



Exhibition Place

7

Management Report

Month Ending November 30, 2008

Executive Summary

- Consolidated Net Operating Income is favourable by \$136,415 and is after absorption of significant budget pressure from the loss of the Grand Prix race and improvements to the BLC.
- Net Operating Income for Direct Energy Centre for the ten months ending October 31, 2008 was \$5,598,672 compared to a budget of \$6,287,656 for an unfavourable variance of (\$688,983). Net Operating Loss for Exhibition Place for the ten months ending October 31, 2008 was (\$6,144,468) compared to a budgeted loss of (\$6,969,866) for a favourable variance of \$825,398
- During the months of October and November the Sales & Marketing team secured 13 new events.
- Dianne Young participated as a panel member in the Light Savers Symposium on October 7th. The event was organized by the Toronto Atmospheric Fund to highlight LED and adaptive lighting pilot projects being undertaken locally, regionally and internationally. Dianne's presentation covered the parking garage adaptive control retrofit and the LED street light pilot.
- Dianne Young participated as a panel member at the Association of Municipalities Recycling Coordinators Fall Conference on October 22nd to 24th. Dianne's presentation for this event was on Green Conferences.
- The Facility Services team and Canadian National Exhibition management worked together to achieve an all time high waste diversion rate of 71% for the 2008 CNE...
- Exhibition Place received a **Platinum Facility Management Award** at the 2008 Recycling Council of Ontario, Waste Minimization awards ceremony.

October Financials Exhibition Place and Direct Energy Centre

Direct Energy Centre

Net Operating Income for Direct Energy Centre for the ten months ending ended October 31, 2008 was \$5,598,672 compared to a budget of \$6,287,656 for an unfavourable variance of (\$688,983). Net Operating Income for the month of October only at \$310,517 is unfavorable to budget by (\$298,895) mainly due to timing of new business and shortfall in food and beverage commissions.

- Rental income was \$5,504,922 compared to a budget of \$5,794,112 for an unfavourable variance of (\$289,190) mainly due to the timing of new business. Finance and marketing staff have met to review forecast and the annual target for rental is expected to be significantly achieved.
- Direct and indirect expenses are unfavourable to budget by (\$141,751) mainly due to additional expenses incurred for technical and electrical infrastructure in the BLC to allow for shows to use this building as a result of the Automotive Building being under construction.
- Food & Beverage concessions of \$908,079 is unfavourable to budget by (\$161,527) due to timing of new business and minimal bookings of corporate events. Finance and F&B staff have met to review the year end forecast and the annual target for F&B concessions is not expected to be achieved.
- Telecommunications income at \$371,282 is favourable to budget by \$35,211.
- Show services from third party billings are up by \$362,806 with corresponding increase in expenses of \$349,000 for a net favourable variance of \$13,806 mainly due to additional services provided to the Boat Show and the new CRFA Show.

Direct Energy Centre accounts receivable as at October 31, 2008 was \$2,732,438 consisting mainly of:

- \$1,763,774 owed as contractual deposits for future events of which \$1,407,821 (80%) has been received as of November 22, 2008.
- \$494,525 for services on completed events of which \$142,583 (29%) has been received as of November 22, 2008.

- \$183,957 for accounts with City Legal; this amount is fully provided for as a bad debt in the financial statements or the rental revenue has not been recognized as income and deferred as appropriate.
- \$158,080 of Food & Beverage Concessions is owed by Centerplate, which is contractually due on the 25th of the following month.
- \$53,477 owed for sponsorship arrangement of which \$23,153 (43%) has been received as of November 22, 2008.

Exhibition Place

Net Operating Loss for Exhibition Place for the ten months ending October 31, 2008 was (\$6,144,468) compared to a budgeted loss of (\$6,969,866) for a favourable variance of \$825,398. Net Operating profit for the month of October only was \$288,504 and is favorable to budget by \$274,793, mainly due to the new business rent and services from the Salon Du Livre event and additional parking revenue.

- Parking revenues at \$4,780,915 is favourable to budget by \$775,615 mainly due to additional revenues from the Boat Show, Interior Design, CRFA, BMO Field and Ricoh events, additional Ontario Place concerts and new business. Parking expenses are up by \$221,502 to reflect the additional revenue stream for a total net positive variance after expenses of \$554,113.
- Indirect expenses at \$15,606,168 are favourable to budget by \$329,465 due to lower costs for the various trades from efficient scheduling offset by higher snow cleaning costs; higher gas costs and timing of expenditures.
- Program recoveries and interest income at \$443,561 is ahead of budget by \$176,537 due to additional show services provided and increase in interest income from term investments.
- Advertising and Sponsorship revenue at \$363,479 is ahead of budget by \$9,516.
- The loss of the Grand Prix race this year caused a significant budget pressure, however this pressure has been absorbed by operating savings and other favourable operating variance.

Exhibition Place accounts receivable for the month ending October 31, 2008 was \$1,985,986 consisting mainly of:

- \$505,712 owed by tenants of which \$390,000 (77%) has been received as of November 22, 2008.
- \$393,750 owed by Allstream for contractual deposits for naming of the Automotive Conference Centre.
- \$325,978 owed by City of Toronto for Capital costs, all of which has been received as of November 22, 2008
- \$302,027 owed by MLSE for Ricoh Coliseum of which \$92,137 has been received as of November 22, 2008.
- \$193,012 owed by BMO Field for payroll costs of which \$86,866 has been received as of November 22, 2008.
- \$102,740 for show services on completed events of which \$ 87,271 (85%) has been received as of November 22, 2008
- \$83,277 owed as contractual deposits for future events of which \$25,504 (31%) has been received as of November 22, 2008.

Sales and Marketing

October/November Sales Effort

During this period, our Sales & Marketing team secured 13 new events. The events are categorized as follows:

- 11 meetings
- 1 trade show
- 1 festival

An email blast was distributed by the sales department titled "Allstream Centre Construction Update" to continue to promote the construction of the conference centre.

During the months of October and November, Allstream Centre hosted 27 site tours.

October/November Summary

New events held during this time period included Salon du Livre de Toronto, Astrologo Wedding Photos, Trunk Show Meeting, Light Savers Symposium, Cameron & Portelli Wedding Photos, Youth Energy Sustainability Solutions, OSRA Board Meeting, Canadian Ski Council Meeting, Riding Academy at the Horse Palace Meeting, Russian Trade Show, CMHC Leaders Conference, Healthy Kids Expo, Toronto Community Housing Corporation Meeting, Ontario College Information Fair, Digital Marketing – CMA, The Zoomer Show, CMHC Meeting, Canadian Makeup Show, Semex Alliance Meeting, Wind Turbine Workshops, and His Highness Prince Aga Khan Shia Imami Ismaili Council For Canada festivities.

Business Travel

Barb Outschoorn and representatives of Tourism Toronto met with potential citywide convention organizers in Washington, D.C. on November 16th and 17th.

Barb Outschoorn and Don Leddy attended the CSAE Conference in Vancouver October 2nd to 4th. Participation in the Tourism Toronto booth during the tradeshow was well received and several contacts were made. Throughout the three day conference, many questions were fielded by association members about Direct Energy Centre and Allstream Centre. The conference provided excellent exposure to a very important demographic for Allstream Centre; in particular, sponsorship of the delegate bags was good exposure for Direct Energy Centre.

On October 14th and 15th Debbie Sanderson participated in the Tourism Toronto Signature Client Event in Montreal. The attending group was comprised of 16 members consisting of 15 hotels and 1 venue supplier representing Allstream Centre/Direct Energy Centre/Exhibition Place. This was a great opportunity to showcase the grounds and Allstream Centre specifically. The target market was corporate, and a vast majority of attendees were from the pharmaceutical industry. At each lunch Deb gave attendees an overview of Allstream Centre.

On November 2nd to 4th Laura Purdy travelled to Victoria, BC to attend ICCA. The International Association for Congress & Conventions is an established association that focuses on database lead generation for long-term international congress & convention centres. With the construction of Allstream Centre, we are now in a better position to enter the international meetings market. As outlined in the Board of Governors Sales & Marketing presentation on November 7th, ICCA forms part of our sales effort for Allstream Centre, and the combination AC/DEC sell. At the meeting Laura had the opportunity to attend an international sales meeting with SMG. Also in attendance at ICCA were Tourism Toronto, MTCC, and venues from Vancouver, Quebec City, Calgary & Montreal - all part of our Canadian competitive set. Following ICCA, Laura went to Vancouver's VCEC with Jeff Gay, to tour the venue and

meet with convention centre management and Centerplate. Discussion centered on the VCEC expansion and general operating and service delivery best practices for the convention and meetings markets.

Barb Outschoorn and Don Leddy participated at the November 13th "White Nights" event hosted by Tourism Toronto in Ottawa. The event was attended by approximately 80 association planners and was an excellent opportunity to network with potential clients, gauge hype Allstream Centre, garner new leads and build on current relationships.

Upcoming Business Travel

Don Leddy and Debbie Sanderson will be attending the K'nekt Sales Training with SMG in South Carolina on December 1st to 5th.

Barb Outschoorn will be attending Holiday Showcase in Chicago, Illinois, December 15th and 16th. She will participate in the Tourism Toronto's booth with the Canadian Tourism Commission, which will promote Toronto and Direct Energy Centre, Allstream Centre and Exhibition Place to qualified buyers. During this time Barb will also attend the MPI-Chicago Area Chapter Holiday Party for a preview networking opportunity to meet with many of these qualified planners and conference organizers.

Don Leddy will be travelling to the IAEE Convention in Miami, Florida on December 8th to 11th. A summary of all business travel will be presented in the next report.

Publicity

Allstream Centre

Allstream Centre was featured in the October 22 edition of Facilities Online and the October 29 edition of the UFI Exhibition Newsletter. Facilities Online also featured a group photo of the Sales & Management team at the topping off ceremony and offered a link back to the Exhibition Place website.

Direct Energy Centre

A press release titled "Direct Energy Centre invests in urban reforestation" was distributed and the story was picked up by UFI for their October 8th issue of their Exhibition Newsletter. This feature also provided a link back to the Direct Energy Centre Website.

Tourism Toronto's "Tourism Now" newsletter dated October 29 indicated Royal Agricultural Winter Fair in the events calendar and updated readers on the China Central Television coverage of Toronto. The focus was Toronto as a green and innovative city and Direct Energy Centre hosted the CCTV team for two afternoons. The CCTV crew featured various Exhibition Place and Direct Energy Centre green initiatives and interviewed both Arlene Campbell and Deputy Mayor Joe Pantalone. CCTV will air this 30 min documentary in China early 2009.

Tourism Toronto also hosted a 50 member information session on green and sustainable business practices featuring Laura Purdy as a key speaker on Direct Energy Centre. This event was also featured in the October 29th issue of Tourism Now.

The BizBash October 30th news update featured a story on Moses Znaimer and the Zoomer Trade Show crediting Direct Energy Centre as the event facility and provided a link back to the Direct Energy Centre website for additional information.

'The Atmospheric' newsletter produced by Toronto Atmospheric Fund, featured Direct Energy Centre in their November 4th, 2008 issue. The story titled "Parking rising energy costs" highlighted the new adaptive lighting technology in the parking garage.

The November 12th issue of Tourism Now included a repeat listing for Royal Agricultural Winter Fair in the events calendar.

The November/December issue of Communiqué (A CAEM publication) featured coverage of the CAEM Spring Educational Session & networking Luncheon held at Direct Energy Centre. Account Executive Geoff Mak is 1 of 5 CAEM volunteers quoted and featured in the magazine; Laura Purdy is also quoted in this edition. Centerplate's compostable program is highlighted among several facility photos.

Exhibition Place

The October 20th issue of the Toronto Sun included a special pull out section titled "Celebrating 100 Years" from the Toronto Automobile Dealers Association. The article "100 years and counting" showcased the automotive industry and featured a historical photo of the Automotive Building at Exhibition Place.

On October 23rd the Recycling Council of Ontario distributed a press release noting the winners of the Ontario Waste Minimization Awards and Exhibition Place was credited as a Platinum award winner. A press release was also distributed through the marketing department and the story was picked up by a new trade publication, Ignite magazine, and was featured online with top positioning in the Current News section.

The November 12th edition of Tourism Now picked up the story of Exhibition Place's Platinum win at the Ontario Waste Minimization Awards.

Exhibition Place was host to Mayor David Miller, Deputy Mayor Joe Pantalone among other notable guests at the media launch for the City of Toronto's SEF funds incentive program. At the November 17th media launch, held at Eco Pod 2, Exhibition Place was publicly acknowledged for its environmental responsibility. The Press Building was also featured during the unveiling of a permanent banner noting the building uses geothermal technology.

Exhibition Place is credited with "Setting New Precedents" regarding their environmental stewardship program in the November/December issue of Communiqué. The article also recognizes Exhibition Place for being the first facility to be named an Ontario Environment Leader.

Event Management Services

During the months of October and November of 2008, Event Co-ordinators and Exhibitor Services staff at Exhibition Place and Direct Energy Centre were involved in the following events:

OCTOBER
Trade/Consumer/Corporate Events
<ul style="list-style-type: none">▪ Toronto Ski, Snowboard and Travel Show▪ Style at Home Show

<ul style="list-style-type: none"> ▪ Screemers ▪ Bicycle Blow Out Sale ▪ Russian Trade Show ▪ Healthy Kids Expo ▪ Everything To Do With Sex Show ▪ National Home Show Photo Stills Shoot ▪ Ontario College Information Fair ▪ Digital Marketing CMA ▪ Paralegal Exams ▪ Toronto Hadassah-WIZO Bazaar
Other Events
<ul style="list-style-type: none"> ▪ Trunk Show ▪ Toronto Atmospheric Fund Luncheon ▪ Light Savers Symposium ▪ Toronto Marlies Tailgate Party ▪ Youth Energy Sustainable Solutions ▪ Canadian Ski Council Meeting ▪ Toronto FC Celebrations ▪ IATSE Local 673 Meeting ▪ Riding Academy Meeting ▪ CMHC Leaders Conference ▪ Toronto Community Housing Meeting ▪ TREC Educational Sessions ▪ Home Show Exhibitors Meeting ▪ CISC Meeting and Reception
NOVEMBER
Trade/Consumer/Corporate Events
<ul style="list-style-type: none"> ▪ The Zoomer Show ▪ Fall Postage Stamp Show ▪ Canadian Makeup Show ▪ Royal Agricultural Winter Fair ▪ School Library Resource Fair ▪ Aga Khan ▪ Print World 2008 ▪ Sick Kids Fundraising Dinner ▪ One of a Kind Christmas Craft Show
Other Events
<ul style="list-style-type: none"> ▪ CMHC Meeting ▪ Canadian Agricultural Hall of Fame ▪ Ontario Culinary Tourism Alliance ▪ TFI New Labels Jury Meeting (2 events) ▪ Semex Alliance Meeting ▪ Wind Turbine Workshop (2 events) ▪ OMAFRA ▪ Toronto Educational Opportunity Fund

- Sustainable Energy Launch
- TFI Seminar
- Hydro Children's Holiday Party
- CUPE Holiday Party
- Scotia Bank Holiday Party
- Energy Presentation
- Toronto Police Service Exams
- TD Children's Holiday Party

There was an excellent turn out for the Toronto Ski, Snowboard and Travel Show. Staff worked with Screemers in the QE Exhibit Hall to relocate this year from the BLC. The Russian Trade Show, Everything to do with Sex Show and Ontario College Fair were all well attended. The Home and Country Show was reformatted/ renamed to Style at Home Show and attendance was significantly higher this year. This year's Toronto Hadassah-WIZO Bazaar was the last in its 84 years history. Show organizers were very happy with our services, rating them as 'outstanding' on the post event survey. The RAWF was extremely pleased with their move in and reported much higher attendance than expected. Zoomers Show and the Canadian Makeup Show were both new events to Exhibition Place. Attendance was good in each and Zoomers expressed the wish to increase their rental space next year.

His Highness Aga Khan Shia Imami Ismaili Council for Canada returned to Direct Energy Centre for a three day religious gathering. Staff worked around the clock to prep and sanitize the building in the brief turnaround period during the move-out of the Royal Agricultural Winter Fair.

Numerous meetings and some early company holiday parties also took place during October and November. All were successful.

Exhibitor Services

October was a very active month for shows. Exhibitor Services managed order desk operations for seven major events. November continued to be active with three large shows and one new show. Exhibitor Services also welcomed a new part time staff member during October. December will be busy for Exhibitor Services this year as they will be proactively soliciting orders for the major events in the first quarter of 2009.

Staff Development

In November Jeff Gay, Director of Event Management Services, visited the Vancouver Convention and Exhibition Centre which is currently undergoing a significant expansion. The visit was timely as we are ramping up for the opening of Allstream Centre and Jeff had the opportunity to compare best practices related to:

- Selection of furniture , fixtures and equipment (FF&E)
- Event booking and management (EBMS) software and implementation
- Food and beverage operations (Centerplate is exclusive supplier to the VCEC)
- Building operations in the context of the meeting, conference & convention environment.

In December our Event Coordination staff plan to visit the Metro Toronto Convention Centre to observe their EBMS program in operation. This program is used to plan, organize and track service orders from show management. This program is planned for implementation at Exhibition Place in 2009.

Parking

Parking activity from events in October and November remained at 2007 levels or better. To accommodate the weekend parking demand during this period Parking Services arranged for Ontario Place to have all of its lots open for overflow parking. The combined spaces were sufficient to handle all of our parking needs.

Parking Services also worked with Ontario Place in November to secure all of their parking lots for the Aga Khan events held at Direct Energy Centre and Rogers Centre. Over the weekend, when the event moved into Rogers Centre, Exhibition Place surplus spaces were rented to the event organizers.

Telecommunications

Telecom /IT has been busy servicing a number of events during October and November. One of the most demanding in terms of implementation time lines was the Aga Khan event. Peak internet demands exceeded 160 wireless computer connections as well as various hardwire telephony and networking systems.

Wireless internet access is quickly becoming one of the most popular items in the data inventory of offerings to customers. Ease of deployment enables staff to quickly configure services for customers as well as creating virtual networks for groups that pay for blanket connectivity for their members. The current solution used across the campus of Exhibition Place is a Nortel 2380 WIFI controller. This system has excellent security and management capabilities and can also read RFID (Radio Frequency Identification) tags for future applications. The RFID capability could be incorporated into future asset/inventory management or for location based services. Additional access points (antennas) will be deployed within the Direct Energy Centre in December of this year in order to increase coverage and allow for higher densities of users.

Telecom/IT has also been testing wireless telephone service that emulates standard analog telephone lines. Many of the consumer show vendors still rely on conventional telephone connectivity for the Point of Sale (POS) terminals. Telecom hopes to be able to provide a hybrid solution of wired and wireless technology deployed as deemed to be most cost effective for these legacy users.

Building Operations

Electrical

- Ballasts were replaced in the Industry Building
- PM's were conducted in The Royal offices and lobby, substations, lower and upper West Annex, Industry offices, Mid arch and East Annex.
- North Extension was checked for fluorescents bulb burn outs and lighting in Halls A, B, C and D was also checked
- Floor ports were repaired and ad signs were turned on in Hall B.
- Missing lights and trim in the West Galleria were replaced.
- Replaced burnt out lights in Hall C, management hallway and garage. All exit lights were checked.
- The replacement of key switch at door 20.
- New circuits were installed and rewiring of sump pumps chiller room.
- Heaters were checked in the East Annex.
- Escorted building operation into NTC-4X.
- Replacement of motor in west garage.

- Installed fibre in room 22 to intel room.
- Generators were tested, connected motor in boiler room and installed new receptacle and battery pack ACX.

Maintenance

- Purchase orders were issued for the replacement of VFD (Variable Frequency Drive) for a 100hp secondary chill water pump (parts on order) and for the replacement of VFD for supply fan # 27 (parts on order).
- Chiller #3 electrical starter replacement in progress (Job started November 18). Obtaining quotes for chiller #3, unit has to be leak tested and then has to be topped-up with 1,000 Lbs of refrigerant (chiller was not running for the last few years due to the need of a new electrical starter).
- Installation was completed for one of the three new mid arch boilers and the unit was fired up on November 12th.

Facility Services

The Facility Services team is pleased to announce that, with the combined efforts of Canadian National Exhibition management and Facility Services, the CNE has reached an all time high waste diversion rate of 71% for 2008. This exceeds the percentage set by the CNE for 2008 and is nearly a full ten percent higher than the diversion rate achieved last year. With the efforts of the Facility Services staff we were able to coordinate our efforts with our contractors to reach this goal. Our fine sorting (solid waste is sent to a waste facility to be manually sorted) initiative, which began in August 2008, has been one of the main reasons for achieving this goal.

The following projects/activities were completed or are on-going.

- Organized uniform inventory and issued and documented issue of winter clothing to workforce.
- In the process of planning emergency snow removal services to ensure public safety.
- Ensured all snow equipment was maintained and installed.
- Purchased new equipment pre-inspection booklets and had them installed in vehicles.
- In the process of completing tool box talks to ensure the pre-trip inspections are completed.
- Parks and Recreation Department removed various plantings and returned them to the City greenhouse for storage.
- Scheduled shut-down of the irrigation system for this year.
- In the process of scheduling sanitization of the Industry Building and the East Annex post RAWF.
- A propane study was undertaken to determine the best possible location for new propane storage areas that will comply with the recent changes to the propane act and regulations.
- Completed a lighting grounds audit to determine areas that require more light or maintenance.
- Ordered another (50) 8ft. tables to add to our rental inventory.
- Received a **Platinum Facility Management Award** at the 2008 Recycling Council of Ontario, Waste Minimization awards ceremony.

Service Stars

Susan Solomon of Transcontinental Media G.P. sent e-mail to Ashton Sequeira on October 8th to say: "...thank you for the great, and I mean GREAT breakfast yesterday.... Please also convey our thanks to Robert and be sure the special care is very much appreciated."

Noel Mationg received e-mail from Susan Jellinck of Toronto Atmospheric Fund on October 22nd as follows: "I just wanted to thank you for the time you took out of your busy day to demonstrate the Direct Energy Centre garage adaptive lighting system with our international visitors on October 6th. I *really* appreciated that you stepped in at the last minute to do this. We owe you another thank you for turning the outdoor lights on early for us. The demonstrations (and the conference the next day) were a great success and it wouldn't have happened without you."

Cathy Landolt of Digital Marketing sent e-mail to Natalie Belman, Beth Kaweck, and Sandra Polombo on October 30th regarding the Canadian Marketing Association event held in Heritage Court. "Thank you so much for all your help with our event yesterday and today. Thank you for being flexible with our needs and for accommodating our last minute requests. The staff on the floor were great to work with and I really enjoyed working with all of you."

Jennifer Foster received the following e-mail from Christine Carr of the Canadian Urban Institute on November 10th: "...thank you for your time and effort in organizing meetings with Mr. Nobuhiro Takegawa as part of the study tour that was organized by the Japan Ministry of Home Affairs and the Council of Local Authorities for International Relations. We understand that it was short notice and want to thank you for your patience and understanding in making the meetings successful. Mr. Takegawa truly appreciates your hospitality, kindness and wonderful support..."

Rob McCall of the Royal Agricultural Winter Fair forwarded an e-mail he received from Anne Welch, also of RAWF, dated November 15th regarding Antonio Rodrigues of the Exhibition Place cleaning department. Anne wrote that Antonio "has been absolutely wonderful – efficient, friendly and accurate and mindful of people and animals..... he worked the LEAnnex through the Dairy Goat Show and the Breeding Sheep Show – it was noticed not only by me, but independently noted by the Announcers of each of those two shows as well as from some exhibitors."

Bella Bogdanis of the City sent e-mail on November 18th to Dionne Bishop, Francesca Leone and Ron Kostick to say "Thanks to all of you for all the hard work pulling together the SEF Media launch yesterday. The Mayor's office was very happy with the event. Your efforts really paid off."

Jim MacGregor received e-mail from Seira Furtado of Scotiabank on November 23rd as follows: "Just wanted to take a moment to say 'thank you' for all your help with the party. You made my job easier and I certainly appreciated all you support. You sure do know your job and you do it well Jim!"

Finally, and perhaps most meaningfully of all, staff of Exhibition Place and Centerplate received the following e-mail from Dianne Young on November 28th:

"It is amazing to see what staff you have accomplished over the last 2 weeks. It couldn't have happened without all of your dedication, creativity and hard work."

The conversions and service delivery accomplished are some of the most challenging seen in any facility or site in the world. We went from having the largest Agricultural Fair in North America, to a record conversion overnight to allow the move-in for Print World, the celebrations for the Golden Jubilee for his Highness the Aga Khan and our annual Holiday Party clients. And last night, Heritage Court hosted the Chanel event to benefit the Sick Kids Foundation, and One of a Kind Christmas Show opened.

Each of our teams supported this success from Sales, Facility, Event Services, Parking, Operations, Security, IT & Telecom, Food Services, and Finance and Administration. You all made it work together. Not only did you make Exhibition Place proud but supported some of the City's most diverse and important events.

On behalf of the Chair of the Board of Exhibition Place, Deputy Mayor Pantalone, thanks - to each and every one of you.

Take a bow Exhibition Place, you are one of the best in North America!"

Centerplate

Retail Department

October was a busy month with revenues derived primarily from the Ski Show, Style at Home Show and Sex Show.

The Ski Show went well in the Better Living Centre this year. Space was great and the food court worked well. Clients and guests both commented on how the flow for food services was improved over when they were in the Automotive Building. The food elements were themed to fit the style of this show, with long wooden picnic tables and Fresh Homemade Chili providing the atmosphere of a ski lodge.

The Style at Home Show brought solid growth this year, with food sales up 12% over last year. The bistro restaurant provided most of the growth. We improved the aesthetics of our concepts this year, as noted by the client in her post evaluation comments. The Smoked Turkey and Oven Roasted Tomato Panini was our best seller!

The Sex Show was also a successful event. Beverage sales made up most of the revenues at this event, with frozen cocktails including Margaritas and Strawberry Daiquiris on offer.

Revenues from retail were primarily driven from The Royal Agricultural Winter Fair. We had two retail concepts at this event in addition to our regular fixed concession outlets. The first was the Fish and Chip/ Pulled Pork cart located in the food court at Direct Energy Centre. This was the first year that we participated in the food court area and it was a valuable learning experience. We look forward to next year when we take these concepts to the next level.

The second concept was The Journey Café. As part of the "Journey to Good Heath" area at The Royal, we had a food stand consisting of all local Ontario food products. The following menu items were featured through the event:

- Grilled Vegetable Panini with balsamic marinated eggplant, peppers, zucchini, Bermuda onion, provolone, and fresh basil on herbed foccacia baguette
- Royal Salad with mixed green and cranberries, oven-roasted tomato, Woolwich Dairy goat cheese and red wine vinaigrette
- "Quesadelicious" quesadilla with roasted butternut squash, caramelized onion, tofu and cheddar served with Sour Cream and Homemade Cherry Tomato Relish

Catering & Sales Department

The catering department had two events that drove the majority of the revenues in October; Toronto Community Housing and Digital Marketing. Toronto Community Housing was a two day event, with most of the activity occurring on day two. Centerplate hosted a breakfast, lunch and dinner as well as breaks for 500 guests. Digital Marketing was also a two day event with breaks, lunch and a reception for 200 guests. Both events went very well.

November was a strong month for catering sales, due in large part to new business derived from The Royal. Centerplate executed all the catering components of The Royal this year. Most of the events were very high end, including the opening and closing dinners, as well as the "Friends of the Royal" reception.

The theme for this year was local Ontario food options. Chef Robert Campbell worked hard to source all local Ontario products through dozens of local framers. The results were fantastic! In addition to traditional offerings such as corn fed beef and chicken, smoked trout and steelhead, roasted root vegetables and Ontario cheeses, there were also some unexpected delights such as blood red carrots, grape tomato relish, poached Bosc pear, oyster mushrooms and bright lime green peppers.

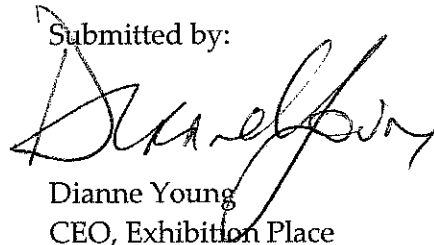
We received great feedback from the guests throughout the event. All told, Centerplate fed an estimated 15,000 hungry guests over the 10 day period!

Submitted by:



Arlene Campbell
General Manager, Sales & Events

Submitted by:



Dianne Young
CEO, Exhibition Place

APPENDIX 'A'

Combined Direct Energy Centre and Exhibition Place Financial Summary

Statement Of Operations Highlights Ten Months Ended October 31, 2008					
	Current Month		YTD		
	Actual	Budget	Actual	Budget	Variance
	\$	\$	\$	\$	\$
Event Income	2,343,566	2,419,347	22,584,985	22,472,529	112,456
Direct Expenses	508,668	324,430	4,048,690	3,823,480	(225,210)
Indirect Expenses	1,235,876	1,471,793	19,082,091	19,331,260	249,169
Net income	599,022	623,123	(545,796)	(682,211)	136,415

**DIRECT ENERGY CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
OCTOBER 2008 and YEAR TO DATE**

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Number of Events	13	4	9	69	30	39
Direct Event Income	399,698	591,668	(191,970)	6,307,283	6,622,749	(315,466)
Ancillary Income	266,661	315,273	(48,612)	2,509,847	2,675,013	(165,166)
Advertising Income	18,420	24,993	(6,573)	176,753	247,153	(70,400)
Rioch & MLSE Recovery	(2,200)	-	(2,200)	3,800	-	3,800
Naming Rights	58,333	58,333	(0)	583,333	583,333	(0)
Total Event Income	740,912	990,267	(249,355)	9,581,017	10,128,248	(547,232)
Direct Expenses	96,713	43,035	(53,678)	506,422	444,966	(61,455)
Indirect Expenses	275,349	279,487	4,138	2,892,589	2,812,293	(80,296)
Naming Rights	58,333	58,333	(0)	583,333	583,333	0
Total Event Expenses	430,395	380,855	(49,540)	3,982,344	3,840,593	(141,751)
NET INCOME	310,517	609,412	(298,895)	5,598,672	6,287,656	(688,983)

DIRECT ENERGY CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
OCTOBER 2008 with COMPARISON TO OCTOBER 2007

	2007 YTD OCTOBER ACTUAL	2008 YTD ACTUAL	2008 YTD BUDGET	2008 VARIANCE	VARIANCE TO YTD OCTOBER 2007 ACTUAL	VARIANCE TO YTD SEPT 2007 %
Number of Events	81	69	30	39	(12)	(14.8%)
Direct Event Income	6,976,012	6,307,283	6,622,749	(315,466)	(668,729)	(9.6%)
Andillary Income	2,486,413	2,509,847	2,675,013	(165,166)	23,434	0.9%
Advertising Income	175,577	176,753	247,153	(70,400)	1,176	0.7%
Ricoh & MLSE Recovery	67,942	3,800	-	3,800	(64,142)	(94.4%)
Naming Rights	583,333	583,333	583,333	(0)	-	
Total Event Income	10,289,277	9,581,017	10,128,248	(547,232)	(708,261)	(6.9%)
Direct Expenses	725,697	506,422	444,966	(61,455)	219,276	30.2%
Indirect Expenses	2,864,792	2,892,589	2,812,293	(80,296)	(27,797)	(1.0%)
Naming Rights	583,333	583,333	583,333	-	-	
Total Event Expenses	4,173,822	3,982,344	3,840,593	(141,751)	191,478	4.6%
NET INCOME	6,115,455	5,598,672	6,287,656	(688,983)	(516,783)	-8.5%

**DIRECT ENERGY CENTRE
EVENT STATISTICS**
FOR THE MONTH ENDED OCTOBER 31, 2008

	MONTH ACTUAL	YTD ACTUAL	PRIOR YEAR ACTUAL
Attendance [Note: 1]	171,825	745,575	853,600

	(NOTE 1) ACTUAL # OF PERFORMANCES		(NOTE 3) NET EVENT INCOME (IN THOUSANDS)		(NOTE 2) REFRESHMENT PER CAP'S
EVENT	2008	2007	ACTUAL	BUDGET	ACTUAL
Consumers Show	28	36	4,757	5,940	4.48
Trade Show	15	21	1,004	1,554	4.33
Concert	0	0	-	-	-
Photo/Film Shoot	1	3	2	-	40.00
Meeting/Corporate	25	21	478	-	12.76
	69	81	6,241	7,494	62

Note: 1 Attendance estimates provided by Show Management.

Note: 2 Refreshment per cap's based on information reported by Centerplate

Note: 3 Net event income includes rent and services, ancillary income includes catering and electrical commissions.

DIRECT ENERGY CENTRE
BALANCE SHEET
AS AT OCTOBER 31, 2008

ASSETS

	2008	2007
CURRENT ASSETS		
CASH	167,570	435,099
ADVANCE TO EX PLACE	3,670,000	420,000
TERM INVESTMENTS	7,650,000	6,700,000
AMERICAN EXPRESS	52,459	12,986
TRADE ACCOUNTS RECEIVABLE		2,732,438
ALLOWANCE FOR DOUBTFUL ACCOUNTS		(92,508)
NET ACCOUNTS RECEIVABLE	2,639,930	2,684,217
RECEIVABLE FROM EX PLACE	-	0
OTHER RECEIVABLE	630,591	662,079
PREPAID EXPENSES	56,484	95,090
TOTAL CURRENT ASSETS	14,867,034	11,009,471
FIXED ASSETS		
EQUIPMENT - NET	25,148	33,282
TOTAL ASSETS	14,892,182	11,042,752

LIABILITIES & EQUITY

CURRENT LIABILITIES		
ACCOUNTS PAYABLES & ACCRUED LIABILITIES		2,000,274
PROVINCIAL & FEDERAL SALES TAX PAYABLE		93,122
RESERVE - ENVIRONMENTAL/GREENING INITIATIVE		775,377
DEFERRED REVENUE	9,401,649	9,898,395
EQUITY		
NET INCOME (LOSS) CURRENT	5,598,672	1,492,752
PRIOR YEAR PSAB ADJUSTMENT	(348,396)	(348,396)
PRIOR YEAR SURPLUS - 2007		2,240,256
SURPLUS DISTRIBUTION TO EXPLACE		(2,000,000)
BALANCE	240,256	0
	14,892,182	11,042,752

FINANCIAL STATEMENT HIGHLIGHTS
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED OCTOBER 31, 2008

	MONTH	YTD
CASH FLOW FROM OPERATIONS		
NET INCOME (LOSS)	310,517	5,598,672
ADD: DEPRECIATION	1,269	2,576
SOURCES (USES) OF CASH		
TERM INVESTMENTS	(1,600,000)	(450,000)
ACCOUNTS RECEIVABLE - TRADE	(192,947)	(653,921.13)
RECEIVABLE FROM EX PLACE B.O.G	0	-
ACCOUNTS RECEIVABLE - OTHER	(121,984)	168,920
PREPAID EXPENSES	(35,922)	(37,271)
ACCOUNTS PAYABLE & ACCRUED EXPENSES	204,488	(2,576,711)
OTHER PAYABLES	(74,366)	7,657
RESERVE - EXHIBITION PLACE NAMING RIGHTS	58,333	447,700
DEFERRED INCOME	1,343,276	2,055,818
NET CASH FROM OPERATIONS	(107,336)	1,313,442
OTHER SOURCES (USES) OF CASH	0	-
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.		(2,000,000)
NET INCREASE (DECREASE) IN CASH	(107,336)	(686,558)
BEGINNING CASH BALANCE	274,906	854,128
ENDING CASH BALANCE	167,570	167,570

DIRECT ENERGY CENTRE

CHEQUE DISBURSEMENTS - OCTOBER 2008

GREATER THAN \$50,000

Check No	Date	Payee	Amount	Description
25681	10/27/2008	CITY OF TORONTO	\$ 1,600,000.00	TERM INVESTMENT
25661	10/22/2008	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	359,196.07	SALARIES AND BENEFITS PERIOD ENDING OCTOBER 11, 2008; TIME AND MATERIALS FOR VARIOUS SHOWS
25651	10/20/2008	CANADA CUSTOMS AND REVENUE AGENCY	150,993.76	SEPTEMBER 2008 GST REMITTANCE
25630	10/8/2008	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	136,870.60	SALARIES AND BENEFITS PERIOD ENDING SEPTEMBER 27, 2008 FOOD & BEVERAGE COMMISSION FOR VARIOUS SHOWS
25686	10/27/2008	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	116,062.05	TIME AND MATERIALS FOR CNE
25631	10/8/2008	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	52,347.36	BOREALIS SUBLEASE FOR OCTOBER AND PARKING REVENUE FOR VARIOUS SHOWS
DISBURSEMENTS OVER \$50,000.00			<u>\$ 2,415,469.84</u>	
OTHER DISBURSEMENTS LESS THAN \$50,000.00			<u>150,489.92</u>	
TOTAL DISBURSEMENT			<u>\$ 2,565,959.76</u>	

**THE BOARD OF GOVERNORS OF EXHIBITION PLACE
FINANCIAL STATEMENT HIGHLIGHTS
OCTOBER 2008 and YEAR TO DATE**

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Direct Event Income						
Rentals	122,192.43	66,975.08	55,217.35	1,014,458.57	1,194,057.83	(179,599.26)
3rd Party Billings	267,260.52	180,283.39	86,977.13	2,165,880.30	2,210,924.64	(45,044.34)
Parking - EP	470,875.42	407,300.00	63,575.42	4,062,574.42	3,472,800.00	589,774.42
Parking - BMO Field	14,891.15	56,100.00	(41,208.85)	718,341.05	532,500.00	185,841.05
Advertising & Sponsorship	106,787.55	97,271.25	9,516.30	363,478.80	353,962.50	9,516.30
Program Recoveries + Others	111,001.23	34,166.80	76,834.43	443,561.20	267,023.76	176,537.44
Rent - MLSE - Ricoh Coliseum	48,976.79	48,630.17	346.62	486,648.29	486,301.67	346.62
CNE Recovery	460,669.00	538,353.00	(77,684.00)	3,749,026.00	3,826,710.00	(77,684.00)
Total Event Income	1,602,654.09	1,429,079.69	173,574.40	13,003,968.63	12,344,280.40	659,688.23
Expenses:						
Direct Expenses	411,955.54	281,395.79	(130,559.75)	3,542,268.64	3,378,513.73	(163,754.91)
Indirect Expenses	902,194.13	1,133,973.36	231,779.23	15,606,168.07	15,935,633.16	329,465.10
Total Event Expenses	1,314,149.67	1,415,369.14	101,219.48	19,148,436.71	19,314,146.89	165,710.19
NET INCOME /(LOSS)	288,504.42	13,710.55	274,793.88	(6,144,468.08)	(6,969,866.49)	825,398.41

**BOARD OF GOVERNORS - EXHIBITION PLACE
BALANCE SHEET
AS AT OCTOBER 31, 2008**

ASSETS

Current Assets	
Cash & Cash Equivalent	890,615.14
Term Investment with the City	<u>7,500,000.00</u>
Accounts receivable	
Trade	1,985,986.65
Less: Allowance for Doubtful Accounts	<u>(45,582.90)</u>
Other Receivables	
	699,530.92
Inventories - Stores	141,372.62
Prepaid expenses	<u>128,349.99</u>
Total Current Assets	<u>11,300,271.42</u>
Receivable from the City of Toronto - PSAB	4,134,964.21
Receivable from the City of Toronto - Capital	62,924.43
Rent Receivable (Step-Up Lease)	2,537,302.46
Capital assets, net	55,488.00
TOTAL ASSETS	<u><u>\$ 18,090,950.52</u></u>

LIABILITIES & EQUITY

LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 7,001,500.07
Accounts Payable - Others	<u>6,006,945.47</u>
Total Current Liabilities	<u>\$ 13,008,445.54</u>
Due to/Due From CNEA	4,059,267.50
Other Liabilities	
Employee Benefits - PSAB	7,809,289.57
EQUITY	
Net Income/(Loss) - Current Period	(6,144,468.08)
Combined 2007 Profit/Loss	<u>(641,584.01)</u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 18,090,950.52</u></u>

BOARD OF GOVERNORS OF EXHIBITION PLACE
FINANCIAL STATEMENT HIGHLIGHTS
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED OCTOBER 31, 2008

	MONTH	YTD
CASH FLOW FROM OPERATIONS		
NET INCOME (LOSS)	288,504.42	(6,144,468.08)
ADD: depreciation	3,464.44	34,644.44
SOURCES (USES) OF CASH		
Accounts receivable	139,304.48	1,990,354.46
Other Receivable	161,852.28	254,567.65
Inventories	(47,951.40)	(152,518.84)
Term Investment	1,000,000.00	(5,490,492.46)
Rent Receivable (Step-Up Lease)	(68,499.11)	14,857.45
Accounts Payable + Accrued & Other Liabilities	(1,598,796.00)	7,025,256.89
NET CASH FROM OPERATIONS	(122,120.89)	(2,467,798.49)
OTHER SOURCES (USES) OF CASH		
Remittance of Y2007 Surplus - DEC BMO		2,000,000.00
		468,070.00
NET CASH FROM OTHER SOURCES	-	2,468,070.00
NET INCREASE (DECREASE) IN CASH	(122,120.89)	271.51
BEGINNING CASH BALANCE	1,012,736.03	890,343.63
ENDING CASH BALANCE	890,615.14	890,615.14