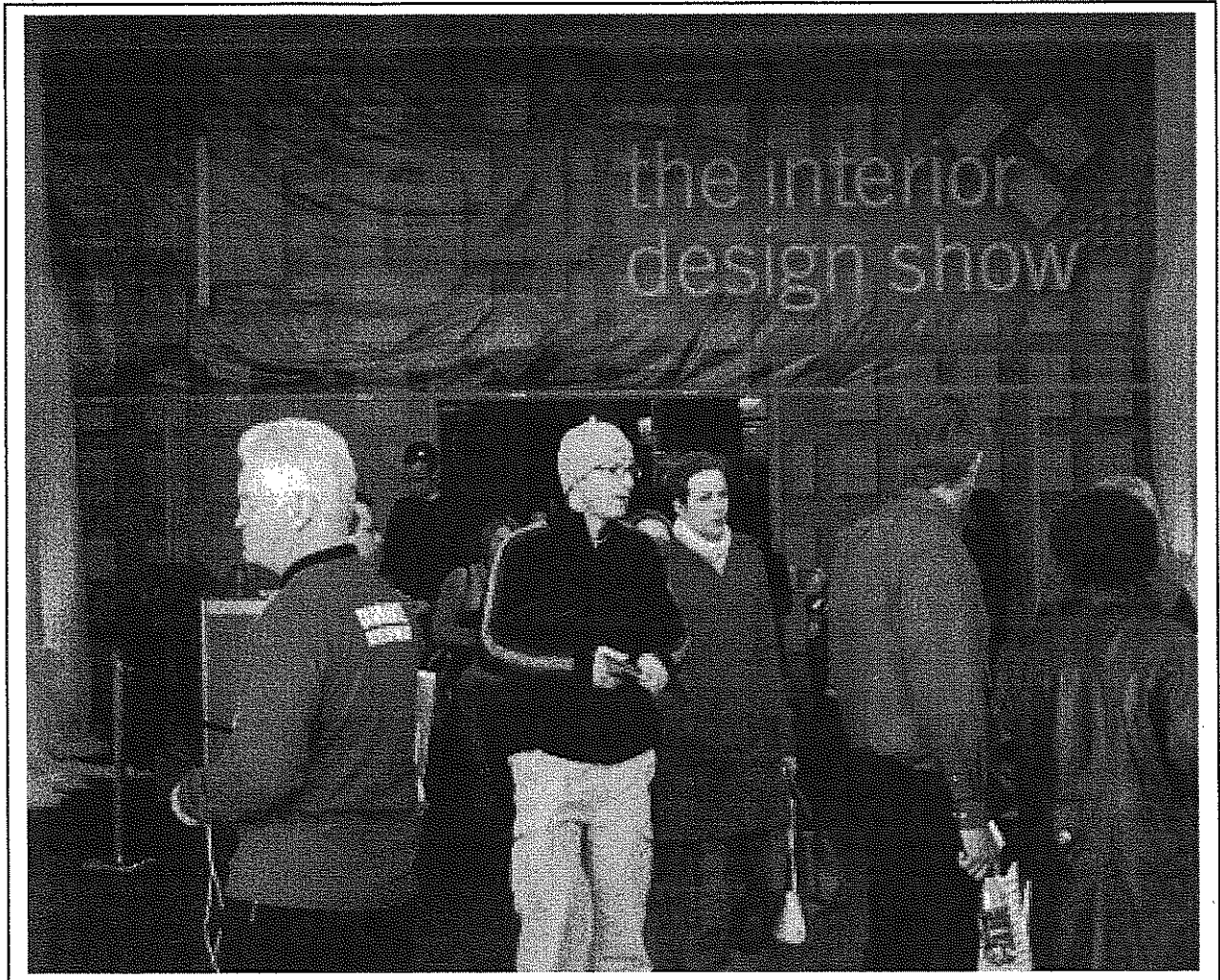


THE NATIONAL TRADE CENTRE
MANAGEMENT REPORT

FOR THE MONTHS ENDING
JANUARY 31 AND FEBRUARY 29, 2004



Interior Design Show

SUBMITTED BY:

RON TAYLOR
MANAGING DIRECTOR/O&Y/SMG CANADA

ARLENE CAMPBELL
GENERAL MANAGER/NTC

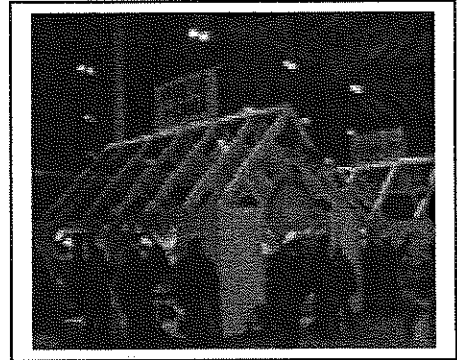


SALES & MARKETING

JANUARY AND FEBRUARY SALES EFFORTS

During the months of January and February, our Sales & Marketing team secured 10 new events for 2004 increasing our total to 22. The events are categorized as follows:

- 6 consumer shows
- 3 trade shows
- 8 special events/film/photo shoots
- 5 corporate bookings/meetings/holiday parties/misc.



Canadian Home Workshop Show

SALES INITIATIVES

- 6 license agreements were issued to clients for new 2004 events
- The Sales Team continued working along side Exhibition Place to finalize the Filming Policy document. The staff is planning to conduct a sales blitz to target Canadian Film contacts to promote filming at our facility.
- Organization began on a sales blitz to key national automotive manufacturers to promote ride and drives, product launches and meetings. Staff is working on a power-point presentation to email to these contacts.
- The Sales Team also continued to work on generating marketing and booking business for Ricoh Coliseum.

BUSINESS TRAVEL

Ellen de Boer attended the Religious Conference Management Association (R.C.M.A) 32nd World Conference and Exposition in Pittsburg, Pennsylvania January 27 – 30/04 as part of the SMG team. Ellen is currently working with Tourism Toronto to follow up on sales leads with targeted religious groups to promote Toronto and The National Trade Centre.

PUBLICITY

During the months of January and February, events at The National Trade Centre, including the National Bridal Show, Toronto International Boat Show, Speedorama, Interior Design Show and Canadian Home Workshop Show received media attention from several newspapers and radio/television media including Toronto Star, Toronto Sun, Globe and Mail, CITYTV, CP24 and Global.

An article entitled, "To Boldly Go" which focused on world renowned architectural firm, Zeidler Partnership, was contained in the February 2004 issue of Auditoria magazine. The article included an exterior photo of The National Trade Centre as well as a column on the facility's architecture and how it ties in with its surrounding environment.

EVENT SERVICES

January and February Summary:

During the months of January and February 2004, Event and Facility co-ordinators at The National Trade Centre were involved in the following events:

JANUARY	
National Trade Centre Events	Exhibition Place Events
Consumer	
<ul style="list-style-type: none"> • National Bridal Show • National Franchise Business Opportunities Show • Toronto International Boat Show • Toronto Celebrates Lunar New Year • Speedorama 	
Other	
<ul style="list-style-type: none"> • Suave Commercial Film Shoot • On Air Ambulance Show • Integrated Auto Detailing 	
FEBRUARY	
National Trade Centre Events	Exhibition Place Events
Consumer	
<ul style="list-style-type: none"> • Psychics Mystics Seers Fair • Canadian Home Workshop 	
Other	
<ul style="list-style-type: none"> • Canadian Hardware and Building Material Show • Islamic Prayer Festival • PACex Exhibitors Info. Session • Interior Design Show • Elementary Ontario Teachers Conference • PPA Trade Show • Ontario Recreational Facility Association Training • CAEM AGM Meeting 	

NTC EVENTS

The Bridal Show in January was very well attended. The Franchise Show in the Automotive Building experienced heating difficulties during move-in and the show itself. Staff has been in contact with Exhibition Place Capital Works in order to correct the HVAC system issues. The Toronto Boat Show built 'The Lake' in the Ricoh Coliseum that featured a one million gallon lake of water pumped from Lake Ontario. The space was used as a floating harbour with docks

and a restaurant. This was the first time the arena was used for this purpose and it worked quite well. Attendance at Toronto Celebrates Lunar New Year was very good this year.

Attendance at the Psychics, Mystics & Seers Festival was much lower than hoped for. Staff placed additional signage during multiple events to assist patrons. The Canadian Home Workshop was very smooth with very good attendance.

RICOH COLISEUM

During January and February, the games were generally of lower attendance with some notable exceptions. The public skate program has been working well for the most part with the exception of some minor incidents that were quickly handled through security. We are now getting notes from service providers after each game and event to allow us to detect and address deficiencies. Overall the arena program is operating well. New procedures are in place to address gate opening delay (communication with attendees, etc.) and alternate entrances for high attendance games.

Reductions have been made to cleaning, ushers, ticket takers, event security and conversion crews wherever possible and in light of attendance patterns and efficiencies learned after the opening of the arena.

As part of our training program, the Facility Manager will be attending the Oglebay Public Assembly Facility Management Course on June 5 – 11, 2004.

TELECOMMUNICATIONS

Telecommunications has finalized the payphone agreement with First Canadian Telecommunications (FCT). Due to potential sponsorship elements, the new agreement for Pay Phone provisioning is on a month-to-month basis. In order to generate additional revenue for the Board, the Telecommunications Department suggested that FCT purchase phone lines from the Board instead of Bell Canada. Testing of the scenario proved to be a success and FCT has agreed to purchase lines from the Board's system. This is a "win,win" solution; Exhibition Place generates additional revenue, while the Pay Phone provider saves money on it's provisioning requirements. In order to facilitate the new service, the Telecommunications Department has purchased three additional analog line cards and has provisioned up new DID (direct inward dial) numbers.

Telecom services for shows and events for the first two months of the year have been successful with the Boat Show seeing substantial additional revenues over the previous year. Telecommunications is working on a variety of new technology initiatives in order to ensure that the services it has to offer are "state of the art".

BUILDING OPERATIONS

- AC Technical continues with the upgrades and modifications to the CCTV security system as per the approved program and capital budget. They are 95% complete.
- Electrical buss duct repairs have been initiated for the two sections of buss duct that was damaged during the Canadian Tool Show in Hall "D".
- Adjusting the space allocations to the first-aid room and building employee kitchen have added additional office space for Sales and Marketing.

- Vipond continues to work to resolve the ground faults in the fire alarm system at the NTC. These faults have been cleared for the remote dial-up system for Chubb Security Systems. It was repaired and confirmed as fully functional.
- Preventative Maintenance has been ongoing throughout the facility, with major HVAC filter replacements being addressed and burnt out lights being re-lamped.
- Chemical feed pumps and systems have been ordered for the Clayton boilers to protect the delicate coils in these units. Also, a number of out-dated valves are being replaced to ensure safe operation.
- Building staff have interviewed and hired a new building operator for the NTC. He will begin mid-March. He has an extensive background in HVAC and building systems as well as the Angus Preventative Maintenance Program.
- The West Annex steam lines and condensate pumps have been repaired. Vent piping has been completed through the roof of the West Annex.
- Automotive rooftop units required a small circulation pump to be repaired to ensure the system remains completely operational during the cold season.
- Recommendation for upgrades to the Automotive Building heating system has been made to Capital Works and is being investigated for 2004.
- The Automotive Building projects for upgrades to the fire alarm and emergency lighting have started with consultants performing the preliminary investigation.

FACILITY SERVICES

The Facility Department was instrumental in delivering services and maintaining The National Trade Centre and Ricoh Coliseum. The turnover from hockey to a marina / restaurant was most challenging and very successful. Staff are in the process of estimating many arena turnovers and events as Marketing is working hard to attract potential clients. Scheduled and unscheduled maintenance of the building and equipment has been on-going. The department continues to liaise with Capital Works on building and property improvements. Frequent discussions with PCL constructors and Borealis continue in order to identify arena deficiencies and investigate possible solutions to reduce turnover costs and enhance productivity. The coordinators attended an educational ORFA regional information session on arena refrigeration and renovations.

The following facility projects were scheduled:

- Purchased new interior plants at each beacon in the Galleria.
- Scheduled maintenance check and repair of mechanical doors and dock plates throughout complex.
- Repairs to Hufcore wall partitions throughout complex.
- Assisted Capital with a new rubber door purchase on the West loading dock.
- Maintenance to all door hardware per Angus Program.
- Equipment repairs by contractors and EX. PL. garage.
- Painting touch-ups to salons, meeting rooms and halls.
- Refurbishing galleria window benches & salon doors.
- Re-pinning of locks on salons and offices to improve our clients security.
- Steam cleaned thousands of fabric chairs (on-going).
- Produced and installed various arena signs.
- Swept the underground as required and cleaned all mechanical rooms.
- Organized propane distribution to external show companies.

FINANCIALS

Net Operating Income for the two months ending February 29, 2004 was \$753,552 compared to a budget of \$695,432 for a favourable variance of \$58,120.

- Rental income at \$1,602,972 is unfavourable to budget by (\$36,200) mainly due to timing of new business.
- Electrical services of \$139,082 were below budget by (\$29,788) due to higher delivery costs for the Boat Show and Chinese Lunar New Year event.
- Direct and indirect expenses are favourable to budget by \$181,391 partly as a result of timing on marketing dollars and savings in salaries for the Finance and Operations Departments due to vacant positions in January and February.
- Food & Beverage concessions of \$223,719 are unfavourable to budget by (\$77,666) due to lower attendance for consumer shows.
- Telecommunications at \$73,403 is favourable to budget by \$13,749 due to higher demand for internet services for the Boat Show.

Accounts receivables for the month ending February 29, 2004 were \$2,322,140 consisting mainly of:

- \$1,319,048 for services on completed events.
- \$368,523 owed as deposits for future events of which \$105,370 has been received by March 8, 2004.
- \$177,268 of inter-program settlements, for Exhibition Place event support services.
- \$122,044 of Food & Beverage Concessions is owed by Centerplate, contractually due on the 25th of the following month.
- \$74,494 for Coliseum partners and sub-contractors for Arena-related project costs, of which \$32,277 has been received by March 8, 2004.

The Finance Department has been providing extensive accounting support to the Ricoh Coliseum Owners Group.

SERVICE STARS

Bob Elliot of the Canadian Hardware & Building Materials Show wrote on February 19th to say "Knowing the changes that have face our show these past few years only seems to make your team work harder on our behalf. I can't tell you how much we all appreciate that fact." Show Management was also very pleased with Deb Bobechko and the catering service they received.

CENTERPLATE

RETAIL DEPARTMENT

Shows for the first two months of the year included The Toronto International Boat Show, Speedorama, The Chinese Lunar New Year, The Canadian Hardware & Building Materials

Show, Psychics, Mystics & Seers, The Interior Design Show, PPA and The Canadian Home Workshop Show.

Most shows did well. A partnership with Henry's Fish House from Georgian Bay and Centerplate created quite a stir at the Boat Show giving visitors a taste of Georgian Bay at the Marina at the Ricoh Coliseum. The spin off beverage business made the partnership a positive experience.

CATERING DEPARTMENT

Catered events for the period were mostly a component of Trade and Consumer shows. Centerplate is beginning development of its holiday packages and marketing plans for them.

Sales for the year should be strong as Centerplate is competing for many large events this year. The phones have been ringing steadily with calls for information.

APPENDIX "A"

THE NATIONAL TRADE CENTRE FINANCIAL STATEMENT HIGHLIGHTS FEBRUARY 2004 and YEAR TO DATE

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Number of Events	9	7	2	16	12	4
Direct Event Income	526,684.10	652,153.00	(125,468.90)	1,703,399.60	1,788,251.00	(84,851.40)
Ancillary Income	387,056.11	375,410.00	11,646.11	785,700.49	826,770.00	(41,069.51)
Advertising Income	23,754.00	31,679.00	(7,925.00)	49,592.00	46,942.00	2,650.00
CNE Recovery	-	-	-	-	-	-
Total Event Income	937,494.21	1,059,242.00	(121,747.79)	2,538,692.09	2,661,963.00	(123,270.91)
Direct Expenses	475,863.64	531,188.00	55,324.36	1,067,215.01	1,103,839.00	36,623.99
Indirect Expenses	352,343.52	438,046.00	85,702.48	717,924.87	862,692.00	144,767.13
Total Event Expenses	828,207.16	969,234.00	141,026.84	1,785,139.88	1,966,531.00	181,391.12
NET INCOME (LOSS)	109,287.05	90,008.00	19,279.05	753,552.21	695,432.00	58,120.21

NOTE: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At February 29, 2004 the markup paid to Exhibition Place was a total of \$ 84,763.79 (\$ 66,050.48 expensed against direct event income and the balance of \$ 18,713.31 in direct expense)

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AS AT FEBRUARY 29, 2004 with COMPARISON TO FEBRUARY 2003**

	2003 YTD FEBRUARY ACTUAL	2004 YTD ACTUAL	2004 YTD BUDGET	2004 VARIANCE	VARIANCE TO YTD FEBRUARY, 2003 ACTUAL	%
Number of Events	19	16	12	4	(3)	(15.8%)
Direct Event Income	1,785,353.17	1,703,399.60	1,788,251.00	(84,851.40)	(81,953.57)	(4.6%)
Ancillary Income	572,329.39	785,700.49	826,770.00	(41,069.51)	213,371.10	37.3%
Advertising Income	50,426.00	49,592.00	46,942.00	2,650.00	(834.00)	(1.7%)
CNE Recovery	-	-	-	-	-	0.0%
Total Event Income	2,408,108.56	2,538,692.09	2,661,963.00	(123,270.91)	130,583.53	5.4%
Direct Expenses	1,025,442.58	1,067,215.01	1,103,839.00	36,623.99	(41,772.43)	(4.1%)
Indirect Expenses	706,156.00	717,924.87	862,692.00	144,767.13	(11,768.87)	(1.7%)
Total Event Expenses	1,731,598.58	1,785,139.88	1,966,531.00	181,391.12	(53,541.30)	(3.1%)
NET INCOME (LOSS)	676,509.98	753,552.21	695,432.00	58,120.21	77,042.23	11.4%

Note: 1

Actuals include 12% markup paid to Exhibition Place on labour and materials. At February 29, 2004 the markup paid to Exhibition Place was a total of \$ 84,763.79 (\$ 66,050.48 expensed against direct event income and the balance of \$ 18,713.31 in direct expense)

THE NATIONAL TRADE CENTRE EVENT STATISTICS

FOR THE MONTH OF FEBRUARY 29, 2004

	<u>MONTH ACTUAL</u>	<u>YTD ACTUAL</u>	<u>PRIOR YEAR ACTUAL</u>
Attendance [Note:1]	103,415	297,660	323,600

EVENT	ACTUAL # OF PERFORMANCES			(IN THOUSANDS)		REFRESHMENT PER CAP'S ACTUAL [Note: 2]
	2004	2003	2002	NET EVENT INCOME [Note: 3]		
				ACTUAL	BUDGET	
Consumers Show	8	10	7	1,295	1,341	2.77
Trade Show	4	3	1	473	644	4.02
Photo/Film Shoot	1	2	1	16	-	15.80
Meeting/Corporate	3	4	6	49	-	1.02
	16	19	15	1,832	1,985	

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.

THE NATIONAL TRADE CENTRE
BALANCE SHEET
AS AT FEBRUARY 29, 2004

ASSETS

	2004	2003
CURRENT ASSETS		
CASH	555,890.38	287,020.68
ADVANCE TO EX PLACE	320,000.00	250,000.00
TERM INVESTMENTS	4,650,000.00	6,400,000.00
AMERICAN EXPRESS	8,550.43	6,104.42
TRADE ACCOUNTS RECEIVABLE		
ALLOWANCE FOR DOUBTFUL ACCOUNTS	2,322,139.63	
NET ACCOUNTS RECEIVABLE	<u>2,305,507.00</u>	<u>1,635,838.71</u>
RECEIVABLE FROM EX PLACE	11,028.63	12,666.00
OTHER RECEIVABLE	6,784.90	72,572.29
PREPAID EXPENSES	<u>105,755.57</u>	<u>219,968.39</u>
TOTAL CURRENT ASSETS	<u>7,963,516.91</u>	<u>8,884,170.49</u>
FIXED ASSETS		
EQUIPMENT - NET	41,407.39	72,983.93
TOTAL ASSETS	<u><u>8,004,924.30</u></u>	<u><u>8,957,154.42</u></u>

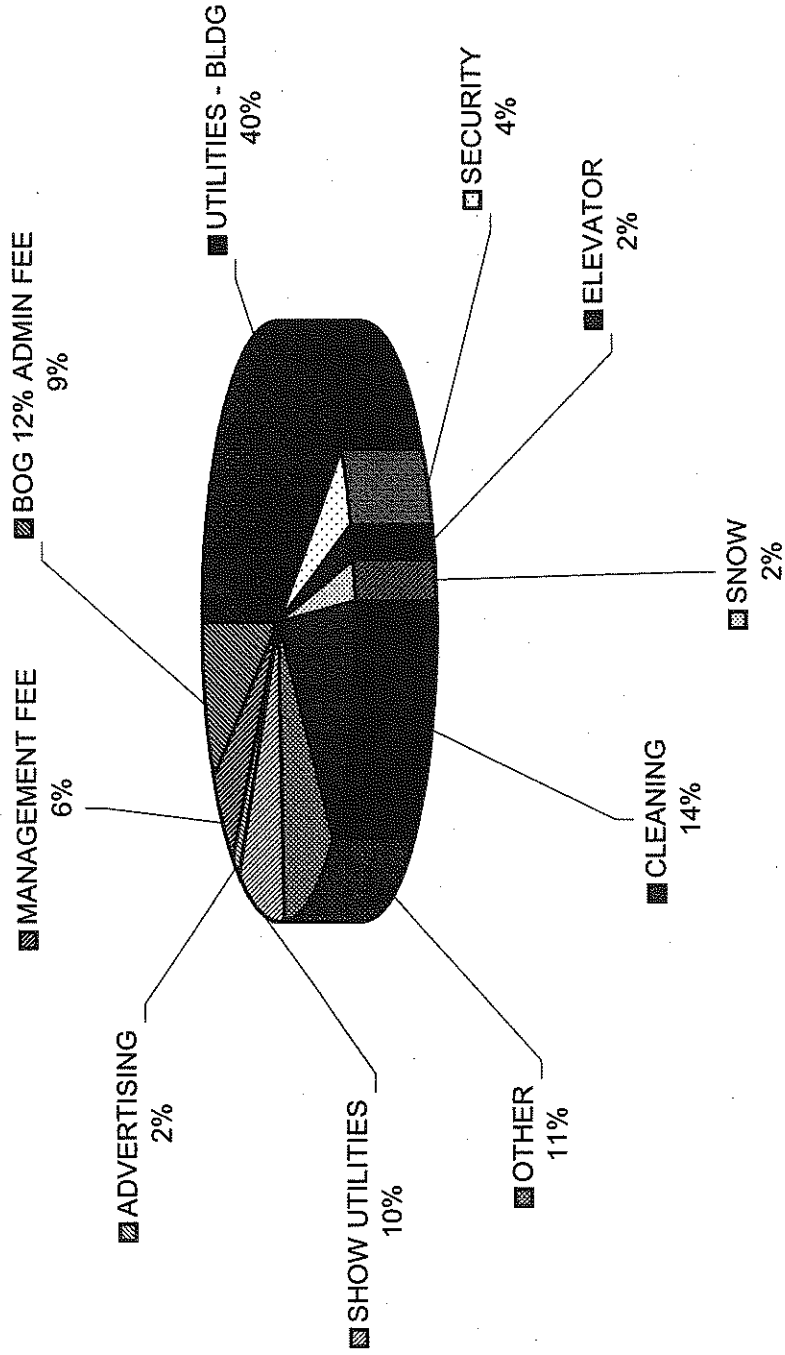
LIABILITIES & EQUITY

CURRENT LIABILITIES		
ACCRUED LIABILITIES	3,560,831.27	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	205,622.72	
DEFERRED REVENUE	<u>2,501,661.12</u>	<u>6,120,045.85</u>
EQUITY		
NET INCOME (LOSS) CURRENT	753,552.21	676,509.98
PRIOR YEAR PSAB ADJUSTMENT	(167,422.07)	(209,761.27)
PRIOR YEAR SURPLUS	1,150,679.05	2,370,359.86
DISTRIBUTION TO EXHIBITION PLACE	<u>1,150,679.05</u>	<u>-</u>
	<u><u>8,004,924.30</u></u>	<u><u>8,957,154.42</u></u>

THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED FEBRUARY 29, 2004

	MONTH	YTD
CASH FLOW FROM OPERATIONS		
NET INCOME (LOSS)	109,287.05	753,552.21
ADD: EMPLOYEE BENEFITS - VACATION/SICK	-	-
SOURCES (USES) OF CASH		
TERM INVESTMENTS	-	-
ACCOUNTS RECEIVABLE - TRADE	292,918.97	396,625.43
RECEIVABLE FROM EX PLACE B.O.G	(2,525.16)	(10,988.52)
ACCOUNTS RECEIVABLE - OTHER	38,177.43	71,389.05
PREPAID EXPENSES	39,260.38	44,123.25
DEPOSITS AND OTHER ASSETS	3,818.91	(11,942.31)
ACCOUNTS PAYABLE & ACCRUED EXPENSES	(282,163.68)	(334,742.24)
OTHER PAYABLES	113,866.32	46,253.63
DEFERRED INCOME	73,681.71	(873,929.71)
ADVANCE DEPOSITS - Exhibition Place B.O.G	(70,000.00)	(70,000.00)
NET CASH FROM OPERATIONS	316,321.93	10,340.79
OTHER SOURCES (USES) OF CASH		
CAPITAL EXPENDITURES	-	-
PAYMENTS OF DEBT	-	-
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.	-	-
NET CASH FROM OTHER SOURCES	-	-
NET INCREASE (DECREASE) IN CASH	316,321.93	10,340.79
BEGINNING CASH BALANCE	239,568.45	545,549.59
ENDING CASH BALANCE	555,890.38	555,890.38

COMPONENTS OF DIRECT EXPENSE YTD FEBRUARY 29, 2004



■ UTILITIES - BLDG
□ SECURITY
■ ELEVATOR
■ SNOW
■ CLEANING
■ OTHER
■ SHOW UTILITIES
■ ADVERTISING
■ MANAGEMENT FEE
■ BOG 12% ADMIN FEE

**THE NATIONAL TRADE CENTRE
CHEQUE DISBURSEMENTS - FEBRUARY 2004
GREATER THAN \$50,000**

Check No	Date	DESCRIPTION	Amount
15506	02/12/04	RICOH COLISEUM	\$95,497.50
15509	02/12/04	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	173,338.20
15510	02/12/04	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	188,432.03
15511	02/12/04	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	193,784.93
15521	02/12/04	THE BOARD OF GOVERNORS OF EXHIBITION PLACE	115,544.16
15529	02/12/04	CITY OF TORONTO - FINANCE	70,749.16
15549	02/12/04	O&Y ENTERPRISES REAL ESTATE SERVICES	70,083.07
15571	02/20/04	ENBRIDGE GAS	116,718.84
15574	02/24/04	RICOH COLISEUM	299,990.00
		RENTAL PAID FOR TORONTO INTERNATIONAL BOAT SHOW	
		WEEKLY PAYROLL JAN24/JAN31-2004	
		WEEKLY PAYROLL JAN10-2004/2002 RETRO	
		WEEKLY PAYROLL DEC06-DEC13-JAN17-2004	
		WEEKLY PAY DEC20-DEC27-JAN03-2004 & MISC	
		LANDSCAPING FOR YEAR 2003	
		O&Y SALARIES FOR JAN10-JAN24-2004	
		GAS CHARGES	
		TERM DEPOSIT REPAYMENT	
DISBURSEMENTS OVER \$50,000			1,324,137.89
OTHER DISBURSEMENTS LESS THAN \$50,000.			428,111.70
TOTAL DISBURSEMENT			1,752,249.59