiss Exhibition spends an annual total of around CHF 20 million on PR and advertising activities in connection with its own exhibitions, this PR and advertising also benefits the marketing of the exhibition venues.

Barely estimable or measurable, but probably considerably greater, is the benefit to the exhibition customers, whose success also has a positive influence on the economy.

Own exhibitions business units

Art exhibitions

Art | Basel

Art | Basel | Miami Beach



Art Basel



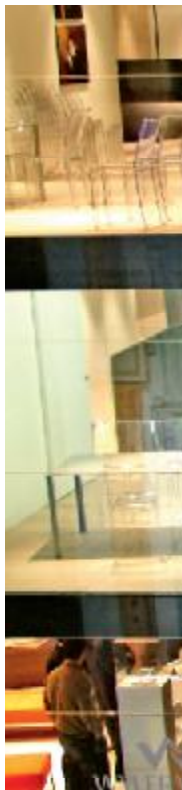
Art exhibitions 2003	Exhibitors	Net area in m²	Visitors		
Art 34 Basel	271	17 400	50 000		
The international art show (20th and 21st century art) 18.06.–23.06.2003 Basel					
Art Basel Miami Beach	175	11.000	30 000		
The International Art Show 04.12.–07.12.2003 Miami Beach, USA					

Art Basel has convincingly confirmed and developed its status as the internationally leading market place for classical modern and contemporary art. Over 50 000 visitors with a clear increase in the number of admission than the previous year and around 1 500 members of the media attended the international art show in 2003. This success may be ascribed to the high quality of the exhibited works of art, the onrush of the art lovers and collectors, the excellent sales, the international importance of the event and the positive impulses for the art market.

An impressive was also recorded by Art Basel Miami Beach, held for the second time, which confirmed and reinforced its position the most important art show in the USA and “number 2” in the world. The concept, which exceeds that of classical art fairs and presents itself as a multi-faceted cultural events combining an art show, special programmes by important events by important exhibitors, visits by private collectors and parallel events in the area music, film, architecture, design and sport, has made Art Basel Miami beach a new venue of the international art scene.

Own exhibitions business units

Watch and jewellery shows



Watch and jewellery shows 2003	Exhibitors	Net area in m ²	Visitors
BASELWORLD	2 163	112 686	64 350
World watch and jewellery show 03.04.–10.04.2003 Basel/Zurich			

Under the slogan “one show – two locations”, Zurich was the venue for BASELWORLD for the first time in 2003. This represents the completion of the three-year conceptual relaunch of the world’s leading watch and jewellery show with a clearly segmented structure. With an exhibition area of over 110 000 square metres, BASELWORLD 2003 was larger than ever before. The net exhibition area, the result of the multi-storey stand construction, is an international record breaker when compared to the existing gross area.

Unfortunately, the “premiere” was overshadowed by the Iraq crisis, which resulted in a decrease in visitors from the Near East, and the spread of the SARS epidemic. Two days before the opening of the exhibition, the Federal Department of Health imposed a ban on exhibitors from the relevant Asian SARS countries. Around 400 companies who exhibit almost exclusively in Zurich were affected by this order. Swiss Exhibition lodged a complaint against the ban; the proceedings have not yet been concluded.

As a result of the SARS ban, Swiss Exhibition was obliged to relinquish Zurich as a venue for BASELWORLD in the future and to concentrate on Basel from 2004 on. In order to accommodate the approximately 25 national pavilions, it was necessary to extend the “Hall of Universe” by the addition of a gross area of round 28 000 square metres; this was made possible by the conversion of a rented warehouse complex in the vicinity of the exhibition site.

(There is more about the construction of the new hall on page 30.)

The extension of the exhibition area and the relevant investments bear witness to the Exhibition Management’s commitment to providing the exhibitors at this “pavilion of nations” with the very best conditions.

The exhibitors’ feedback was very positive: the “Hong Kong Trade Development Council” (HKTDC) and Swiss Exhibition signed an agreement in Hong Kong that will ensure long-term participation by the Hong Kong exhibitors in the new “Hall of Universe” in Basel.

The overall concept of BASELWORLD, which was highly rated by the exhibitors and visitors at the 2003 show, will not be affected by the concentration of the whole exhibition in Basel. Nothing will change for the sectors accommodated in the Basel Exhibition in 2003; in 2004, halls 1 to 5 will remain as they were in 2003.

Own exhibitions business units

Industrial exhibitions



Industrial exhibitions 2003	Exhibitors	Net area in m²	Visitors
MipTec The International Conference and Exhibition on Drug Discovery 12.05.–15.05.2003 Basel	100	1 138	896
Ineltec Ineltec – Power + Building Ineltec – Lighting Ineltec – Electronics 02.09.–05.09.2003 Basel	600	20 622	25 200

In order to increase the focus on the main individual sectors and the specific target groups, Ineltec 2003 was divided into three “part exhibitions” for the first time: Power + Building, Lighting and Electronics. In addition, “Future Building”, a special presentation for intelligent building technologies and facility management, was held for the first time in 2003 as a visitors’ attraction.

In accordance with customers’ wishes, it was decided not to include the field of high voltage electrical power generation, transfer and distribution at the Ineltec. This year, this sector will be catered for by a made-to-measure platform in Zurich entitled “Powertage 2004”.

2004 will see the first presentation of the newly conceived package of Swiss Exhibition’s packaging and logistics events derived from the former exhibitions Pack it and L: mavex, the Swiss exhibition for material flow and packaging, and XCHAIN, the forum for delivery, forwarding, transport and distribution, will have their premiere in 2004. staplex, the Swiss exhibition for industrial trucks and installations, will take place for the first time in 2005.

Swisstech, the important European procurement platform, will be extended by the participation of the EU candidate countries Poland and Hungary. This year it will be held parallel to the guest exhibition Prodex (trade fair for tools, machine tools and production measurement); this will create further synergies.

In May 2005, the new ILMAC, the industrial exhibition for research, development and process engineering in pharmaceutical technology, chemical technology and biotechnology, will be held in Basel for the first time. ILMAC will reunite the two exhibitions r+d in life sciences and REACH for process solutions. The new ILMAC will be a platform for all industrial applications, from research and development through piloting and engineering to production and disposal.

Own exhibitions business units

Building and services exhibitions

Building exhibitions



Services, education and media exhibitions

orbit



Gastronomy and retail exhibitions

Igeho



Building and services exhibitions	Exhibitors	Net area in m²	Visitors
Swissbau Swiss building fair 21.01.–25.01.2003 Basel	1 012	54 686	92 990
Mefa Swiss butchers' trade exhibition with international participation 30.04.–04.05.2003 Zurich	202	12 000	11 000
BuchBasel International book and media fair with literature festival 07.05.–09.05.2003 Basel	267	5 000	28 000
Orbit/Comdex Information technology – One step ahead 23.09.–26.09.2003 Basel	402	11 000	21 079
Igeho, Home to European Hospitality International exhibition for industrial and institutional catering, hotels, restaurants 21.11.–25.11.2003 Basel	836	38 083	80 432

Although forecasts by the financial research experts for the development of the building trade are on the negative side, Switzerland's leading platform for the building sector, Swissbau 2003, was able to record a very positive balance. It also marked the beginning of the new positioning of Swiss Exhibition's building fair portfolio. From 2005 on, Swissbau will take place as an integral building fair at two-year intervals. In addition, the Hilsa will take place in Basel every four years following the success of its first appearance in Basel at the beginning of this year.

With BuchBasel a new project was launched successfully. In spite of the general trend, Igeho 2003 scored a record number of both exhibitors and visitors.

Orbit wants to be again the leading event for all suppliers from the ITC sector and decision-makers in Swiss companies. In order to achieve this demanding goal, a new positioning of Orbit has been developed in

dialogue with exhibitors and visitors. In future, as a market place and business venue, Orbit will concentrate on themes and solutions that are relevant for visitors, and intensify dialogue and communication between the market participants, thus creating the conditions for efficient match-making.

In accordance with exhibitors' wishes, WORLDDIDAC, the international exhibition for educational materials, professional training and e-learning, will once again take place in Basel in 2004.

Own exhibition business units

Public exhibitions

Exhibitions for the general public

muba

herbstwaremäss

BASLER
WEINMESSE

ZÜSPA

Exhibitions for a specialised public

Giardina



**SWISS-
MOTO**

Public exhibitions 2003	Exhibitors	Net area in m ²	Visitors
mubaplus Wohnsinn Sportdays Gesund Great fair experiences for you Your home interiors exhibition Your sports fair Your health fair 14.02.–23.02.2003 Basel	904	36 913	296 800
Giardina Swiss gardening and lifestyle exhibition 19.02.–23.02.2003 Basel	207	7 909	45 104
2-Rad International bicycle and motorcycle exhibition 19.02.–24.02.2003 Zurich	210	13 784	71 489
Züspa The public fair in Zurich for home, living, sport and fashion 25.09.–05.10.2003 Zurich	514	18 909	128 889
Basler Herbstwarenmesse Basler Weinmesse Seven worlds under one roof 30th Basel wine fair 25.10.–02.11.2003 Basel	388	11 300	130 000

Following a marked decrease in attendance at Mubaplus in 2003, the Exhibition Management decided on immediate conceptual measures to restore the crowd-pulling quality of Switzerland's greatest public fair. Through the integration of parallel exhibitions for "Wohnsinn", "Gesund" and "Sportdays", the name "muba" will be given a new dynamism. With a view to Muba 2004, the programme of events was reinforced by numerous special shows and attractions – with great success, as proved by the satisfactory course of Muba 2004.

The motor cycle and scooter sector and the bicycle sector will in future be partially separated: under the new name of SWISS-MOTO, an exhibition for motor cycles and scooter only will be held in Zurich in 2004, and the well-known 2-Rad exhibition with an integrated bicycle section will be held every two years. This new arrangement is in response to

the different wishes of the two market segments in connection the exhibition rotation.

In response to the exhibitors' wish for optimisation of the dates and closeness to the market, the Giardina garden exhibition will be held exclusively in Zurich in future.

Last year, the "Herbstwarenmesse" in Basel moved to building No. 3, where parts of the autumn fair are held at the same time. This innovation was well received by the exhibitors.

Guest exhibitions

Guest exhibitions	Exhibitors	Net area in m ²	Visitors
Ornaris Innovations and trends for the retail trade 12.01.–15.01.2003 Zurich	525	15 276	13 485
Fespo Fair for holidays, travel and sports 23.01.–26.01.2003 Zurich	658	12 296	69 464
World Money Fair 32nd international money fair 31.01.–02.02.2003 Basel	167	1 000	4 000
IEx – Internet Expo Trade fair for web and IT business 05.02.–07.02.2003 Zurich	330	8 888	20 790
Basel holiday fair 21.02.–23.02.2003 Basel	205	3 153	25 000
Sanatura Trade fair for health, nature and environment 27.02.–02.03.2003 Zurich	120	1 100	15 960
Swisspo Swiss fair for sports equipment and fashion 02.03.–05.03.2003 Zurich	186	9 694	5 829
Beauty Forum Swiss 08.03.–09.03.2003 Zurich	250	4 700	10 800
Professional Imaging 03 Exhibition for pre-print and photography 12.03.–14.03.2003 Zurich	51	2 500	3 480
Personal Swiss Exhibition for human resources management 21.05.–22.05.2003 Zurich	104	1 780	1 743
Absolventen Kongress Conference for students, graduates and young professionals 05.06.2003 Zurich	30	535	1 500
X' 03 Exhibition for marketing, communication and events 26.08.–28.08.2003 Zurich	335	6 500	10 550
Bauen & Modernisieren Swiss trade fair for building and modernisation 04.09.–08.09.2003 Zurich	460	10 000	33 000

Guest exhibitions	Exhibitors	Net area in m²	Visitors
IMEX Real estate expo for rental and sale 06.09.–07.09.2003 Zurich	22	1 200	6 000
Golden Days Purchasing fair for the electronics trade 11.09.–14.09.2003 Zurich	33	2 145	2 500
EP Expert Tage Purchasing fair for the EP Expert Group 12.09.–14.09.2003 Zurich	66	1 900	2 000
Creaktiv The fair for Swiss creativity 16.10.–19.10.2003 Zurich	155	3 650	29 000
Auto Zürich Car Show New cars, Motor sport, show & tuning 30.10.–02.11.2003 Zurich	125	20 000	60 000
Sicherheit The safety and security show 11.11.–14.11.2003 Zurich	250	8 700	10 350
Cultura The World Art and Antiques Fair 14.11.–19.11.2003 Basel	55	2 350	12 600
WIWA WIR Fair Zurich 21.11.–24.11.2003 Zurich	320	7 000	25 423
Zürcher Mineralienbörse Exhibition of minerals, precious stones and fossils 22.11.–23.11.2003 Zurich	195	3 000	4 500
ET Intertunnel International exhibition of equipment systems and services for main line and urban railways International exhibition and conference for tunnelling and excavation 03.12.–05.12.2003 Basel	214	2 841	21 150
Absolventen Kongress Conference for student, graduates and young professionals 11.12.2003 Zurich	72	1 667	3 000
Weihnachts-Sammlerbörse Exhibition of antiques and collectors' items, flea market 11.12.–14.12.2003 Zurich	525	5 650	22 000
26 guest exhibitions in total	5 453	137 525	414 124

Various conferences and events

	Number of events	Number of days	Visitors	Exhibitors	Area in m ²
Various hall rentals					
Basel	15	73	34 350	710	35 600
Zurich	20	70	19 230		68 789
Total	35	143	53 580	710	104 389

Convention Center Basel

International conferences					
with exhibition *	16	29	13 257	420	5 406
without exhibition	2	7	2 200		
National conferences					
with exhibition	3	9	7 850	146	2 824
Various events					
non-public	200	375	56 373		
public	46	83	40 066		
Small events					
	16	28	333		
Total	283	531	120 079	566	8 230

* The World Money Fair is listed under the guest exhibitions.

Conference rooms Zurich Exhibition

Small Events	220
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Musical Theater Basel

Performances	193	175 177
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Convention Center Basel – 20th anniversary

This year, the Convention Center Basel is celebrating its 20th anniversary. During this time, over 2.5 million visitors attended approximately 10 000 events, thereby making a big contribution to the Convention Center's success in becoming an important economic factor for the city and region of Basel. A whole series of events are planned for the anniversary year, including an "Open House Day" on 17 October 2004.

In 1971, the Board of Directors of the former "Genossenschaft Schweizer Mustermesse" in Basel formulated the idea of a "Convention Center with a hotel in direct contact with the existing exhibition sites". It took thirteen years to turn the vision into reality: in March 1984, the new halls of the Convention Center were the scene of the first exhibition – the 20th International Fair for Educational Material Didacta 84. The Convention Center and the associated five-star hotel "Swissôtel Le Plaza", which now belongs to Raffles International Hotels and Resorts, were solemnly inaugurated on 16 October 1984.

Over the past twenty years, the Convention Center has constantly been the scene of events of international importance. Many conferences – including the Psi-Tage with the World Congress for Spiritual Healing, the constituent congress of the "Basel Convention" under the patronage of the UN, and the International Knee Congress – made their debut in Basel.

Since 1984, over 2.5 million congress participants from all over the world have benefited from the modern infrastructure of the Convention Center. Time and time again, the Convention Center Basel has played host to high-calibre representatives from the worlds of politics, the economy, science, culture and sport, among them the former German Chancellor Helmut Kohl, the former President of France François Mitterand, and the American Vice-President Al Gore.

Since its opening, the Convention Center has also served as a stage for the most varied of events – from the Homing Pigeon Olympics with 20 000 visitors to the "Night of Nights" at the turn of the millennium.

In addition, the Convention Center is also the scene of numerous general meetings, product presentations, and internationally broadcast media conferences of various big organisations.

The Convention Center Basel will celebrate its anniversary with various events throughout the year: on 17 October 2004, the premises of the Convention Center and the five-star "Swissôtel Le Plaza" hotel will be open to the public on their "Open House Day".

On the occasion of various exhibitions, the Convention Center will invite its customers to a number of special accompanying events. An event dedicated to the theme of biotechnology is planned for May, and customers and partners from the fields of pharmaceuticals and medical research and development will be invited to an occasion in June. A further panel discussion on topical themes from politics and the economy will take place in September.



Building projects

After about a decade, all the sub-projects of the master plan “Messe Basel Plus” with total investments of over 500 million Swiss francs have been successfully realised. Furthermore, yet another large Swiss Exhibition building project has been completed: the new Hall 6 in Basel for BASELWORLD. And the conversion of Stadthof 11 in Zurich into a multifunctional building represents yet another infrastructural project under construction.

The Exhibition Tower and Exhibition Square in Basel

The inauguration of the Exhibition Tower and the new design of the Exhibition Square represented the completion of the last sub-projects of the “Messe Basel Plus” master plan created in the mid-nineties for the modernisation of the infrastructure of the Basel Exhibition site. The first occupants of the new landmark of the Basel Exhibition site, realised by the Swiss Prime Site AG investors’ association, moved into their new surroundings in several stages: the hotel and restaurant went into operation in March, and Exhibition Swiss moved into its service centre on the 2nd floor, with three office storeys on the 15th to 17th floors, in the summer of 2003.

The new Hall 6 in Basel

Bearing in mind that all sectors of BASELWORLD will be concentrated in the Basel venue in 2004, in the early summer of 2003 Swiss Exhibition reviewed different ways of preparing the necessary extra exhibition areas in good time for the exhibition. A suitable rentable warehousing complex was found on the former German railways site. Following the signing of the contract with the owners Vivico AG and the granting of the building permit, work on the conversion of the warehouse began in October. The new Hall 6, which covers an area of 28 000 square metres, will accommodate the “Hall of Universe” with around 800 exhibiting companies from 25 countries. The hall will be used exclusively for this purpose since the stand constructions are permanent fixtures. Investments in the new hall amount to about CHF 40 million.

The new hall will be available to Swiss Exhibition until 2009. The company will discuss the necessary infrastructural requirements after this date during the course of this year.

Stadthof 11 in Zurich

The conversion of Stadthof 11, which Swiss Exhibition has acquired from the City of Zurich on a long-term estate lease, is embarking on the construction stage. The lease agreement and the contract with the managing company Freddy Burger Management Group have been prepared. The application for building permission for the conversion of Stadthof 11 into a multifunctional building for exhibitions, conferences and cultural events will be made in spring 2004, and it is hoped to begin with the building work, scheduled to last just over a year, in summer 2005.

The investments for the whole project amount to CHF 27.5 million. Swiss Exhibition will participate with 2.5 million.



Corporate Governance

MCH Swiss Exhibition Ltd. has a clear separation between the Board of Directors and the Group Management. The Board of Directors holds regular meetings to fulfil its tasks of leading and controlling, to gain information on the current course of business and to provide guidance. To observe its responsibility in an appropriate manner, it has appointed an Audit Committee and a Nomination and Compensation Committee. The compensation for the members of the committees is appropriate; there are no special fees.

Introduction and general remarks

In the last annual report, MCH Swiss Exhibition Ltd. reported extensively on the adherence to regulations of the Swiss stock exchange SWX in the area of Corporate Governance. In 2003, there were no important changes or new requirements as compared to the previous year.

The Board of Directors and the Group Management continue to consider it a matter of course to meet the requirements of Corporate Governance and to provide in the following a high degree of transparency regarding their company for the shareholders.

By order of the SWX registration office, last year's annual report of MCH Swiss Exhibition Ltd. was presented for review, together with all other SWX coded companies, to the University of Zurich institute of accounting and controlling. This review was intended to establish the extent to which the individual companies fulfil the requirements of Corporate Governance. The annual report of MCH Swiss Exhibition Ltd. was immediately approved, and the company will continue to publish all information relevant to Corporate Governance.

It must be noted that MCH Swiss Exhibition Ltd. is a joint-stock company with participation of corporate entities under public law according to Art. 762 of the Swiss Code of Obligations (OR), which, inter alia, gives public corporations the statutory right to appoint delegates to the Board of Directors. The statutes of MCH Swiss Exhibition Ltd., in §20, provide corresponding rights for the governments of the cantons of Basel-City, Basel-Land and Zurich and the city council of Zurich.

The statements of Corporate Governance in this annual report are given on the following pages or by reference to the relevant pages. Statements on the individual selections of the SWX regulations are only made on those portions that are actually relevant to Swiss Exhibition. If there are no such comments in the present annual report, this implies that these sections do not apply to Swiss Exhibition.

Group structure and shareholders

For information on the company structure and major shareholders see
page 36

Capital structure

According to §3a of the statutes effective from 14 May, the Board of Directors was authorised to increase the capital stock by 14 May 2003 by a maximum amount of CHF 8 232 000 by issuing at most 82 320 fully paid nominal shares of CHF 100 par value each.

In its meeting of 7 July 2003, the Board of Directors found that of the approved capital of CHF 48 232 000, the amount of CHF 48 052 600 had been used; CHF 179 400 had not been used. Since the two-year time limit of Art. 651a of the Swiss Code of Obligations (OR) has elapsed, the ordinance concerning the approved capital increase could be deleted from the statutes by decision of the Board of Directors, according to Art. 651a, Paragraph 2, of OR. Therefore, the Board of Directors decided unanimously to delete §3a of the corporation statutes without substitution. This change of statutes was published in the "Schweizerisches Handelsamtsblatt" No. 248 on 24 December 2003.

For information about capital stock, in particular about authorised and conditional capital stock, as well as about capital changes and equity shares see pages 60, 63, 67

Board of Directors and Group Management

The top executive level consists of the Board of Directors of Swiss Exhibition Ltd. The Board of Directors bears the responsibility for the senior management, the nominations of the Group Management, the organisation of the company, the accounting and the financial control as well as the Annual General Meeting.

The executive level of the Group Management consists of the Chief Executive Officer, his representative (Chief Operating Officer) and the members of the Group Management. The Group Management bears responsibility for the management of MCH Swiss Exhibition Ltd. and the two group companies MCH Basel Exhibition Ltd. and MCH Zurich Exhibition Ltd.

The tasks of the Board of Directors of MCH Swiss Exhibition Ltd. are derived from the Swiss Code of Obligations, the statutes and organisational regulations of the Board of Directors. The statutes were authorised in conjunction with the merger of the company known as Schweizer Mustermesse at the time and the Messe Zurich Ltd. for international trade fairs and special exhibitions by the shareholders of Schweizer Mustermesse AG on 14 May 2001.

For information on the organisation and the members of the Board of Directors and the Group Management see pages 38 – 45

Information and control instruments

The tasks and competencies of the Board of Directors and the Group Management are stipulated in the organisation regulations. The Group Management regularly informs the Board of Directors about normal business activities in writing before each meeting; in exceptional cases, the Board of Directors is informed immediately. The Chairman of the Board is in close and constant contact with the Chief Executive Officer and the Head of Finance and Administration, and in exceptional cases he attends the meetings of the Group Management as an observer.

The company has a controlling and management information system for the constant reporting on and recording of topical and anticipated developments in the company. Based on this fundamental information, the Group Management issues regular extensive reports to the Board of Directors on all matters connected with business management.

The Group Management has created a risk management system for the assessment of questions relating to finance and security. The auditing department also carries out internal reviews connected with auditing activities.

Compensation policy

The compensations for the Board of Directors and the Group Management are decided on by the Board of Directors on the recommendation of the Nomination and Compensation Committee. The payment of the compensation is administered in cash exclusively. Incentive payments in the form of registered shares of MCH Swiss Exhibition Ltd. are renounced.

The members of the Board of Directors are paid according to the requirements regarding the responsibility and time committed.

The members of the Group Management are paid according to their ability, experience and performance. The composition and extent of the remuneration are set according to the relevant environment of the industry and the labour market and are examined regularly. The compensation consists of a fixed basic wage, fixed refunding of expenses and a performance-linked bonus. The extent of the bonus is adapted according to the achievement of annually set performance goals as well as the financial result of MCH Swiss Exhibition Ltd.

For information about the compensation paid to the department members and members of the Group Management see
page 46

Participation rights of shareholders

According to §5 of the statutes of MCH Swiss Exhibition Ltd., no natural or legal commercial partnership may control directly or indirectly more than 5% of the share capital. This provision does not apply if the holder is one of the cantons of Basel-City, Basel-Land or Zurich, or the City of Zurich. The following, inter alia, are considered as persons: legal or natural persons that are connected through capital or

voting rights, through unified management or in another manner; also, all natural or legal persons that combine for the purpose of avoiding the restriction.

The transfer of registered shares to a new owner requires authorisation from the Board of Directors. Applications are rejected for entries in the share register that would cause the aforementioned restriction-maximum of 5% of the share capital to be exceeded. The Board of Directors authorised no exceptions in the year under review.

Through a written power of attorney, a shareholder with voting rights can be represented at the general shareholder meeting by another shareholder with voting rights. Commercial partnerships and legal persons can be represented by persons lawfully authorised to sign, minors and person under guardianship by their legal representative, and married persons by their spouse – if such representatives are not shareholders. Moreover, shareholders can be represented by

- MCH Swiss Exhibition Ltd.
- the independent voting representative, lic. iur. Martin Hug, Advokat und Notar, Augustiner-gasse 5, CH-4001 Basel, as the independent voting representative according to OR Art 689(c)
- a bank or other commercial asset manager as a securities representative according to OR Art. 689(d).

The statutes of MCH Swiss Exhibition Ltd. set out in §14 section 4 that alterations of the statutes and other cases provided for by law require a decision of the general meeting of shareholders with two-thirds of the represented votes and an absolute majority of the presented par values of shares.

The statutes of MCH Swiss Exhibition Ltd. do not contain any rules for calling a general meeting of shareholders that deviate from the law. The agenda is set according to the OR and the statutes of MCH Swiss Exhibition Ltd.; there are no special provisions. The Board of Directors sets the deadline for entries by shareholders concerning participation at the general meeting of shareholders in the invitation to the general meeting of shareholders.

Change of control and preventive measures

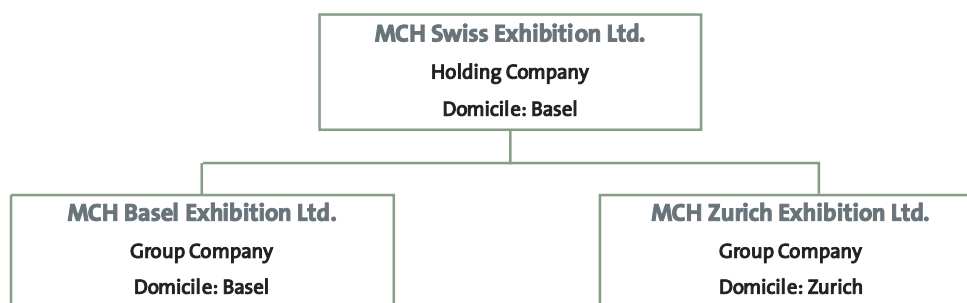
MCH Swiss Exhibition Ltd. has no statutory regulations regarding “opting out” or “opting up” according to Art. 22 BEHG (Securities and Exchange Act). MCH Swiss Exhibition Ltd. has no special contractual agreements against an unfriendly takeover.

Information policy

MCH Swiss Exhibition Ltd. has a policy of open communication. In its information activities it complies with the publication rules of the SWX Swiss Exchange.

The shareholders are informed directly of the year-end results in the annual report and of the half-year intermediate results in an interim report. Shareholders are also informed personally in a newsletter of further events that are subject to the duty of ad-hoc publication, as well as other important events. Moreover, the company provides information on its business activity and the course of individual events through the media and further communications channels. All the important information can be accessed via the Internet on the website www.messe in three languages.

Company, share price, financial policy



MCH Swiss Exhibition Ltd. was formed in summer 2001 through the merger of the two exhibition companies Schweizer Mustermesse AG (Messe Basel) and Messe Zurich Ltd. for international trade fairs and special exhibitions. The two group companies, MCH Basel Exhibition Ltd. and MCH Zurich Exhibition Ltd., are combined under the roof of the holding company MCH Swiss Exhibition Ltd.

The entire group of companies is under the unified management of the Board of Directors of MCH Swiss Exhibition Ltd and the Group Management. Members of the Group Management are appointed as directors of the two subsidiaries. The operational organisation includes the four divisions: Global Exhibitions, European Exhibitions, Exhibition and Convention Centers, and Finance and Administration. The entire company has approximately 300 permanently employed staff members and

a dozen temporarily employed project workers. During the exhibitions, the company employs several hundred additional temporary and part-time workers.

MCH Swiss Exhibition Ltd., which is headquartered in Basel, is a joint-stock company with participation of corporate entities under public law according to Art. 762 of the Swiss Code of Obligations (OR). It is listed on the SWX Swiss Exchange. The registered shares of MCH Swiss Exhibition Ltd. have the assigned share number 1035849 and the symbol "MCHN".

Number of listed shares	480 526 registered shares at CHF 100 in nominal terms		
Number of shareholders per 31.12.2003	3 898		
Share price per 31.12.2003	CHF 150.00		
Market capitalisation	CHF 72.1 m		
Shares Canton Basel-City	161 092		33.5 %
Shares Canton Basel-Landschaft	37 500		7.8 %
Shares Canton Zurich	19 200		4.0 %
Shares City of Zurich	18 000		3.7 %
Shares MCH Swiss Exhibition Ltd.	10 813		2.3 %
Free float (not including cantons BS and BL)	58.7%		
Position on the SPI (free float only)	0.006% of total volume		
	175th of 231 companies		

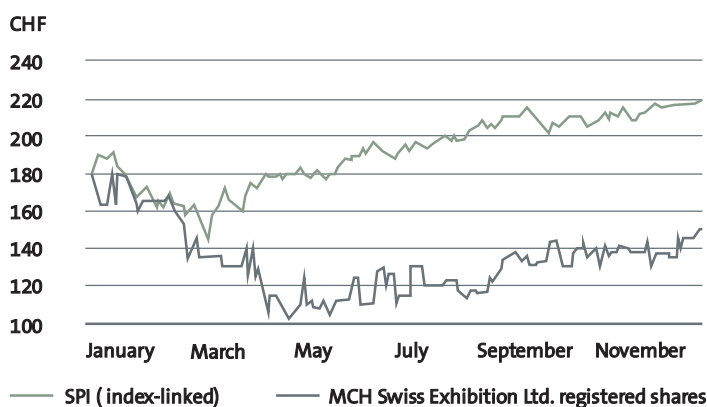
On 1 January 2002 the price of registered shares of MCH Swiss Exhibition Ltd. was CHF 179.50. On 31 December 2002 the price was CHF 150.–.

Due to its growth potential, high-quality products and infrastructural assets, however, MCH Swiss Exhibition Ltd. is characterised by solid values. Nevertheless, due to its relatively low market capitalisation and the low tradable and traded volume, as well as the circumstances of its special status as the only quoted exhibition company, Swiss Exhibition plays a minor part in the SWX Swiss Exchange. For this reason, the Board of Directors decided to transfer the listing of Swiss Exhibition shares from the main segment to the SWX Swiss Exchange Local Caps segment as from 1 September 2003.

MCH Swiss Exhibition Ltd. strives for an appropriation of net income that maintains real asset values, makes provision for the formation of equity capital, and meets the expectations of the shareholders. The return on equity should ensure financial security for shareholders and provide a solid foundation for further growth. Necessary investments in infrastructure are made with a view to adequate profitability.

Swiss Exhibition intends to pursue a policy of dividend layout for current and future expected profits while taking the varying periodicity of exhibitions into account.

Share price 01.01.2003 – 31.12.2003





Departments and personnel

The Board of Directors of MCH Swiss Exhibition Ltd. consists of eleven members. All members of the Board of Directors are “non-executive” in accordance with SWX guidelines, i.e. they were never member of the top management of MCH Swiss Exhibition Ltd. and also stand in no significant relationship with it. The “business” relationships of the representatives of public corporations with the company are based on the institutional relationships between these public corporations and MCH Swiss Exhibition Ltd.

Three members are appointed by the government of Canton Basel-City, one member by that of Canton Basel-Landschaft, one by that of Canton Zurich, and one by the City Council of Zurich. The other members are elected by the general meeting of shareholders. The term of office is two years. Re-election is permitted. The Board of Directors has set the age limit for its members at 71.

The Board of Directors constitutes itself by electing the Chairman and Vice-Chairman from its ranks, as well as the members of the committees.

The Board of Directors has appointed an Audit Committee from its own ranks. It analyses the audit results and any recommendations. It also assesses the rendering of accounts, the transparency and the management of financial control and risk and gives its view on the financial accounts.

The Board of Directors has appointed a Nomination and Compensation Committee from its own ranks which decides on important personnel issues. It also decides, with the consent of the Board of Directors, on the remuneration for members of the Board of Directors as well as the wages and bonuses for members of the Group Management.

At meetings of the Board of Directors, the members of the Group Management and the Secretary of the Board of Directors usually participate without voting rights.

Meetings of the departments and the Group Management

The MCH Swiss Exhibition Ltd., which comprises the Messe Basel founded in 1916 and the Messe Zurich founded in 1945, had an ordinary meeting in the Convention Center Basel on 5 May 2003.

The Board of Directors of MCH Swiss Exhibition Ltd. had five half-day meetings in the business year 2003.

The Audit Committee and the Nomination and Compensation Committee each had one meeting in 2003.

The Group Management meets every fourteen days for an ordinary Group Management meeting.

Changes in the Board of Directors

As of the general meeting of 5 May 2003, Dr. Hansjörg Frei, member of the extended top management of the Credit Suisse Financial Services, resigned from his office on the Board of Directors. Dr. Frei was on the Board of Directors of MCH Swiss Exhibition Ltd. from 1 July 2001. He was formerly a member of the Board of Directors of the Messe Zurich and was appointed to the Board of Directors Committee on 4 December 1989.

Mr René C. Jäggi, entrepreneur, was appointed to the Board of Directors as successor to Dr. Hansjörg Frei at the general meeting of 5 May 2003.

Board of Directors (since 5.5.2003)

	Place of residence/ business	Birthdate	Nationality	Member of board since**	End of term of office
Chairman					
Robert A. Jeker	Bottmingen	26.08.1935	CH	1995	2004
Vice-Chairman					
Heini Brugger	Langnau a.A.	13.05.1943	CH	2001	2005
Members					
Rolando Benedick	Basel	8.10.1946	CH	2001	2005
René C. Jäggi	Binningen	17.12.1948	CH	2003	2005
Dr. Ruedi Jeker*	Zurich	9.07.1944	CH	2001	2007
Dr. Andres F. Leuenberger	Basel	26.02.1938	CH	1998	2004
Dr. Ralph Lewin*	Basel	21.05.1953	CH	1997	2005
Jörg Schild*	Basel	31.03.1946	CH	2001	2005
Erich Straumann*	Liestal	6.09.1945	CH	1999	2007
Dr. Ueli Vischer*	Basel	9.12.1951	CH	1992	2005
Martin Vollenwyder*	Zurich	4.10.1953	CH	2002	2006

Audit Committee

Dr. Ralph Lewin	Chair
Heini Brugger	Member
Robert A. Jeker	Member
René Kamm	Associate (Chief Executive Officer)
Markus Haering	Associate (Head of Finance and Administration)
and the representatives of the auditor	

Nomination and Compensation Committee

Robert A. Jeker	Chair
Dr. Ruedi Jeker	Member
Dr. Ueli Vischer	Member
René Kamm	Associate (Chief Executive Officer)
Markus Haering	Associate (Head of Finance and Administration)

Secretary to the Board of Directors

Christoph Lanz	Allschwil, Head of Management Services and Legal Department of MCH Swiss Exhibition Ltd.
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* Delegates of the public corporations

** MCH Swiss Exhibition Ltd., formerly Schweizer Mustermesse AG

Robert A. Jeker

worked for the Schweizerische Kreditanstalt (now Credit Suisse Group) from 1951 to 1993, for the last ten years as Chairman of the Board. From 1993 he was on various administrative boards. Today he is Chairman of the Board of Batigroup Holding AG, Basel, and Vice-Chairman of the Board of Directors of Swiss Steel AG, Emmenbrücke.

Heini Brugger

is a qualified auditor. In conjunction with his work as a freelance consultant for various companies not listed on the stock market, he serves on various administrative boards; and he undertakes various assignments on behalf of public authorities.

Rolando Benedick

joined the Manor group in 1967 after completing his training. Since 1989 he has been CEO and Chairman of the Board of Manor AG, consisting of the Manor Group of department stores, the FLY Schweiz furniture stores and Athleticum Sportsmarkets AG (subsidiaries of the family company Maus Frères Holding, which is not listed on the stock exchange). He is a non-executive member of the boards of Barry Callebaut AG and the holding company Jacobs AG. In addition, he is a member of the managing board of the Swiss import and wholesale association (VSIG), the Swiss Retail Federation (SRF) and a member of the foundation board of Schweizer Sporthilfe (Swiss Sports Aid).

René C. Jäggi

grew up in Basel and lived and worked as a reinforced concrete draughtsman in Japan for several years. Back in Europe, the sales manager moved via the Reynolds tobacco company to the Duracell battery manufacturers, where he co-ordinated the fusion with Daimon, and from there he moved to Adidas as Head of Marketing. He was CEO with Adidas from 1987 to 1992, and he has worked as a freelance entrepreneur since 1993. He is owner of the Romika Shoe Company in Trier and of the Palace Hotel in Mürren. He was Chairman of the Basel Football Club from 1996 to 2002, and since 2002 his is President of the 1. FC Kaiserslautern.

Dr. Ruedi Jeker

has been a Minister of the government of Canton Zurich since 1999, where he was the Head of the Department of Economic Affairs until 31.12.2003 and Head of the Department of Social Affairs and Security from 1.1.2004. Before his election to the government of Canton Zurich, he worked at the Swiss Federal Institute of Technology (ETH), where he previously obtained his doctorate. From 1980 he was a member of the management of an engineering company, from 1984 owner of an engineering and planning consultancy.

Dr. Andres F. Leuenberger

studied economics and social sciences in Basel, St. Gallen and Neuchâtel and obtained his doctorate in economics. He is Vice-Chairman of the Boards of Directors of Roche Holding AG and Givaudan AG and a member of the Board of Directors of Metall Zug AG.

Dr. Ralph Lewin

has since 1997 been a Minister and Head of the Department of Economic and Social Welfare of Canton Basel-City. He holds a doctorate in economics and is a member of the Bank Council of the Swiss National Bank, as well as President of the foundations Finanzplatz Basel and Kabelnetz Basel. He is also Chairman of the Boards of Basel Public Transport and Basel's public health insurance ÖKK, Vice-Chairman of the Board of Sozialhilfe Basel and a member of the board of the EuroAirport Basel-Mulhouse-Freiburg.

Jörg Schild

has been a Minister of Canton Basel-City since 1992, and since 1994 Head of the Police and Military Department. After studying law he worked, inter alia, as a public prosecutor in Basel from 1979 to 1989, after which he was Head of Central Services of the Federal Prosecutor's Office in Bern until 1992. Since 1998 he has been President of the Conference of the Cantonal Heads of the Departments of Police and Justice (KKJPD). He represents Canton Basel-City at several institutions.

Erich Straumann

has been a Minister and Head of the Cantonal Basel-Land Department for Economic and Health Affairs since 1999. He is President of the working committee of the Regional Conference of the Governments of Northwest Switzerland and Business Development of the Basel Area. He also represents Canton Basel-Landschaft on the boards of Regio Basiliensis, the Basel University Children's Hospital and the Concordat Board of the Swiss College of Agriculture in Zollikofen.

Dr. Ueli Vischer

obtained his doctorate in law and advocacy. Since 1992 he has been a Minister and Head of the Department of Finance of Canton Basel-City. He is, inter alia, Chairman of the Board of Vereinigte Schweizerische Rheinsalinen AG and the Building Insurance of Canton Basel-City. He also represents the government at several institutions.

Martin Vollenwyder

has since May 2002 been a City Councillor and Head of the Department of Finance of Zurich – a city he represents at the following administrative boards: Zurich Zoo, Engrosmarkt-Immobilien-gesellschaft and AG Hallenstadion Zurich. He also represents the city of Zurich at various foundations. Before his election to the City Council of Zurich, he worked as a lawyer for the Credit Suisse Group in the commercial area for 20 years, most recently as Director.



The Group Management is built by the General Managers of the Divisions.

- Own exhibitions business units

Group Management (as of 1.1.2004)

	Residence	Birthdate	Nationality	Member of management since
René Kamm Chief Executive Officer General Manager of Global Exhibitions	Basel	10.02.1960	CH	01.10.1999
Kurt Frischknecht Chief Operating Officer General Manager of European Exhibitions	Lenzburg	26.05.1954	CH	01.11.1999
Markus Haering General Manager of Finance and Administration	Maisprach	22.11.1952	CH/USA	01.12.1990
Peter Hostenstein General Manager of Exhibition and Convention Centers	Allschwil	09.11.1959	CH	01.01.1998

René Kamm



studied economics at the University of Basel and worked as Product and Marketing Manager with Unilever Schweiz for four years. He then worked in the watch industry for seven years: first, for four years, with Tag Heuer as Directeur de Marchés for Central and Northern Europe, South America, Duty Free International; then, for three years with Artime Spa as a member of the international management and Director for Germany. He joined what was then Messe Basel as General Manager of Global Exhibitions in 1999. He was appointed Chief Executive Officer on 1 January 2003.

Markus Haering



in 1999 joined what was then Messe Basel as General Manager of the Finance and Administration Division and a member of the management. He is an HWV-qualified economist and was previously commercial manager of the company Knoll (a subsidiary of BASF, Germany). He is member of the Board of the Association of Swiss Fairs (ASF).

Kurt Frischknecht



trained as an economist at HWV after working in the marketing department of Knorr Zurich from 1973 to 1975. Subsequently, he was Product Manager and Head of Marketing for Hero Lenzburg. From 1989 to 1999 he worked for Vetropack Bülach, first as head of Sales and Marketing for Switzerland, then as a member of the Extended Group Management responsible for sales, marketing and export for the Vetropack Group. For nine years he was a member of the consultative exhibition committee of Pack it, after which he joined the management of Messe Basel (now Basel Exhibition) in 1999.

Peter Hostenstein



has been with Messe Basel and MCH Swiss Exhibition Ltd., successively, since 1984 and a member of the Group Management since 1998. As a federally qualified advertising and marketing manager, he was first responsible for the exhibition communications department and later switched to corporate development. He is on the board of Basel Tourism.

Changes in the Group Management

In conjunction with the integration of the previous Technical Services Division in the other divisions (see under Reorganisation), the Group Management has also been reduced by one member to four members. Ueli Born, formerly Head of the Technical Services Division, resigned from the Group Management at his own wish on 31.12.03 in order to pursue new lines of activity - in particular the responsibility for large building projects - and in view of his planned early retirement.

Reorganisation

Last year, Swiss Exhibition completed its reorganisation process begun in October 2002. With the aim of creating an efficient, market-orientated structure, two main improvements were carried out: the own exhibition portfolio was divided into five strategic divisions that comply with market logic; and the former Technical Services Division was integrated in the Global and European Exhibitions Division and the Exhibition and Convention Centers Division.

Within the framework of this reorganisation, the elimination of interfaces and the outsourcing of special items resulted in a total reduction of 33 jobs over the whole period, amounting to around 10 percent of the personnel. Unfortunately, it was impossible to avoid some early retirements (5) and notices to quit (17). The employees concerned were granted an extended period of notice and given access to an outplacement programme. There was a reduction of 11 jobs due to natural personnel fluctuations.

Compensation and equity holdings of the executive bodies

The indications listed in the following relate to the bodies as they were composed in the business year 2003:

- 11 Members of the Board: Robert A. Jeker (Chairman), Heini Brugger (Vice-Chairman), Rolando Benedick, Dr. Hansjörg Frei (from 5.5.2003 René C. Jäggi), Dr. Ruedi Jeker, Dr. Andres F. Leuenberger, Dr. Ralph Lewin, Jörg Schild, Erich Straumann, Dr. Ueli Vischer, Martin Vollenwyder.
- 5 members of the Group Management: René Kamm (Chief Executive Officer), Kurt Frischknecht (Chief Operating Officer), Ueli Born, Markus Haering, Peter Holenstein.

The Group Management and the members of the Board of Directors are paid in cash exclusively.

The sum of all compensations paid to the eleven non-executive members of the Board of Directors in the business years 2003 was CHF 403 000. This includes the compensations for the Board of Directors and the contributions to the AHV (Swiss Federal Old Age Pension and Invalidity Insurance Scheme) made by the companies of MCH Swiss Exhibition Ltd. group.

The highest sum of all compensations paid to a member of the Board in the business year 2003 was CHF 94 000.

The sum of all compensations paid to the five members of the Group Management in the business year 2003 was CHF 1,594,000. This includes the basic wage, social insurance contributions, fixed repayment of expenses, bonuses according to the statutory regulations and the bonus for the year 2002.

No golden handshakes were paid to persons ending their function as executives in the business year 2003.

In the business year 2003, no compensations were paid to Members of the Board of the Group Management who left in the previous period or earlier.

In the year under review, no additional fees of compensations were paid to the Board of Directors or the Group Management, no shares or options were allocated, and also no securities, loans, advances or credits were granted.

As of 31 December 2003, the members of the Board of Directors and persons close to them hold a total of 2 248 registered shares of MCH Swiss Exhibition Ltd. at a par value of CHF 100.

As of 31 December 2003, the members of the Group Management and persons close to them hold a total of 238 registered shares of MCH Swiss Exhibition Ltd. at a par value of CHF 100.

Auditor and company inspector

The auditor and the company inspector are elected by the general meeting of shareholders for the duration of one year. The task of auditor and company inspector is performed by Ernst & Young AG. In 1984 it assumed this task of auditor of what was then Mustermesse AG and has been confirmed in this function by the general meeting of share-holders every year since then. The chief auditor has been in office since 2003.

In the business year 2003, MCH Swiss Exhibition Ltd. paid Ernst & Young AG a total of CHF 111 375 (excluding value-added tax) for auditing the annual accounts.

For further services, Ernst & Young AG received fees totalling CHF 5 940 (excluding value-added tax) in the year 2003. The work of the external auditor is supervised by the Audit Committee. A representative of the auditing company attends the meetings of the Audit Committee.