

MANAGEMENT REPORT

FOR THE MONTH ENDING
MARCH 31, 2000

17(a)



SUBMITTED TO: THE BOARD OF GOVERNORS OF EXHIBITION PLACE

SUBMITTED BY: O&Y/SMG CANADA

SUBMITTED BY: *RON TAYLOR* - MANAGING DIRECTOR - O&Y/SMG CANADA



ERNEST VINCENT - GENERAL MANAGER - NTC

EXECUTIVE SUMMARY

O&Y SMG Canada is pleased to report that the net operating income for the three months ended March 31, 2000 was \$1,394,835 compared to a budget of \$1,349,822, a favourable variance of \$45,013. Compared to March 31, 1999 when the net operating income was \$1,308,440 there is an improvement of \$86,394 on a year over year comparison.

During the month of March, the Sales & Marketing Department secured 4 new bookings for 2000: The Bay National Conference, Strut Fest 2000, Polish Concert and Ceylon Tamil Chamber of Commerce event. Of the 17 pieces of new business contracted during the first quarter for 2000, 2 are consumer shows, 9 are corporate bookings and 6 are special events/film shoots.

The O&Y/SMG Canada Quality Assurance Program continues to be a major program for The National Trade Centre Event Facility Services department in the first quarter of 2000.

In March and April management will be closely monitoring the timing of service delivery in order to set achievable standards for service delivery that can be guaranteed. When fully implemented the National Trade Centre will be the first facility in North America with exhibitor service guarantees.

In the first quarter the Utility Services Department had successfully provided electrical and plumbing services for the trade & consumer shows, and major corporate events, with net revenue being up by \$18,000 from budget.

The theme of the SMG Corporate Meeting in March was "Back to Basics" where 97 facilities managed by SMG exchange ideas on best operating practices.

S ALES & MARKETING REPORT

MARCH SALES ACTIVITY

During the month of March, the Sales & Marketing Department secured 4 new bookings for 2000: The Bay National Conference, Strut Fest 2000, Polish Concert and Ceylon Tamil Chamber of Commerce event. Of the 17 pieces of new business contracted during the first quarter for 2000, 2 are consumer shows, 9 are corporate bookings and 6 are special events/film shoots.

| BOOKING STATUS FOR EVENTS | 1 ST QUARTER ACTIVITY | CONTRACTED 2000 BUSINESS |
|------------------------------|----------------------------------|-----------------------------|
| Contracted in 2000 | 17 | |
| Contracted in 1999 | 11 | |
| Contracted in 1998 | 1 | Total: 29 |

On April 11, Laura Purdy and Susan Richardson will be in Cleveland, Ohio to attend SISO - Society of Independent Show Organizers. This is SISO's Executive Conference that is attended by the decision-makers of the top trade show producers in the United States.

On April 17, Laura Purdy will be in Washington, DC to participate in an SMG Corporate sales mission to multi-management prospects.

PUBLICITY

March Event Coverage

During the month of March, The National Trade Centre hosted the Siebel eBusiness World seminars, Toronto International Bicycle Show, Toronto Sportsmen's Show, Islamic Prayer Festival, Toronto International Quarterhorse Show, Motorcycle Swap Meet, The Bay National Conference and the One of a Kind Spring Craft Show.

During the first quarter, event publicity coverage in local print media included The Toronto Star, Toronto Sun, The Globe & Mail, National Post, Hamilton Spectator, Burlington Post, Mississauga News, London Free Press, Eye Weekly, Where Magazine and Maclean's Magazine. Event coverage also included broadcasts on local television and radio media including CITY TV, CFTO TV, CTV, Global TV, CFMT, CBC Radio, CHFI, CHUM, EZ Rock, The Weather Network, Rogers TV and CFRB. This extensive media coverage has resulted in substantial exposure and free publicity for The National Trade Centre to local and national markets in the first quarter.

EVENT SERVICES

EVENT FACILITY SERVICES MANAGEMENT REPORT FOR MARCH 2000

During the first quarter of 2000, Event & Facility Co-ordinators were involved in the following events:

| Consumer | Trade | Other |
|---|--|---------------------------------------|
| JANUARY | | |
| Islamic Prayer Festival | | Force Training |
| Toronto International Boat Show | | Daimler Chrysler Auto Prepping |
| Metro Home Show | | Ontario Produce Marketing Association |
| Speedorama | | |
| FEBRUARY | | |
| ComputerFest 2000 Mac Expo | Canadian Hardware & Home Improvements Show | NHL All Star Reception |
| Psychics, Mystics & Seers Fair | Toronto Spring Gift Show | Toronto Police Exams |
| Valentines Rave | Shoppers Drug Mart Trade Show | O & Y Corporate Meeting |
| National Bridal Show | Kubota Canada Meeting | Ministry of Agriculture Meeting |
| Polish Winter Festival | | |
| MARCH | | |
| Toronto International Bicycle Show | Siebel eBusiness World | CGA Exams |
| Toronto Sportsmens Show | The Bay National Spring Conference | Reed Exhibitors Meeting |
| Toronto International Quarterhorse Show | | Islamic Prayer Festival |
| Motorcycle Swap Meet | | Streetbud's Hockey |
| "One of a Kind" Spring Craft Show 2000 | | Lifeforce Rave |

FIRST QUARTER SUMMARY

O&Y/SMG Canada's Quality Assurance Program continued to be the major program initiated via The National Trade Centre Event Facility Services department in the first quarter of 2000. The following elements of the program were conducted:

1. **Training:** O&Y SMG Canada initiated an extensive one day customer service and emergency response course in January for 70 National Trade Centre and Exhibition Place staff. In February, The National Trade Centre management received equipment training for high reach and forklift operation. Occupational Health and Safety training was also conducted for management in January and February. More training for foremen/supervisors is scheduled for April 12&13.
2. **Monitoring of Program:** An internal group of National Trade Centre managers (Quality Assurance Team) was established to implement and monitor new quality assurance programs. Additionally, the O&Y/SMG Canada standard on site survey of exhibitors has begun in the first quarter to provide quantifiable data as to customer satisfaction. Once data from numerous shows are compiled in the second quarter, the information will be a powerful tool for steering future quality initiatives.
3. **Establishment of Service Standards:** In March and April management will be closely monitoring the timing and quality of service delivery in order to set achievable standards for service delivery that can be guaranteed. When fully implemented the National Trade Centre will be the first facility in North America with exhibitor service guarantees.

Event attendance trends in the first quarter show a strong resurgence for consumer shows with most event counts up 3% to 9%. With limited trade shows during this period it is difficult to detect trends other than that DMG World Media's Spring Gift Show continued to have weak attendance.

The Director of Event Services has initiated discussions with Exhibition Place Management to address parking concerns that The National Trade Centre clients have. Parking continues to be a major issue for The National Trade Centre clients and it is encouraging that new strategies are being explored by Exhibition Place.

In March, Parallel Theatrical Production began working with clients of The National Trade Centre as the centre's official supplier accommodating show technical needs. Working closely with the Event Services Co-ordinator, Parallel's previous experience at The National Trade Centre has proved to be an asset in offering our clients a complete technical package that includes production services.

OPERATIONS REPORT

FACILITY SERVICES

In the first quarter of 2000, the Utility Services Department has successfully provided electrical and plumbing services for the trade & consumer shows, and major corporate events. Net revenue for the period was up \$18,000 from budget due to the introduction of new business such as Siebel e Business Event 2000, the NHL All Star Reception and The Bay National Spring Conference. In addition, we were able to achieve a lower cost of providing services through manpower management.

O&Y/SMG Canada in co-operation with Exhibition Place staff is moving towards its objectives in the delivery of trade show electrical services by implementing several initiatives. These initiatives include a revised electrical services order form, adding a resource-planning schedule, prefabrication of additional distribution panels, changing hard-wired applications to quick-disconnecting receptacles for ease of installation and increased cable inventory.

O&Y/SMG Canada's Quality Assurance Program which is presently in effect assures a commitment to providing services, which exceeds our client's expectations.

The Utility Services Department in co-operation with Exhibition Place is developing a strategy for the utilization of electrical labour to maximize the efficiency of the delivery of services and to minimize the risk for all trade & consumer shows.

The Facility Services Department's mandate is to maintain the facility and equipment in pristine condition, ensuring optimum appearance and delivery of services to current and prospective clients, and plan to continue attaining new standards by visiting and observing other SMG facilities throughout North America.

Scheduled and unscheduled maintenance was a priority from January to the end of March. The following summary lists initiatives that are completed and/or ongoing.

DOORS:

- Passage doors were continually inspected and maintained throughout the facility. Various repairs to cylinders, hardware and hinges were completed.
- Numerous dock doors had to be repaired due to breakdown throughout various shows. Weather stripping was installed on door # 28 to prevent wind drafts in the Industry building.
- The underground garage entrance doors were re-wired as there were safety concerns developed that was overlooked when originally installed.
- The shaft and operator mounting assembly on the vertical lift door at the East End of the swing space was re-engineered. It became evident that the original door parts were undersized, and unfortunately detected after the expiration of the warranty period.

Scheduled maintenance instruction sheets for unscheduled repairs are now being tracked in the Angus Maintenance Management Program. This will provide management with a history of such repairs, hence, minimize down time and provide a cost breakdown for each door.

PAINTING:

Extensive painting and repairs were completed throughout the facility as follows:

- Cleaning lunchrooms & North Extension offices
- Upper walls of Halls A to D, and Salon 105, using high reach equipment.
- Galleria walls and columns
- Lower walls of the underground garage including the south service rooms, columns and entrances to the Galleria.
- North end of Coliseum Arena. RAWF lobby, East and West Annex's. Industry building including Garbage-rooms. Industry & Coliseum sprinkler rooms. Mid Arch walkway.
- Automotive building walls and columns. Main entrance and Mezzanine kitchen.
- Staging, stairs, risers and barriers in preparation for shows & events.

CARPENTRY:

The following repairs were completed:

- Washroom dispensers were continually repaired and replaced throughout all washrooms during shows.
- Damaged ceiling tiles were changed in the north Coliseum washrooms; Coliseum Rotunda; Concession Stand #3 and the RAWF offices.
- Floor tiles were repaired throughout the Automotive building mezzanine. A service room in the underground garage was tiled and is used as an office for the Maintenance Operators.
- Repairs to cabinets and office furniture throughout the complex.
- Installation of access doors along the upper north walls of Halls A & B for electrical cables required for shows.
- Installation of chemical mixing Command Centre at the automotive building.
- Installation of storage racks for chairs, tables and electrical components in the North Extension Warehouse.
- Numerous passage doors repaired throughout the facility.
- Installation of wall ventilation grills and ceramic tile repairs in the North Coliseum washrooms.

CLEANING:

Stringent cleaning projects is an integral part of daily maintenance, and the following list describes projects that have been completed over the past quarter:

- Completely stripped and re-finished the Galleria Terrazzo floor.
- Extensive cleaning and wash down of the 3rd floor mechanical rooms and sprinkler rooms located at the north. end the Coliseum Complex.

- Thoroughly washed out approximately 500 refuge containers used in shows.
- Washed down the North Extension warehouse prior to re-organizing inventory layout.
- Inspected and steam cleaned approximately 3,000 ballroom chairs. We still have an estimated 4,000 to complete.
- Washed down of the underground garage floor and walls prior to painting. This project is ongoing.
- Pressure washed all exterior walkway and cleaned windows on the south side of facility.
- Daily cleaning of the Galleria including washrooms, offices and pick-up of exterior refuge around the building perimeter. Weekly monitoring of the Galleria floor using the new slip meter.
- Applied a wax finish throughout Heritage Court. To be maintained for all high profile events.
- Serviced through Exhibition Place Garage, Tenant Equipment and Mr. Chemical, all of the cleaning equipment used in the facility.
- Purchased approximately \$6,000.00 of entrance matting for the Galleria; \$8,000.00 of wax was used in the Galleria; \$ 22,000.00 of cleaning products was required for the RAWF. By purchasing these items/products in advance, our official supplier, Mr. Chemical offers special rebates.
- Prepared cleaning quotations for up-coming shows and events.

EQUIPMENT:

- Completed an annual inspection of the Genie and Scissors lifts as per Occupational Health & Safety regulations. Forklifts will be completed in April.
- Purchased 20 easels for Salon meetings to
- Purchased 50-stauntion heads that come with tape to maintain our facility assets.
- New flags were purchased and installed. Cobra pole banners were repaired and re-installed at various locations on the south end of the facility. These items are on going.

TRAINING:

- Staff was trained to operate high reach equipment during January & February and forklift/propane handling in March. Courses in first aid will be available during the next quarter.

FUTURE PROJECTS:

- Presently obtaining quotations for replacing floor treads leading to the lower level of the Automotive building washrooms. Will be completed in the next quarter.
- Estimating the re-furbishing of all concession stands throughout Halls A to B and Heritage Court.
- Obtained pricing to re-grind and finish the lower level Automotive building washrooms. This will be completed during the next quarter.
- Obtained quotations to replace carpeting in selected salons. On-going as per show season.

FINANCIAL REPORT

O&Y SMG Canada is pleased to report that the net operating income for the three months ended March 31, 2000 was \$1,394,835 compared to a budget of \$1,349,822, a favourable variance of \$45,013. Compared to March 31, 1999 when the net operating income was \$1,308,440 there is an improvement of \$86,394 on a year over year comparison. An estimate of Parking revenue related to The National Trade Centre events is provided for information purposes, however the total actual Parking for the entire grounds is reported in The Exhibition Place financial reports.

Direct event income, consisting of rent and show services is favourable to budget by 121,587. Rental income has been exceeded with the new bookings by O&Y SMG Canada, including the Siebel eBusiness event, and The Bay National Spring Conference.

Ancillary income, consisting of commissions from food and beverage, electrical, telecommunications revenue and interest, was \$1,109,696 unfavourable to budget by (\$37,749). Food and beverage commission is \$625,073 an unfavourable variance of (\$42,912). The timing of achieving new business has not been as budgeted, but Volume Services is projecting achieving the year-end budget.

Electrical income, net of cost to deliver the service, is \$325,201, a favourable variance of \$18,006

Advertising income, net of cost is \$76,067 compared to a budget of \$74,195. The budget has been achieved to date as no commission or signage costs have been incurred. Achievement of year budget will be dependent on Trillium's performance.

Direct and indirect expenses are unfavourable to budget by \$40,697. The major variance is due to higher utility costs than budgeted. The Director of Operations for The National Trade Centre is reviewing this area and reporting back.

Accounts receivable as at March 31, 2000 were \$812,114, consisting mainly of \$325,737 due from Volume Services, contractually due on the 25th of the month, \$168,683 for future events, \$6,108 due from GES the Official decorator, settled monthly for services and commissions, and \$43,189 due from dmg- Southex for services for the Metro Home Show. Collection activities continue, with the assistance of the City Solicitor for the East meets West receivable, fully reserved in 1997, and Moonglow Productions, an event cancelled prior to opening.

During the month of March the Finance department completed final billings and estimates for 7 shows.

TELECOMMUNICATIONS

Telecommunications service provisioning for shows and events increased in the first quarter of 2000. In house Internet via Ethernet provisioning is on a steady rise as more exhibitors are taking advantage of the flexibility, reliability and scalability of this solution. This mechanism for Internet access provides exhibitors with the ability to connect to the Internet with multiple computers without the need for additional routers or modems.

Telecommunications is currently testing new services such as WebCam delivery that will give exhibitors the opportunity to stream live video from their booths directly onto web pages. These services utilize the in house Internet bandwidth and as such will be a potential added feature service to patrons demanding Internet via Ethernet.

The information technology section of telecommunications continues to provide network connectivity and services to the entire grounds. The server complement provided to Exhibition Place do to the Y2K upgrade performs well and gives users additional speed, storage capacity and disk array redundancy. High speed, high-density tape backup systems that were part of the package help to ensure data integrity of the complete file system of the grounds.

SERVO CANADA

MARCH 2000 FOOD AND BEVERAGE REPORT

BUSINESS ACTIVITY

March events included some very large shows and catered events. The month started off with a successful International Bicycle Show. Services included all of our subcontractors and stands as well as portable set-ups throughout the show floor. We look forward to expanded services in the future for this show.

The International Sportsman's Show ran from the 10th through the 19th of the month. Although the show claims their attendance is up, sales in food and beverage were down approximately 8% from last year's sales. Services again included all subs as well as all of our permanent and portable locations throughout the show floor. Subs sales fell short.

The Toronto International Quarterhorse Show was held during the fourth week of the month and was a great area of concern for us. For future shows we will have to substantially cut back our offerings or get a guarantee for services from the show. Most specifically, we created two theme areas of operation for the show; Jackson's Steak House and The Fox Room Restaurant. These areas were huge underachievers and very costly in man-hours to set up and staff. The areas were set at the request of the show manager who also requested 24-hour services in The Fox Room. Future shows needing this type of service will need to give guarantees based on minimum sales volume. Overall this show was down 25% in sales from last year.

Sales were also down for the Motorcycle Swap Meet. This show was down in attendance from last year, which was the reason for the decrease in food and beverage sales volume. This show consisted of a large beer garden and two portable locations.

The month ended in the middle of the Spring One of A Kind Craft Show. This show included several areas of special services including two bistro style restaurants as well as portable locations, sub contractors and our permanent stands. The restaurants performed well, as did the stands and portables.

Catered events for the month included all day services for Seibel, a one day trade show; three days of all day services for The Bay and a three day trade show and limited catering with the Toronto International Quarterhorse Show. Both Seibel and The Bay were two events that are not our typical type of event.

Catering for Siebel included continental breakfast, mid morning breaks, lunch, afternoon breaks and an evening reception to end the day. The client's needs overall for the show was great and catering services was on each request as they occurred. Overall, the client was pleased with our services although there were some areas that need improvement.

Catering for The Bay was booked and co-ordinated through Ice, a special events company in Toronto. Their services included three days of breakfast, lunch and dinner along with morning and afternoon breaks.

Other catered events for the month included the CSAE lunch and limited catering services for The International Quarterhorse Show.

NEW BUSINESS

Tentative

| Group | Date | Function | # People | Location |
|----------------------|----------------|-----------------|-----------------|-----------------|
| Mallenby Homes | December 15/00 | Gala | 650 | Heritage Court |
| Brazilian Ball | April/01 | Gala | 1500 | Heritage Court |
| Centre for Addiction | December 1/00 | Dinner | 750 | Heritage Court |

Definite

| Group | Date | Function | # People | Location |
|--------------|----------------|-----------------|-----------------|-------------------|
| KPMG | November 25/00 | Dinner | 650 | Heritage Court |
| Mount Sinai | June 15/00 | Fundraiser | 1200 | Hall D & Galleria |

HUMAN RESOURCES

During the month of March we were able to identify and hire two key positions in the Food and Beverage area. Ms. Karen Gilmour joins Servo as Catering Sales Manager. Her background being with Freeman, she is well aquatinted with consumer and trade shows. Mr. Alex Milovanovic joins us as Assistant Banquet Manager. Alex's background includes the food and beverage department at the Skydome Hotel.

QUARTERLY REVENUES

To date, food and beverage revenues are ahead of last year and very close to forecast. This is due mostly to outstanding performance in catering services. To date 12 of the first 17 shows of the year have been off in revenues forecast due to one reason or another. Reviewing the shows that are off from year to year, it seems that attendance is the main factor for the decreased revenues. We feel confident that catering can continue to help keep the gap at a minimum, but further analysis is needed. We will continue to keep NTC and the Board updated on progress or shortfalls in this area.

FINANCIAL REPORTS

APPENDIX "A"

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
MARCH 2000 and YEAR TO DATE**

| | MONTH ACTUAL | MONTH BUDGET | VARIANCE | YTD ACTUAL | YTD BUDGET | VARIANCE |
|----------------------------------|---------------------|---------------------|--------------------|---------------------|---------------------|--------------------|
| Number of Events | 9 | 6 | 3 | 30 | 19 | 11 |
| Direct Event Income | 924,114.01 | 801,708.00 | 122,406.01 | 2,782,127.03 | 2,860,540.00 | 121,587.03 |
| Ancillary Income | 373,815.27 | 427,977.00 | (54,161.73) | 1,109,695.56 | 1,147,445.00 | (37,749.44) |
| Advertising Income | 29,217.34 | 36,901.00 | (7,683.66) | 76,067.00 | 74,195.00 | 1,872.00 |
| CNE Recovery | - | - | - | - | - | - |
| Total Event Income | 1,327,146.62 | 1,266,586.00 | 60,560.62 | 3,967,889.59 | 3,882,180.00 | 85,709.59 |
| Direct Expenses | 533,255.89 | 529,782.00 | (3,473.89) | 1,600,524.66 | 1,512,614.00 | (87,910.66) |
| Indirect Expenses | 332,626.59 | 335,373.00 | 2,746.41 | 972,530.29 | 1,019,744.00 | 47,213.71 |
| Total Event Expenses | 865,882.48 | 865,155.00 | (727.48) | 2,573,054.95 | 2,532,358.00 | (40,696.95) |
| NET INCOME (LOSS) | 461,264.14 | 401,431.00 | 59,833.14 | 1,394,834.64 | 1,349,822.00 | 45,012.64 |
| EX PLACE PARKING ESTIMATE | | | | | | |
| PARKING INCOME | 386,748.78 | 461,950.00 | (75,201.22) | 1,120,635.99 | 1,171,427.00 | (50,791.01) |
| PARKING EXPENSE | 81,217.25 | 97,009.67 | 15,792.42 | 235,333.56 | 245,999.67 | 10,666.11 |
| NET PARKING | 305,531.53 | 364,940.33 | (59,408.80) | 885,302.43 | 925,427.33 | (40,124.90) |

NOTE: 1
Actuals include 12% markup paid to Exhibition Place on labour and materials. At March 31, 2000 the markup paid to Exhibition Place was a total of \$ 153,972.24 (\$ 128,272.76 expensed against direct event income and the balance of \$ 25,699.48 in direct expense)

**THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AS AT MARCH 31, 2000 with COMPARISON TO 1999**

| | 1999 MARCH ACTUAL | 2000 YTD ACTUAL | 2000 YTD BUDGET | 2000 VARIANCE | VARIANCE TO MARCH 1999 ACTUAL | % |
|----------------------------------|-------------------------|-----------------------|-----------------------|--------------------|-------------------------------------|----------------|
| Number of Events | 25 | 30 | 19 | 11 | 5 | 20.0% |
| Direct Event Income | 2,617,018.83 | 2,782,127.03 | 2,660,540.00 | 121,587.03 | 165,108.20 | 6.3% |
| Ancillary Income | 1,068,800.97 | 1,109,695.56 | 1,147,445.00 | (37,749.44) | 40,894.59 | 3.8% |
| Advertising Income | 56,399.18 | 76,067.00 | 74,195.00 | 1,872.00 | 19,667.82 | 34.9% |
| CNE Recovery | - | - | - | - | - | 0.0% |
| Total Event Income | 3,742,218.98 | 3,967,889.59 | 3,882,180.00 | 85,709.59 | 225,670.61 | 6.0% |
| Direct Expenses | 1,417,678.86 | 1,600,524.66 | 1,512,614.00 | (87,910.66) | (182,845.80) | (12.9%) |
| Indirect Expenses | 1,016,099.79 | 972,530.29 | 1,019,744.00 | 47,213.71 | 43,569.50 | 4.3% |
| Total Event Expenses | 2,433,778.65 | 2,573,054.95 | 2,532,358.00 | (40,686.95) | (139,276.30) | (5.7%) |
| NET INCOME (LOSS) | 1,308,440.33 | 1,394,834.64 | 1,349,822.00 | 45,012.64 | 86,394.31 | 6.6% |
| EX PLACE PARKING ESTIMATE | | | | | | |
| PARKING INCOME | 1,282,498.23 | 1,120,635.99 | 1,171,427.00 | (50,791.01) | (161,862.24) | (12.6%) |
| PARKING EXPENSE | 269,324.63 | 235,333.56 | 245,999.67 | 10,666.11 | 33,991.07 | 12.6% |
| NET PARKING | 1,013,173.60 | 885,302.43 | 925,427.33 | (61,457.12) | (127,871.17) | (12.6%) |

NOTE: 1

Actuals include 12% markup paid to Exhibition Place on labour & materials. At March 31, 2000 the markup paid to Exhibition Place was a total of \$ 153,972.24 (\$ 128,272.76 expensed against direct event income and the balance of \$ 25,699.48 in direct expense)



THE NATIONAL TRADE CENTRE EVENT STATISTICS

FOR THE MONTH OF MARCH 2000

| | <u>MONTH ACTUAL</u> | <u>YTD ACTUAL</u> |
|----------------------|-------------------------|-----------------------|
| Attendance [Note: 1] | 194,407 | 541,960 |

| | (IN THOUSANDS) | | | | REFRESHMENT PER CAP'S ACTUAL [Note: 2] |
|-------------------|----------------|---------------|-----------------------------|---------------|--|
| <u>EVENT</u> | # OF EVENTS | | NET EVENT INCOME [Note: 3] | | |
| | <u>ACTUAL</u> | <u>BUDGET</u> | <u>ACTUAL</u> | <u>BUDGET</u> | |
| Consumers Show | 15 | 11 | 2,082 | 2,229 | 3.59 |
| Trade Show | 4 | 3 | 967 | 904 | 11.52 |
| Concert | 0 | 0 | - | - | - |
| Photo/Film Shoot | 1 | 0 | 1 | - | - |
| Meeting/Corporate | 10 | 5 | 313 | 120 | 41.87 |
| | <u>30</u> | <u>19</u> | <u>3,362</u> | <u>3,253</u> | |

Note: 1

Attendance estimates provided by Show Management.

Note: 2

Refreshment per cap's based on information reported by Servo Canada

Note: 3

Net event income includes rent and services, ancillary income includes catering and electrical commissions, parking is included at net.

THE NATIONAL TRADE CENTRE
BALANCE SHEET
AS AT MARCH 31, 2000

| ASSETS | 2000 | 1999 |
|--|---------------------|---------------------|
| CURRENT ASSETS | | |
| CASH | 891,220.27 | 710,599.12 |
| ADVANCE TO EX PLACE | 250,000.00 | 250,000.00 |
| TERM INVESTMENTS | 2,950,000.00 | 3,850,000.00 |
| AMERICAN EXPRESS | 1,321.45 | 8,645.48 |
| TRADE ACCOUNTS RECEIVABLE | 868,434.48 | |
| ALLOWANCE FOR DOUBTFUL ACCOUNTS | (56,320.10) | |
| NET ACCOUNTS RECEIVABLE | 812,114.38 | 1,022,614.53 |
| RECEIVABLE FROM EX PLACE | 520.00 | 92,449.97 |
| OTHER RECEIVABLE | 288,139.52 | 222,472.56 |
| PREPAID EXPENSES | 107,669.90 | 35,166.00 |
| TOTAL CURRENT ASSETS | 5,300,985.52 | 6,191,947.66 |
| FIXED ASSETS | | |
| EQUIPMENT - NET | 168,999.14 | |
| TOTAL ASSETS | 5,469,984.66 | 6,191,947.66 |
| LIABILITIES & EQUITY | | |
| CURRENT LIABILITIES | | |
| ACCRUED LIABILITIES | 1,614,819.23 | |
| PROVINCIAL & FEDERAL SALES TAX PAYABLE | 111,322.86 | |
| DEFERRED REVENUE | 2,349,007.93 | |
| | 4,075,150.02 | 3,876,585.27 |
| EQUITY | | |
| NET INCOME (LOSS) CURRENT | 1,394,834.64 | 1,308,440.33 |
| PRIOR YEAR SURPLUS | - | 1,006,922.06 |
| DISTRIBUTION TO EXHIBITION PLACE | - | |
| | 5,469,984.66 | 6,191,947.66 |

THE NATIONAL TRADE CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED MARCH 31, 2000

| | MONTH | YTD |
|---|---------------------|-----------------------|
| CASH FLOW FROM OPERATIONS | | |
| NET INCOME (LOSS) | 461,264.14 | 1,394,834.64 |
| ADD: DEPRECIATION & AMORTIZATION | - | - |
| SOURCES (USES) OF CASH | | |
| TERM INVESTMENTS | (550,000.00) | 900,000.00 |
| ACCOUNTS RECEIVABLE - TRADE | 578,727.51 | 947,335.85 |
| RECEIVABLE FROM EX PLACE B.O.G | (520.00) | 40,594.39 |
| ACCOUNTS RECEIVABLE - OTHER | (215,194.07) | (52,225.10) |
| PREPAID EXPENSES | 1,931.53 | 14,243.58 |
| DEPOSITS AND OTHER ASSETS | 23,516.88 | 10,379.56 |
| ACCOUNTS PAYABLE & ACCRUED EXPENSES | 16,618.59 | 60,687.66 |
| OTHER PAYABLES | (35,712.78) | (16,735.35) |
| DEFERRED INCOME | (432,259.48) | (857,374.19) |
| ADVANCE DEPOSITS - Exhibition Place B.O.G | - | - |
| NET CASH FROM OPERATIONS | (151,627.68) | 2,441,741.04 |
| OTHER SOURCES (USES) OF CASH | | |
| CAPITAL EXPENDITURES | - | - |
| PAYMENTS OF DEBT | - | - |
| DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G. | - | (1,883,223.61) |
| NET CASH FROM OTHER SOURCES | - | (1,883,223.61) |
| NET INCREASE (DECREASE) IN CASH | (151,627.68) | 558,517.43 |
| BEGINNING CASH BALANCE | 1,042,847.95 | 332,702.84 |
| ENDING CASH BALANCE | 891,220.27 | 891,220.27 |

THE NATIONAL TRADE CENTRE
ACCOUNTS RECEIVABLE AGING
 AS AT MARCH 31, 2000

| CUSTOMER NAME | AMOUNT OUTSTANDING | CURRENT | 30 - 60 DAYS | 61 - 90 DAYS | OVER 90 DAYS | COMMENTS |
|--|-----------------------|-------------------|-------------------|------------------|------------------|---|
| COMPLETED EVENTS | | | | | | |
| GES CANADA EXPOSITIONS | 46,108.64 | 9,901.33 | 29,843.28 | 6,364.03 | | SHOW SERVICES - DEC/99 / FEB. '00 & OFFICIAL SUPPLIER |
| SOUTHEX EXHIBITIONS INC. - METRO HOME | 43,189.63 | | 43,189.63 | | | EVENT SERVICES - METRO HOME SHOW - PAID IN FULL |
| NATIONAL MARINE MANUFACTURERS ASSOC. | 27,824.08 | | 27,824.08 | | | EVENT SERVICES - TORONTO INTL BOAT SHOW - LAKE WOV SERVICES - DUE APRIL 10/00 |
| EAST MEETS WEST PRODUCTIONS | 25,020.99 | | | | 25,020.99 | ACCOUNT IN DISPUTE - LETTER SENT WITH RECOMMENDATION TO ACCEPT SETTLEMENT OFFER BEFORE COMMENCING PERSONAL LITIGATION IF OFFER REFUSED - RESERVE FOR BAD DEBT TAKEN |
| GEORGE P. JOHNSON COMPANY | 13,615.91 | 13,615.91 | | | | ADDITIONAL EVENT SERVICES FOR SIEBEL e-BUSINESS EVENT - MAR. 2/2000 |
| AL MADON PRODUCTIONS | 11,322.97 | | | | 11,322.97 | BUILDING RENTAL - SWING MAGIC - EVENT CANCELLED, COMPANY FILE FOR BANKRUPTCY CLAIM SUBMITTED TO BANKRUPTCY TRUSTEE |
| CUSTOMER ACCOUNTS - LESS THAN \$10,000 | 123,989.01 | 87,011.55 | 23,406.39 | 13,551.07 | | |
| SUB-TOTAL | 291,051.23 | 110,528.79 | 124,263.38 | 19,915.10 | 36,343.96 | |
| FUTURE EVENTS | | | | | | |
| SOUTHEX EXHIBITIONS INC. | 53,936.22 | 53,936.22 | | | | BUILDING RENT - FALL GIFT SHOW - JULY 2000 |
| SOUTHEX EXHIBITIONS INC. | 31,352.07 | 31,352.07 | | | | BUILDING RENT - FALL HOME SHOW - SEPT. 2000 |
| SEVENTH DAY ADVENTIST CHURCH | 21,400.00 | 21,400.00 | | | | BUILDING RENT - SEVENTH DAY ADVENTIST CHURCH CONFERENCE - JUNE 2000 |
| CHRISTIAN EXPO | 18,168.60 | 18,168.60 | | | | BUILDING RENT - CHRISTIAN EXPO 2000 - MAY 2000 |
| MOONGLOW PRODUCTIONS | 17,208.78 | | | | 17,208.78 | BUILDING RENT - MAIDEN MOTHER SHOW - MAR. 2000 - EVENT CANCELLED - LETTER SENT REQUESTING FULL PYMT BY MAR. 24, 2000 OTHERWISE LEGAL ACTION WILL BE TAKEN |
| INTERNATIONAL SHOWCASE ASSOCIATES | 14,128.60 | 14,128.60 | | | | BUILDING RENT - CREATIVE SEWING - APR. 2000 |
| ASSN. FOR INVESTMENT MANAGERS | 12,488.67 | 12,488.67 | | | | PAID IN FULL ON APRIL 4/ 2000 |
| SUB-TOTAL | 168,682.94 | 151,474.16 | - | - | 17,208.78 | |
| SPONSORSHIP | | | | | | |
| NESTLE CANADA INC. | 16,050.00 | | | 16,050.00 | | 3RD YEAR OF SPONSORSHIP AS OFFICIAL COFFEE SUPPLIER |
| SIGNATURE RESTAURANT SYSTEMS | 10,593.00 | 10,593.00 | | 16,050.00 | - | ADVERTISING RIGHTS FOR THE PERIOD OF APR 30/2000-APR.29/2001 |
| SERVOMATION | | | | | | |
| SERVO CANADA | 325,737.21 | 294,077.52 | 31,659.69 | - | - | CATERING COMMISSIONS, VARIOUS SERVICES & UTILITIES RECOVERY - CATERING COMMISSIONS FOR MARCH CONTRACTUALLY DUE APRIL 25TH. |
| BOARD OF GOVERNORS | | | | | | |
| BOARD OF GOVERNORS | - | | | | | |
| | 812,114.38 | 566,673.47 | 155,923.07 | 35,965.10 | 53,552.74 | |

100%

70%

19%

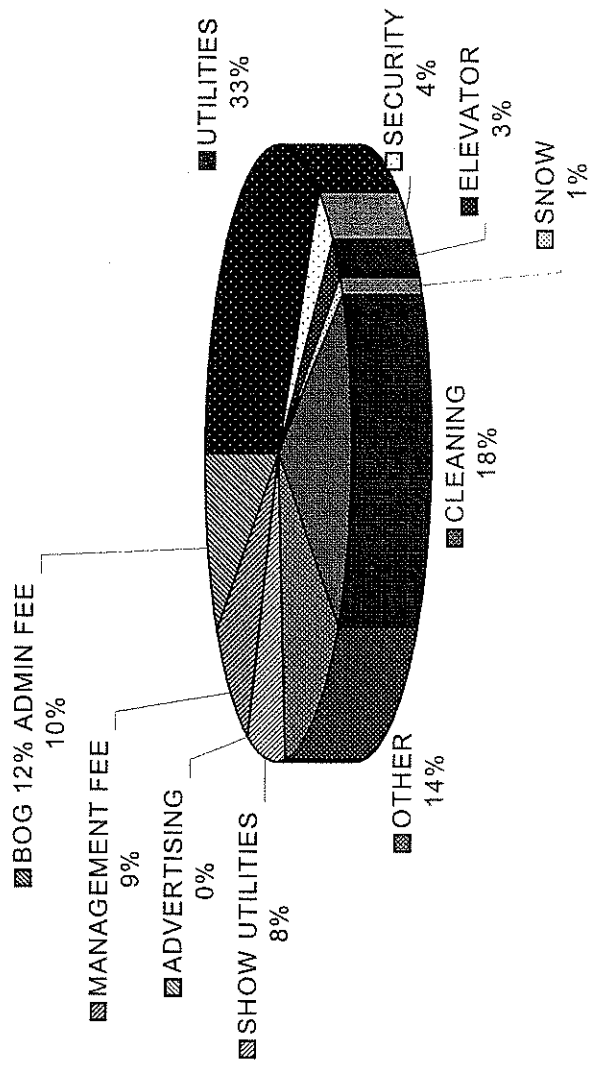
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THE NATIONAL TRADE CENTRE
ACCOUNTS RECEIVABLE AGING
 ADDITIONAL INFORMATION ON A/R GREATER THAN 60 DAYS
 AS AT MARCH 31, 2000

| CUSTOMER NAME | AMOUNT OUTSTANDING | 61 - 90 DAYS | OVER 90 DAYS | COMMENTS |
|--|-----------------------|-----------------|-----------------|--|
| EAST MEETS WEST PRODUCTIONS | 25,020.99 | | 25,020.99 | Feb 1998 event. Total billings \$ 100,020.99, payment received \$75,000. City Legal Department has written letter on our behalf to demand payment. Reserve for bad debt has been set up. |
| MOONGLOW PRODUCTIONS | 17,208.78 | | 17,208.78 | Building rent for the Maiden Mother Crone event. Event has been |
| NESTLE CANADA INC. | 16,050.00 | 16,050.00 | | 3rd year of sponsorship as official coffee supplier to the N.T.C. |
| ALMADON PRODUCTIONS | 11,322.97 | | 11,322.97 | Building rental fee for Swing Magic event. The event was cancelled and the company filed for bankruptcy. A claim has been submitted to the bankruptcy trustee. |
| GES CANADA EXPOSITIONS | 6,364.03 | 6,364.03 | | Meeting to review account has been set-up. |
| CUSTOMER ACCOUNTS - LESS THAN \$10,000 | 13,551.07 | 13,551.07 | - | Services for various shows. Collection attempts are in progress. |
| | 89,517.84 | 35,965.10 | 53,552.74 | |

COMPONENTS OF DIRECT EXPENSE



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

