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Exhibition Place

Management Report – First Quarter 2007

Executive Summary

- Net operating loss for Exhibition Place and Direct Energy Centre combined for the quarter ending March 31, 2007 was (\$651,294) compared to a budgeted loss of (\$931,181) for a favourable variance of \$ 279,887.
- During this quarter the Sales & Marketing team secured 14 new events for 2007, increasing our total to 36.
- Several cultural events occurred in February including the Vietnamese Tet Festival, Toronto Celebrates Lunar New Year and the Tibetan New Year.
- Centreplate is converting packaging into compostable products and its implementation includes creating some very detailed signage discussing the project and how it works for potential guests and partners. The catering sales team has also built a very strong May and June for 2007 as well as strong sales in September through December.

2007 Major Objectives	
Objective	Results to Date
<ul style="list-style-type: none"> ▪ Ensure Smooth Transition to Reorganized Structure 	<ul style="list-style-type: none"> ▪ Ongoing with a spirit of co-operation and teamwork
<ul style="list-style-type: none"> ▪ Maintain Outstanding Customer Service Delivery 	<ul style="list-style-type: none"> ▪ Surveyed Boat Show and National Home Show and results are being compiled
<ul style="list-style-type: none"> ▪ Promote Safety in the Workplace at All Levels 	<ul style="list-style-type: none"> ▪ Training is ongoing
<ul style="list-style-type: none"> ▪ Finalize Conference Centre Project & Begin Construction 	<ul style="list-style-type: none"> ▪ Visioning and User Meeting ▪ Project Manager and architect retained
<ul style="list-style-type: none"> ▪ Successfully Open/Operate National Soccer Stadium 	<ul style="list-style-type: none"> ▪ On track
<ul style="list-style-type: none"> ▪ Promote Green Initiatives & Finalize 2010 Plan 	<ul style="list-style-type: none"> ▪ Hosted a site tour and held discussions with the Michigan Coalition Team on recycling.
<ul style="list-style-type: none"> ▪ Develop Community Use of Grounds 	<ul style="list-style-type: none"> ▪ Organized a job fair with Learning Enrichment Foundation and Youth Innovations, City of Toronto ▪ Numerous community festivals
<ul style="list-style-type: none"> ▪ Meet or Exceed all Budget Projections 	<ul style="list-style-type: none"> ▪ On target to Exceed

March Financials Exhibition Place and Direct Energy Centre

Consolidated Results

Net operating loss for Exhibition Place and Direct Energy Centre combined was the month ended March 31, 2007 was (\$651,294) compared to a budgeted loss of (\$931,181) for a favourable variance of \$ 279,887.

Direct Energy Centre

Net Operating Income for Direct Energy Centre for the three month ending March 31, 2007 was \$623,870 compared to a budget of \$520,367 for a favourable variance of \$103,503.

- Rental income was \$2,342,714 compared to a budget of \$2,409,404 for an unfavourable variance of (\$66,690) mainly due to the timing of new business.
- Electrical services of \$197,857 were on budget favourable by \$1,494.
- Direct and indirect expenses are favourable to budget by \$169,801 as a result of savings from lower building operations costs and timing of marketing expenditures.
- Food & Beverage concessions of \$395,682 are unfavourable to budget by (\$86,222) due to timing in bookings of corporate events. A number of high end events are scheduled for the summer months which will assist in reducing the variance.
- Telecommunications income at \$110,602 is favourable to budget by \$1,517.
- Show services from third party billings were up by \$37,911 with corresponding increase in expenses of \$27,343 for a net favourable variance of \$10,568 mainly due additional technical requirements for the Interior Design show which was offset by lower demand from the Boat Show due to reduction of a feature exhibit.

Direct Energy Centre accounts receivable as at March 31, 2007 was \$2,011,758 consisting mainly of:

- \$556,920 owed as contractual deposits for future events, of which \$ 65,198 (12%) has been received as of April 16, 2007.
- \$356,614 from Coliseum partners and sub-contractors for Arena-related project and lease costs from 2004, total periodic payments received since July 2005 is now at \$683,646; balance to be covered from arbitration award which the City is holding
- \$582,903 for services on completed events, of which \$32,910 is for the RAWF. The remaining balance is for recent show services provided. Amount received from other customers as of April 16, 2007 is \$165,341.
- \$241,555 of Food & Beverage Concessions is owed by Centerplate, contractually due on the 25th of the following month.
- \$85,514 for accounts with City Legal; amount fully provided for as a bad debt in the financial statements.
- \$72,345 owed for sponsorship arrangement of which \$35,775 has been received as of April 17, 2007.

Exhibition Place

Net Operating loss for Exhibition Place for the month ending March 31, 2007 was (\$1,168,694) compared to a budgeted loss of \$(1,420,570) for a favourable variance of \$251,877.

- Parking revenues at \$1,412,819 is favourable to budget by \$69,319 due to additional revenues from trade and consumer events within the Direct Energy Centre, and additional revenues from Exhibition Place tenants operations mainly from Liberty Grand. In addition parking expenses are also down by \$10,777 for a total positive variance of \$80,096
- Rental income at \$241,021 is favourable to budget by \$7,145

- Show services from third party billings were up by \$310,034 with corresponding increase in expenses of \$281,478 for a net favourable variance of \$28,556 mainly due additional technical requirements from events.
- Indirect expenses are favourable to budget by \$129,986 as a result of savings from vacancy for the first quarter in the sales department; lower snow cleaning costs; lower utility costs for the Better Living Centre due to shut down of gas meters and energy management initiatives; and lower wage costs for various trades due to efficiency in planning and scheduling which has basically resulted in minimal or no overtime work.

Exhibition Place accounts receivable for the month ending March 31, 2007 was \$2,168,412 consisting mainly of:

- \$1,229,156 owed by tenants of which \$250,212 (20%) has been received as of April 16, 2007; balance include \$584,035 (48%) which is owed by Coliseum partners and sub-contractors for Arena related projects which will be covered in full from the arbitration award which the City is holding.
- \$742,275 from the Direct Energy Centre for payroll, shared services and utility billings of which all has been received as of April 16, 2007.
- \$25,878 for show services on completed events of which \$13,118 has been received as of April 16, 2007.
- \$41,613 owed as contractual deposits for future events.
- \$39,440 owed from Show Management for parking passes.

Sales and Marketing

March Sales Efforts

During this period, our Sales & Marketing team secured 14 new events for 2007, increasing our total to 36. The events are categorized as follows:

- 7 consumer shows
- 2 trade show
- 6 special events/film or photo shoots
- 4 conferences
- 17 meetings/exams/charity events/other

First Quarter Summary

During the first quarter, our sales team conducted the following:

- partnered with Tourism Toronto and participated in the 2007 PCMA Conference, as well as two Corporate Sales missions.
- attended CAEM monthly association sessions including Life Safety and CEM courses
- partnered with Centerplate to participate in the 2007 BizBash TO Event Style show which was held March 6-7 in Heritage Court.
- Interviews were held this month to fill the Senior Account Executive position. An offer has been extended to the selected candidate.

New events held during this quarter included: Vietnamese TET Festival, Stormtech Meeting, Rack Attack – Canada's Lacrosse Show, Toronto FC – All for One Commercial Film Shoot,

Tibetan New Year Celebration, From the Ground Up TV Series Shoot, Juicy Fruit Photo Shoot and TSSA Training Session and Franco Expo.

Business Travel

In February, members of our Sales team attended sales missions including: Tourism Toronto – CSAE NCR Tete-a-Tete 2007 Annual Showcase in Ottawa, Tourism Toronto Sales Mission for Montreal/Ottawa/Kingston Corporate and the Experient Sales Mission in Atlantic City with SMG.

The Montreal/Ottawa/Kingston Corporate Sales Mission is designed to sell the Direct Energy Centre as a destination for corporate meetings and create awareness of our facility. In total fifty points of contact were made at the trade show with 16 follow-up office visits.

Experient is one of the top meeting management companies in North America. Though their primary market is in the U.S., they are expanding into Canada. Using our SMG partnership, we were permitted participation in this private CVB Sales event. By developing our relationship with Experient Account Managers we will further our development in reaching the U.S. Association market an important target for the conference centre.

In March, Director of Sales & Marketing, Laura Purdy attended the annual Society of Independent Show Organizers conference. It is attended by senior level industry representatives who organize for-profit trade and consumer shows. Direct Energy Centre sponsored the “Greening of Tradeshows” session, where Laura Purdy participated as a speaker.

Upcoming Business Travel

In April and May a member of our sales team will participate in a sales mission to Chicago and Washington, D.C. with Tourism Toronto. A follow-up report will be included in the May summary.

Publicity

Publicity and media coverage during this quarter included coverage in the Toronto Star announcing the \$29 million renovation of the Automotive Building into a “Class A” Conference Centre.

The Atmospheric, the newsletter of the Toronto Atmospheric Fund announced that on March 7th Canada’s first municipal trigeneration system was launched at Exhibition Place. The innovative system combines electricity generation with heat and cooling production. When fully operational the system will meet 30 percent of its energy needs, save \$30 million in energy costs over time and reduce greenhouse gas emissions by 7,400 tonnes annually.

The Sales and Marketing department liaised with Tabia and greenTbiz in the planning of the successful LED launch, held on February 28th. A feature article on the pilot program appeared in the Toronto Star on March 3rd.

Supplementary Information

Event Management Services

During the first quarter of 2007, Event Co-ordinators were involved in the following events:

JANUARY	
Trade/Consumer Events	Other Events
<ul style="list-style-type: none"> ▪ Franchise & Business Opportunities Show ▪ Toronto International Boat Show ▪ National Bridal Show ▪ Speedorama 	<ul style="list-style-type: none"> ▪ TPS Mounted Unit ▪ TD Visa Photo Stills Shoot ▪ Toyota Industrial Equipment Meeting ▪ CAEM Luncheon ▪ Board of Governors of Exhibition Place Meeting ▪ National Packaging Competition ▪ AHL All Star Launch ▪ We Will Rock You Stage Rehearsals
FEBRUARY	
Trade/Consumer Events	Other Events
<ul style="list-style-type: none"> ▪ CSCEX ▪ Vietnamese Tet Festival ▪ PPA ▪ Toronto Celebrates Lunar New Year Festival ▪ Tibetan New Year ▪ Interior Design Show 	<ul style="list-style-type: none"> ▪ Integrated Auto Car Detailing ▪ LA Detail Vehicle Prep & Storage ▪ Stormtech Staff Meeting ▪ Commercial Film Shoot ▪ Rack Attack 2007 ▪ From the Ground Up Photo Shoot (with Interior Design Show) ▪ TABIA Program Launch & Media Release
MARCH	
Trade/Consumer Events	Other Events
<ul style="list-style-type: none"> ▪ British Isle Show ▪ Toronto International Bicycle Show ▪ BizBash ▪ Wizard World ▪ Toronto Sportsmen's Shows ▪ National Motorcycle Show ▪ One of a Kind Spring Craft Show ▪ Franco Expo 	<ul style="list-style-type: none"> ▪ Achilles Track Club 5k Walk ▪ CGA Exams ▪ TSSA Training Session ▪ Streetbuds Ball Hockey ▪ Boy Scouts Campout

Direct Energy Centre once again hosted the CAEM Luncheon and Educational Session. This event focused on security awareness, fire safety planning and the requirements for exhibition events and was attended by show Industry professionals, and once again proved a success. Several complimentary remarks were made about the food service.

During February several cultural events occurred including the Vietnamese Tet Festival, Toronto Celebrates Lunar New Year and the Tibetan New Year. Staff worked with RCM Technologies to bring building occupancy to a higher level for the Vietnamese Tet Festival as a very high attendance was expected. Toronto Celebrates Lunar New Year counted the Prime Minister among its distinguished guests. Staff worked closely with the show managers to help keep costs within their budgets. CSEX and PPA were both smooth with no issues to report. The Interior Design Show hired a consultant to obtain building permits for the feature house, and provide specifications for the chandelier while XMOL was hired to oversee safety issues.

During the month of March, Toronto Sportsmen's Show attendance was good. The National Motorcycle Show was also very well attended. The One of a Kind Spring Craft Show was excellent from an operational viewpoint. Show management was satisfied. Franco Expo was cancelled by the promoter on the first day of the event.

Parking

Parking staff worked with Capital Works to prepare Lot G for reconstruction in early March. Staff also worked with Security to distribute new parking pass cards for the Direct Energy Centre garage. The new card access system provides enhanced control over garage entry when the entrance is unmanned.

Management and Supervisory staff, including unionized forepersons, attended a half-day Health and Safety Awareness course. The course highlighted the responsibilities and rights of all employees in the workplace, under the Occupational Health and Safety Act.

Exhibitor Services

The Exhibitor Services Supervisor worked with Parking Services to take over the administration and processing of all exhibitor parking pass sales expected to be fully implemented in the second quarter. Additionally this department is providing input and recommendations into the amalgamated Rental & Service form processing system.

Telecommunications

Telecom is now responsible for all telecommunications and IT services across the entire campus, including the CNE, events, 3rd party permanent clients as well as all of the regular staff requirements.

Telecom is also providing additional guidance to other technically reliant areas such as building automation, security systems and other.

The BMO stadium will be taking advantage of various services provided by Telecom. Though the initial request by MLSE had focused mainly on operational phone components, system requirements have grown to include FIFA management phones, elevator and monitoring circuits, Internet access and other needs.

Building Operations

On Wednesday, March 7, Exhibition Place unveiled one of the largest trigeneration systems in Canada and the first system that is municipally-owned. The \$4.4 million trigeneration system is supported by a Green Municipal Fund loan of \$1,075,000, \$1 million loan from the Toronto Atmospheric Fund and \$2,325,000 from the City of Toronto's Energy Retrofit Program. It is part of Exhibition Place's plan to become energy self-sufficient by 2010.

Exhibition Place's trigeneration system will become the sole source of power, heat and provide most of the cooling for the Direct Energy Centre at Exhibition Place. The system consists of one 1,600 kilowatt natural gas-fired generator with a heat-recovery package and a hot-water driven absorption chiller.

Scheduled preventative maintenance program is ongoing with completion levels averaging greater than 90%.

Facility Services

Facility Services delivered timely and cost effective services to shows and tenants over the first quarter. We are committed to safe work practices and continue to achieve success. During the month, the Waste Diversion Team hosted a site tour and held discussions with the Michigan Coalition Team on recycling.

Community outreach is becoming an increasingly important part of Exhibition Place Cleaning Services. In keeping with this new formula, we held a job fair on March 28th, 2007.

With the combined efforts of Mr. Joe Valvasori from The Learning Enrichment Foundation and Mr. Allan Crawford of Youth Innovations, City of Toronto, and various coordinators from Cleaning Services and along with Mr. Sandy Douglas and his staff at Human Resources Exhibition Place, the event was a complete success.

This particular job fair was directed towards the communities surrounding Exhibition Place, with the Tibetan Community in Parkdale as a target audience. The attendance at the fair was overwhelming. There were over one hundred interested applicants in attendance.

Through this effort Cleaning Services has hired several members of the community as casual workers. We have also redirected many others to our in house catering service, Centerplate.

Service Stars

Kelly Kelly of the Young Presidents' Organization sent e-mail on February 5th to Kyle Kandel of Centreplate's New York office. Her comments were regarding the food and beverage service provided by Joel Gelwarg and Peter Chronopoulos for the YPO Global Leadership Conference: "Lucky me to work with Joel Gelwarg at Centerplate while hosting an event at the Ricoh Coliseum on February 1st. Joel was a pleasure to work with. He was responsive to our many questions and inquiries... He was supported by a TERRIFIC team on the night of our event including his banquet manager Peter. A pleasure to work with him too!"

Neal Sherman of YPO also sent e-mail to Kyle Kandel on February 10th with the following comments: "Joel and his team did an awesome job. No detail went without great attention. Food was great, staff awesome.....I must say, far exceeded my high expectations. Being in the food industry myself, I have seen a great deal and your team did awesome!"

Centerplate

Retail Department

The big project in the retail department is the preparation for the conversion to compostable packaging and its implementation. Identification of the items necessary to meet the requirement has taken time and effort and is just the beginning of the project. We have completed this task and found that the supply companies share in the excitement of the project. Continuing the move towards the roll out of the project has been a team effort between Centerplate, the cleaning department and operations. Roll out is scheduled for the Green Living Show in late April and should be well received.

The next challenge is figuring out the correct delivery system to get the guests to buy into the project. After all, it is the guests who will be handling the waste in the end and their ability to complete the task of disposal correctly is the key to the success of the project. To this end, we have created some very detailed signage discussing the project and how it works. Most important are the signs at the disposal bins to direct the guest to the correct bin for the item being disposed. Additional signage will be posted in the retail stand to discuss the program and show the new items versus the old items and their benefits to the environment.

Catering Department

The catering department kept busy with events such as, New Years Eve 2007, YPO, Achilles Track Club and The AHL All Star Lunch. These events received very high marks on food and service from organizers and guests.

The catering sales team has built a very strong May and June for 2007 as well as strong sales in September through December. Repeat events for the holiday season are on the books with two of our more successful event from 2006. Rebooking of the Air Miles Gala and the Canadian Investment Awards will give us a strong base to build sales for the season on.

Staff Additions

In late March, Robert Campbell joined the Centerplate team as Executive Chef. Robert most recently worked with a caterer as Executive Chef and brings a wealth of knowledge in the special events field. His expertise compliments the current Sous Chef's, whose strength is in the retail area.

Submitted by:



Submitted by:



Arlene Campbell
General Manager, Sales & Events

Dianne Young
CEO, Exhibition Place

**Combined Direct Energy Centre and Exhibition Place
Financial Summary**

Statement Of Operations Highlights Three Months Ended March 31, 2007					
	Current Month			YTD	
	Actual	Budget	Variance	Budget	Variance
Event Income	1,90,427	2,502,998	1,687,449	6,498,096	115,064
Direct Expenses	(2,212,274)	1,436,683	775,588	3,294,592	38,289
Indirect Expenses	(3,153,573)	1,653,113	1,505,460	4,134,685	(203,112)
Net Income (Loss)	(1,180,398)	(586,799)	(593,599)	(931,181)	279,887

**DIRECT ENERGY CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
FOR THE THREE MONTHS ENDED MARCH 31, 2007**

	CURRENT		YEAR TO DATE	
	ACTUAL	BUDGET	ACTUAL	BUDGET
Number of Events	7	4	27	15
Direct Event Income	\$ 697,109	\$ 700,317	\$ 2,570,397	\$ 2,626,519
Ancillary Income	297,579	319,783	808,149	895,978
Sponsorship Income	21,345	19,992	46,995	40,428
Ricoh & MLSE Recovery	6,394	8,002	19,598	24,006
Total Event Income	1,022,427	1,048,094	3,445,140	3,586,931
Direct Expenses	671,440	628,858	1,792,050	1,888,725
Indirect Expenses	368,941	410,828	1,141,940	1,215,066
Total Event Expenses	1,040,381	1,039,686	2,933,990	3,103,791
NET INCOME BEFORE RICOH	(17,954)	8,408	511,150	483,140
RICOH COLISEUM	41,740	29,234	112,720	87,702
NET INCOME BEFORE PSAB	23,786	37,642	623,870	570,842
ENERGY EFFICENCY DEBT PMT COST-NET	0	16,825	0	50,475
NET INCOME	23,786	20,817	623,870	520,367
				103,503
				(56,122)
				(87,829)
				6,567
				(4,408)
				(141,791)
				96,875
				73,126
				169,801
				28,010
				25,018
				53,028
				50,475
				103,503

Actuals include 12% markup paid to Exhibition Place on labour and materials. At March 31, 2007 the markup paid to Exhibition Place was a total of \$ 112,038.32 (\$ 80,280.63 expensed against direct event income and the balance of \$ 31,757.69 in direct expense)

**DIRECT ENERGY CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AS AT MARCH 2007 with COMPARISON TO MARCH 2006**

	2006 YTD MARCH ACTUAL	27	2007 YTD BUDGET	15	2007 YTD BUDGET	12	2007 VARIANCE	VARIANCE TO YTD MARCH 2006 ACTUAL	%
Number of Events	28						12	(1)	(3.6%)
Direct Event Income	2,662,512.22		2,570,397.12		2,626,519.00		(56,121.88)	7,884.90	0.3%
Ancillary Income	890,693.53		808,149.36		895,978.00		(87,828.64)	(82,544.17)	(9.3%)
Advertising Income	34,926.00		46,995.35		40,428.00		6,567.35	12,069.35	34.6%
Ricoh & MLSE Recovery	24,006.00		19,598.13		24,006.00		(4,407.87)	(4,407.87)	(18.4%)
CNE Recovery	-		-		-		-	-	
Total Event Income	3,512,137.75		3,445,139.96		3,586,931.00		(141,791.04)	(66,997.79)	(1.9%)
Direct Expenses	1,848,670.04		1,792,049.68		1,888,725.00		96,675.32	56,620.36	3.1%
Indirect Expenses	1,159,331.66		1,141,940.12		1,215,066.00		73,125.88	17,391.54	1.5%
Total Event Expenses	3,008,001.70		2,933,989.80		3,103,791.00		169,801.20	74,011.90	2.5%
NET INCOME BEFORE RICOH	504,136.05		511,150.16		483,140.00		28,010.16	7,014.11	1.4%
Ricoh Colliseum	87,719.94		112,719.94		87,702.00		25,017.94	25,000.00	28.5%
NET INCOME BEFORE PSAB	591,855.99		623,870.10		570,842.00		53,028.10	32,014.11	5.4%
LESS: ENERGY EFFICIENCY DEBT PMT	-		-		50,475.00		(50,475.00)	-	
LESS: PSAB ADJUSTMENT	-		-		-		-	-	
NET INCOME	591,855.99		623,870.10		621,317.00		2,553.10	32,014.11	5.4%

Note: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At March 31, 2007 the markup paid to Exhibition Place was a total of \$ 112,038.32 (\$ 80,280.63 expensed against direct event income and the balance \$ 31,757.69 in direct expense)

**DIRECT ENERGY CENTRE
EVENT STATISTICS**
Three Months Ended March 31, 2007

	<u>MONTH ACTUAL</u>	<u>YTD ACTUAL</u>	<u>PRIOR YEAR ACTUAL</u>
Attendance [Note:1]	148,000	399,645	430,843

<u>EVENT</u>	<u>ACTUAL # OF EVENTS</u>				<u>(IN THOUSANDS)</u>		<u>REFRESHMENT PER CAP'S ACTUAL [Note: 2]</u>
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL [Note: 2]</u>	
	Consumers Show	13	12	13	2,356	2,343	
Trade Show	6	6	6	418	654	4.94	
Concert	0	0	0	-	-		
Photo/Film Shoot	2	2	1	2	-	10.98	
Meeting/Corporate	6	8	6	81	-		
	<u>27</u>	<u>28</u>	<u>26</u>	<u>2,857</u>	<u>2,997</u>		

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.

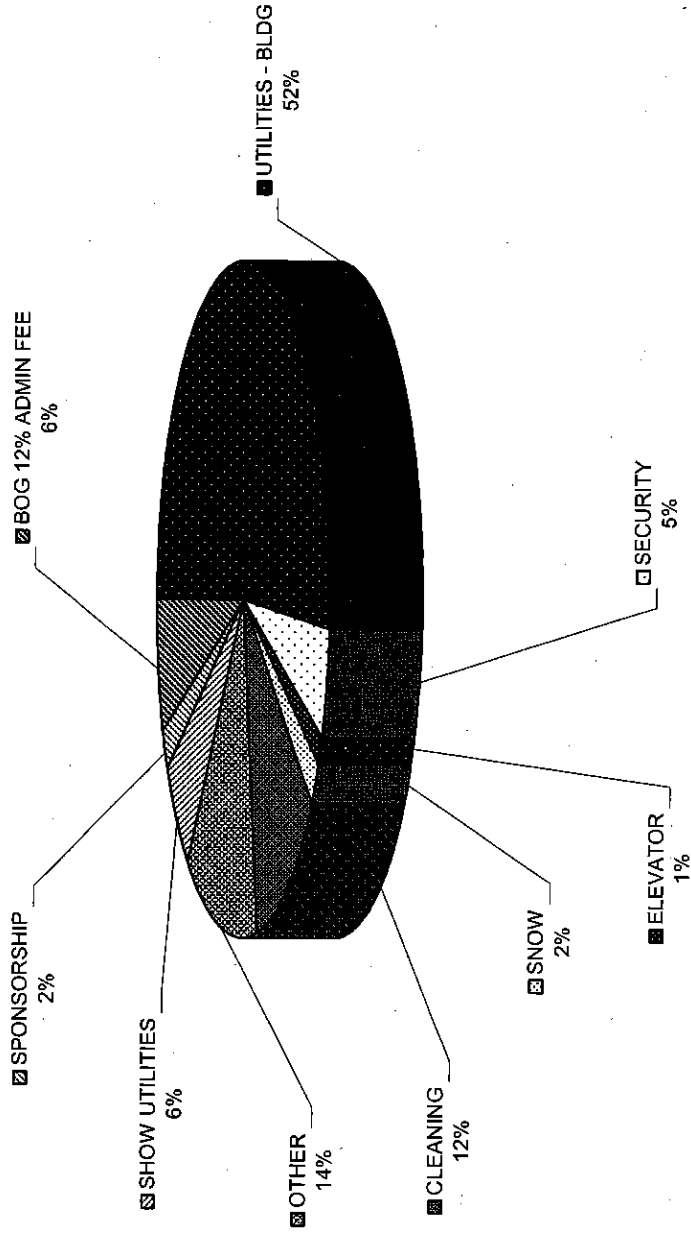
**DIRECT ENERGY CENTRE
BALANCE SHEET
AS AT MARCH 31, 2007**

ASSETS	March 31, 2007	March 31, 2006
	\$	\$
CURRENT ASSETS		
CASH	835,930	252,346
ADVANCE TO EX PLACE	420,000	320,000
TERM INVESTMENTS	3,650,000	4,150,000
AMERICAN EXPRESS	17,296	7,482
TRADE ACCOUNTS RECEIVABLE	2,011,757	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(71,277)	
NET ACCOUNTS RECEIVABLE	1,940,480	2,277,752
OTHER RECEIVABLE	284,252	71,029
PREPAID EXPENSES	36,187	83,405
TOTAL CURRENT ASSETS	7,184,146	7,162,014
FIXED ASSETS		
EQUIPMENT - NET	14,476	14,513
TOTAL ASSETS	7,198,621	7,176,527
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
ACCOUNTS PAYABLES & ACCRUED LIABILITIES	2,747,287	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	104,328	
RESERVE - ENVIRONMENTAL/GREENING INITIATIVE	159,343	
RESERVE - ENERGY/LIGHTING INITIATIVES	161,404	
DEFERRED REVENUE	3,750,776	5,718,981
EQUITY		
NET INCOME (LOSS) CURRENT	623,870	591,856
PRIOR YEAR PSAB ADJUSTMENT	(347,309)	(259,301)
PRIOR YEAR SURPLUS - 2006	1,125,903	
SURPLUS DISTRIBUTION TO EXPLACE	(1,126,989)	
BALANCE	(1,066)	1,124,991
TOTAL LIABILITIES AND EQUITY	7,198,621	7,176,527

**DIRECT ENERGY CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
STATEMENT OF CASH FLOW
FOR THE THREE MONTHS ENDED MARCH 31, 2007**

	Current Month \$	Three Months Ended March 31, 2007 \$
CASH FLOW FROM OPERATIONS		
NET INCOME (LOSS)	23,787	623,870
SOURCES (USES) OF CASH		
TERM INVESTMENTS	1,000,000	1,800,000
ACCOUNTS RECEIVABLE - TRADE	(903,374)	(135,291)
ACCOUNTS RECEIVABLE - OTHER	(213,012)	(163,595)
PREPAID EXPENSES	131	6,335
DEPOSITS AND OTHER ASSETS	(14,459)	(11,691)
ACCOUNTS PAYABLE & ACCRUED EXPENSES	(953,787)	(704,686)
OTHER PAYABLES	40,880	(13,359)
RESERVE - ENERGY & ENVIRONMENTAL INITIATIVES	247,127	(102,873)
DEFERRED INCOME	843,591	(35,275)
NET CASH FROM OPERATIONS	70,883	1,263,434
OTHER SOURCES (USES) OF CASH		
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.	(126,989)	(1,126,989)
NET CASH FROM OTHER SOURCES	(126,989)	(1,126,989)
NET INCREASE (DECREASE) IN CASH	(56,106)	136,445
BEGINNING CASH BALANCE	892,036	699,484
ENDING CASH BALANCE	835,930	835,930

**COMPONENTS OF DIRECT EXPENSE
THREE MONTHS ENDED MARCH 31, 2007**



- UTILITIES - BLDG
- SECURITY
- ELEVATOR
- SNOW
- CLEANING
- OTHER
- SHOW UTILITIES
- SPONSORSHIP
- BOG 12% ADMIN FEE

**DIRECT ENERGY CENTRE
CHEQUE DISBURSEMENTS - MARCH 2007
GREATER THAN \$50,000**

Check No	Date	Amount	DESCRIPTION
023626	3/19/2007	360,666.43	BOARD OF GOVERNORS OF EXHIBITION PLACE SALARY PAYROLL - WE FEB 3, 17 & MAR 3/07
023733	3/28/2007	353,400.99	BOARD OF GOVERNORS OF EXHIBITION PLACE HYDRO CONSUMPTION - MONTH OF MARCH/07
023621	3/9/2007	224,063.36	BOARD OF GOVERNORS OF EXHIBITION PLACE TIME & MATERIAL COST - TOR.INT'L BOAT SHOW
023737	3/30/2007	194,863.64	BOARD OF GOVERNORS OF EXHIBITION PLACE SALARY WE MAR 17/07 & LEGAL COST 2006
023650	3/21/2007	148,612.93	BOARD OF GOVERNORS OF EXHIBITION PLACE 50% SHARE OF ELECTRICAL COSTS - VARIOUS SHOWS
023647	3/21/2007	133,871.97	BOARD OF GOVERNORS OF EXHIBITION PLACE TIME & MATERIAL COST - INTERIOR DESIGN SHOW
023628	3/19/2007	130,433.76	BOARD OF GOVERNORS OF EXHIBITION PLACE WORK ORDERS - MONTH OF FEB/07
023633	3/20/2007	117,612.48	ENBRIDGE GAS GAS CONSUMPTION - METER#10589
023627	3/19/2007	109,409.38	BOARD OF GOVERNORS OF EXHIBITION PLACE TIME & MATERIAL COSTS - SHOWS - VARIOUS
023638	3/20/2007	104,909.08	ARCTURUS REALTY CORPORATION FINAL SALARIES PAYMENT 2006
023736	3/30/2007	81,954.40	ENBRIDGE GAS GAS CONSUMPTION - METER#76877
023649	3/21/2007	65,339.02	BOARD OF GOVERNORS OF EXHIBITION PLACE VARIOUS TIME & MATERIAL COSTS - SHOWS
023616	3/9/2007	52,637.98	ENBRIDGE GAS GAS CONSUMPTION - METER#69342
DISBURSEMENTS OVER \$50,000			2,077,775.42
OTHER DISBURSEMENTS LESS THAN \$50,000.			328,246.19
TOTAL DISBURSEMENT			2,406,021.61

**THE BOARD OF GOVERNORS OF EXHIBITION PLACE
FINANCIAL STATEMENT HIGHLIGHTS
MARCH 2007 and YEAR TO DATE**

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Direct Event Income						
Rentals	241,021.51	96,651.00	144,370.51	241,021.51	233,877.00	7,144.51
3rd Party Billings	634,885.39	129,940.68	504,944.71	634,885.39	324,851.70	310,033.69
Parking	1,412,819.39	494,500.00	918,319.39	1,412,819.39	1,343,500.00	69,319.39
Advertising	86,643.76	33,912.00	52,731.76	86,643.76	101,736.00	(15,092.24)
Program Recoveries & Admin Fee	191,137.26	54,000.00	137,137.26	191,137.26	169,500.00	21,637.26
Tenants Recoveries	601,512.35	645,900.00	(44,387.65)	601,512.35	737,700.00	(136,187.65)
Total Event Income	3,168,019.66	1,454,903.68	1,713,115.98	3,168,019.66	2,911,164.70	256,854.96
Expenses:						
Direct Expenses	1,540,831.29	807,825.25	(777,393.69)	1,540,831.29	1,405,866.84	(134,964.45)
Indirect Expenses	2,789,632.39	1,242,285.12	(1,547,347.27)	2,789,632.39	2,919,618.59	129,986.20
Total Event Expenses	4,330,463.68	2,050,110.36	(2,324,740.97)	4,330,463.68	4,325,485.43	(4,978.25)
NET INCOME BEFORE PSAB	(1,162,444.02)	(595,206.68)	(611,624.99)	(1,162,444.02)	(1,414,320.73)	251,876.71
ENERGY EFFICIENCY DEBT PMT	6,250.00	6,250.00	-	6,250.00	6,250.00	-
NET INCOME	(1,168,694.02)	(588,956.68)	(611,624.99)	(1,168,694.02)	(1,420,570.73)	251,876.71

BOARD OF GOVERNORS - EXHIBITION PLACE
BALANCE SHEET
as at March 31, 2007

ASSETS		
Current Assets		
Accounts receivable		2,168,412
Trade		1,639,615
Other receivables		128,758
Inventories		60,512
Prepaid expenses		3,997,298
Total current assets		4,048,204
Receivable from the City of Toronto		
Transfer receivable from the City of Toronto		2,354,204
Transfer receivable from the City of Toronto 2006		135,379
Receivable from the City of Toronto-PSAB-CNEA		(119,539)
Current period surplus - CNEA		1,168,694
Current period deficit - Board of Governors		275,089
Receivable from CNEA - accumulated surplus		2,380,473
Rent receivable		122,223
Capital assets, net		14,362,025
TOTAL ASSETS		14,362,025
LIABILITIES		
Current liabilities		
Bank indebtedness		3,617,587
Accounts payable and accrued liabilities		
Trade		4,122,023
Current employee benefits		780,139
Deferred revenue		132,762
Total current liabilities		8,652,511
Employee benefits payable		5,709,514
TOTAL LIABILITIES		14,362,025

**BOARD OF GOVERNORS - EXHIBITION PLACE
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2007**

	Three Months Ended March 31, 2007
	\$
OPERATING ACTIVITIES	
Net loss for the period	(1,168,694)
Add non-cash items	
Amortization of capital assets	10,697
	(1,157,997)
Changes in non-cash working capital balances related to operations	
Increase in accounts receivable - trade	2,736,550
Increase in other receivables	(898,811)
Decrease in inventories	11,688
Increase in prepaid expenses	(60,292)
Decrease in transfer receivable from the City of Toronto	1,236,823
Increase in receivable from CNEA - accumulated surplus	(119,539)
Decrease in rent receivable	88,821
Decrease in accounts payable and accrued liabilities - trade	(4,364,999)
Decrease in deferred revenue	(68,471)
Change in employee benefits payable	-
	(2,596,227)
Cash used in operating activities	
INVESTING AND FINANCING ACTIVITIES	
Purchase of equipment	(10,303)
Increase in receivable from the City of Toronto	(145,845)
	(156,148)
Cash used in investing and financing activities	
	(2,752,375)
Net decrease in cash during the period	
Bank indebtedness, beginning of period	(865,212)
Bank indebtedness, end of period	(3,617,587)

**EXHIBITION PLACE
CHEQUE DISBURSEMENTS - MARCH 2007
GREATER THAN \$50,000**

Check No	Date	Amount	DESCRIPTION
9822	3/18/2007	217,317.83	ADP CANADA HOURLY PAYROLL - MARCH 3, 2007
9824	3/14/2007	291,146.34	ADP CANADA SALARY PAYROLL - MARCH 16, 2007
9855	3/28/2007	211,572.30	ADP CANADA HOURLY PAYROLL - MARCH 17, 2007
9856	3/28/2007	227,783.41	ADP CANADA HOURLY PAYROLL - MARCH 10, 2007
9853	3/27/2007	359,938.12	ADP CANADA SALARY PAYROLL - MARCH 31, 2007
9863	3/29/2007	161,337.49	ADP CANADA HOURLY PAYROLL - MARCH 24, 2007
9734	3/12/2007	85,390.02	LOCAL 58 BENEFIT FUND IATSE BENEFITS FOR FEBRUARY 2007
9830	3/19/2007	215,884.00	CITY OF TORONTO PROPERTY TAX - 2ND INSTALLMENT FOR 2007
9732	3/9/2007	58,070.81	MAPLE LEAF SPORTS PARKING REBATE FOR FEBRUARY 2007
9836	3/21/2007	139,101.16	OMERS PENSION CONTRIBUTION FOR FEBRUARY 2007
9722	1/12/2007	78,532.70	DIRECT ENERGY BUSINESS SERVICES CAPITAL WORK BUDGET-RELEASE OF HOLDBACK TO DEC LIGHTING RETROFIT
9831	12/31/2006	147,492.44	DIRECT ENERGY BUSINESS SERVICES CAPITAL WORK BUDGET-LIGHTING CONTROL - COLISEUM COMPLEX
		2,193,566.62	DISBURSEMENTS OVER \$50,000
		637,789.85	OTHER DISBURSEMENTS LESS THAN \$50,000
		2,831,356.47	TOTAL DISBURSEMENT