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# Exhibition Place

## Management Report Period Ending June 30, 2007

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## Executive Summary

- Net Operating Loss for Exhibition Place and Direct Energy Centre combined for the month ended June 30, 2007 was (\$873,968) compared to a budgeted loss of (\$1,638,490) for a favourable variance of \$ 764,522.
- During this period, our Sales & Marketing team secured 22 new events for 2007, increasing our total to 58.
- In the June 2007 issue of Conference & Incentive Travel, both the redevelopment of our existing centre to include a “Class A multipurpose conference centre” and our green initiatives were featured.
- Staff from Sales & Marketing, Event Management and Telecommunications attended the CEAM Annual Conference & Trade Show in Collingwood, Ontario.
- Exhibition Place welcomed a delegation consisting of members of the Italian Chamber of Commerce in Toronto, the region of Lombardia in Italy, and members of various Italian trade and consumers show organizers and venue managers, for a site tour and presentation hosted by Dianne Young.
- The Food & Beverage Department announced staff changes; Colleen MacNeil has moved into the roll of General Manager and Gregg Malsbary has been brought on board as the new Food and Beverage Director.

## June Financials Exhibition Place and Direct Energy Centre

### Direct Energy Centre

Net Operating Income for Direct Energy Centre for the six months ending June 30, 2007 was \$1,684,923 compared to a budget of \$1,459,682 for a favourable variance of \$225,241.

- Rental income was \$4,644,084 compared to a budget of \$4,676,958 for an unfavourable variance of (\$32,873) mainly due to the timing of new business. Finance has reviewed the budget forecast with Marketing staff and the rental budget is forecast to be achieved by year end.
- Electrical services of \$412,488 are unfavourable to budget marginally by (\$8,222)
- Direct and indirect expenses are favourable to budget by \$375,842 as a result of savings from lower building operations costs, reorganization savings and timing of marketing expenditures.
- Food & Beverage concessions of \$743,647 are unfavourable to budget by (\$63,262) due to timing in bookings of corporate events.
- Telecommunications income at \$234,289 is favourable to budget by \$37,757 due to additional provision of internet services to trade events, recoveries from tenants and BMO Field.
- Show services from third party billings were up by \$424,153 with corresponding increase in expenses of \$318,225 for a net favourable variance of \$105,928 mainly due additional technical requirements for the Interior Design show and the CFA event which was offset by lower demand from the Boat Show due to reduction of a feature exhibit.

Direct Energy Centre accounts receivable as at June 30, 2007 was \$1,568,546 consisting mainly of:

- \$450,795 owed as contractual deposits for future events.
- \$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; City Finance staff has indicated that the funds would be released in mid July.
- \$424,417 for services on completed events.
- \$68,721 of Food & Beverage Concessions is owed by Centerplate, contractually due on the 25<sup>th</sup> of the following month.
- \$85,514 for accounts with City Legal; amount fully provided for as a bad debt in the financial statements.
- \$73,352 owed for sponsorship arrangement of which \$45,050 has been received by July 3, 2007.

#### Exhibition Place

Net Operating loss for Exhibition Place for the six month ending June 30, 2007 was (\$2,558,891) compared to a budgeted loss of \$(3,098,172) for a favourable variance of \$539,281.

- Parking revenues at \$2,691,010 is favourable to budget by \$1,985 due mainly to opening of BMO Field; revenue from BMO is favourable to budget by \$114,210 which is offset by reduced revenues from Ricoh Coliseum and Tenants operations. In addition parking expenses are also down by \$43,071 for a total net positive variance of \$45,056.
- Rental income at \$568,951 is favourable to budget by \$56,702 due to additional new business such as the LCBO and FAME event.
- Show services from third party billings were up by \$504,410 with corresponding increase in expenses of \$486,718 for a net favourable variance of \$17,692 mainly due to additional technical requirements from events.
- Indirect expenses are favourable to budget by \$353,746 as a result of salary 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 June 30, 2007 was \$3,851,892 consisting mainly of:

- \$1,030,613 from the Direct Energy Centre for payroll, shared services and utility billings of which all has been received as of July 3, 2007.
- \$883,149 owed by tenants of which \$103,634 (12%) has been received as of July 3, 2007; balance includes \$584,035 (66%) 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; City Finance has indicated that the funds will be released in mid July.
- \$741,756 owed as contractual deposits for future events.
- \$62,714 owed from Show Management for parking passes
- \$41,837 for show services on completed events.

## Sales and Marketing

### 2<sup>nd</sup> Quarter Sales Effort

During this period, our Sales & Marketing team secured 22 new events for 2007, increasing our total to 58. The events are categorized as follows:

- 9 consumer shows
- 2 trade shows
- 11 special events/film or photo shoots
- 6 conferences
- 30 meetings/exams/charity events/other

### Second Quarter Summary

During the second quarter sales staff in conjunction with Congress Canada organized a tour of Direct Energy Centre and the grounds for fifteen sales representatives from the Sheraton Centre Toronto. Staff will continue to pursue similar opportunities in the future.

New events held during the second quarter included: Green Living Show, 1<sup>st</sup> Canadian Municipal Wireless Applications Conference & Exhibition, Celebrating Innovations in Health Care Expo 2007, Public Engagement on Air Quality & Climate Change, Diabetes Expo – Volunteer Meeting, Hostex & Food and Beverage Exhibitors Meeting, Innovolve Meeting, OTX Office of Tomorrow Expo, Daimler/Chrysler Ride'n Drive, Walk with Israel, Canadian Manufacturers & Exporters Meeting, J Michaels Photo Shoot, Latchman Bar Mitzvah, Valariy Meladze Concert, Maxim Galkin Concert, City of Toronto – Transportation Services Meeting, 25<sup>th</sup> Anniversary Hawaiian Pacific Magic, LCBO Regional Conference, Havergal College Photo Shoot, Fame Nationals & Expo, Moscow Cat Theatre Performance, Toronto Community Housing Forums and Tha Spot Dance Recital.

### Business Travel

Barbara Outschoorn, Geoff Mak, Don Leddy and Debbie Sanderson participated in the CAEM Annual Convention & Tradeshow in Collingwood, Ontario. Laura Purdy, Geoff Mak and Barbara Outschoorn participated in the CEM Learning Program courses which were held in conjunction with the event. A follow up summary will be included in the next report.

### Publicity

Publicity and media coverage during the second quarter included an article in the June 25<sup>th</sup>, 2007 edition of Tradeshow Week in which Laura Purdy, Director of Sales & Marketing, was interviewed regarding trends in the Canadian Exhibition Industry.

In the June 20<sup>th</sup>, 2007 issue of the Toronto Star an article in the Spotlights – Entertainment section featured a new consumer show, the Major League Gaming Championship, which will take place at the Direct Energy Centre in November 2007.

In the June 2007 issue of Conference & Incentive Travel, a leading publication for the meeting and incentive travel industry in the UK, both the redevelopment of our existing centre to include a "Class A multipurpose conference centre" and our green initiatives were featured.

## Event Management Services

During the second quarter of 2007, Event and Facility Co-ordinators at Exhibition Place and Direct Energy Centre were involved in the following events:

APRIL
<b>Trade / Consumer / Corporate Events</b>
<ul style="list-style-type: none"> <li>▪ Toronto Postage Stamp Show</li> <li>▪ National Home Show</li> <li>▪ School Library Resource Fair</li> <li>▪ Green Living Show</li> </ul>
<b>Other Events</b>
<ul style="list-style-type: none"> <li>▪ Screemers Trailer Storage</li> <li>▪ Hostex Exhibitors Meeting</li> <li>▪ J. Michaels Photo Shoot</li> <li>▪ IIDEX Designer Meeting</li> <li>▪ Parks &amp; Recreation Meeting</li> <li>▪ Conference Centre Visioning Session</li> <li>▪ CNEA Meeting</li> <li>▪ Valariy Meladze Concert</li> <li>▪ Innovolve Meeting</li> <li>▪ Walk of Life</li> <li>▪ Khalsa Day Celebrations</li> <li>▪ Public Engagement Meeting</li> </ul>
MAY
<b>Trade / Consumer / Corporate Events</b>
<ul style="list-style-type: none"> <li>▪ Can Clean</li> <li>▪ LCBO</li> <li>▪ The Clothing Show</li> <li>▪ PACex International 2007</li> <li>▪ OTX Office of Tomorrow</li> <li>▪ Health Care Expo</li> <li>▪ Diabetes Expo &amp; Diabetes Expo Volunteer Meeting</li> <li>▪ 1<sup>st</sup> Canadian Municipal Wireless Applications Conference</li> </ul>
<b>Other Events</b>
<ul style="list-style-type: none"> <li>▪ Toronto Fashion Show</li> <li>▪ 25th. Anniversary Hawaiian Pacific Magic</li> <li>▪ Latchman Event</li> <li>▪ Global Business Reception</li> <li>▪ Toronto Rehab Gala</li> <li>▪ Maxim Galkin Concert</li> <li>▪ Doors Open Toronto</li> <li>▪ Walk With Israel</li> <li>▪ BAD Ride</li> <li>▪ Barrister Licensing Exams</li> <li>▪ YMCA Corporate Team Challenge</li> <li>▪ Bike Week</li> </ul>

<b>JUNE</b>	
<b>Trade / Consumer / Corporate Events</b>	
<ul style="list-style-type: none"> <li>▪ People in Motion</li> <li>▪ Toronto Comicon</li> <li>▪ Kimberley Seldon Designer Market</li> <li>▪ FAME Nationals &amp; Expo</li> <li>▪ Moscow Cat Theatre</li> </ul>	
<b>Other Events</b>	
<ul style="list-style-type: none"> <li>▪ CFA Exams</li> <li>▪ Becel Ride for Heart</li> <li>▪ Toronto Community Housing Meetings – 3 in total</li> <li>▪ Solicitor Licensing Exams</li> <li>▪ CFP Exams</li> <li>▪ CGA Exams</li> <li>▪ Hostex Meeting</li> <li>▪ CMA Exams</li> <li>▪ Spot Dance Recital</li> <li>▪ Bishop Allen Academy Graduation</li> </ul>	

During April and May, staff continued to observe and enforce all safety procedures and were complimented on the delivery of services, with special mention being made of the electrical department. Special attention was given to the LCBO client. Staff continues to observe events closely to identify areas that may be improved on to enhance the comfort and enjoyment of patrons, and make recommendations for future events.

Toronto Comicon and the Kimberley Seldon Designer Market both went very well. Several meetings and exams also took place during the month of June, all of which went well.

Staff is working closely with FIFA U-20 and The Toronto Grand Prix to plan operational needs for these two major events running concurrently. In addition CHIN Picnic operations will run during the first two games of the FIFA U-20 so extensive logistical planning is required.

**Proposed Conference Centre**

Staff participated in visioning sessions for the new conference centre and provided significant operational input to the design.

**Canadian Association of Exposition Management Conference**

The Director of Event Management Services attended the CAEM Annual Conference & Trade Show in Collingwood, Ontario in June. Event producers and suppliers from across Canada attended. This year’s topics included: crisis management, customer relationship management and the facilities round table meeting.

**Parking**

During the second quarter of 2007 Parking Services saw a positive trend in revenue, helped in part by the capacity crowds that have attended all of the games at BMO Field. Parking has

worked with the City of Toronto Transportation Services to improve the vehicle exiting times from the grounds after these sold out events.

Parking Services has worked with the local organizing staff at FIFA to develop a comprehensive parking and transportation plan for the upcoming FIFA U-20 soccer tournament. The plan addresses the parking needs of VIPs, staff, volunteers and the general public. Approximately 4,000 vehicles will be parked each game day, in addition to vehicles parked for the CHIN Picnic and Steelback Grand Prix events.

## **Telecommunications**

Telecommunications has been busy with a variety of events and campus service expansions. Preparations for the opening of BMO Field, the FIFA U-20 event and Steelback Grand Prix have been on-going during this period.

With the completion of BMO Field, the stadium has utilized over 200 phone lines, various high speed internet feeds and some ISDN services from the IT/Telecom complement of Exhibition Place. We have also added Medieval Times to the complement of tenants utilizing our services. Telecom/IT is also using a new Voice Over IP (VOIP) that allows for telephone calls over our existing data infrastructure. Using this technology we have been able to provide voice services to areas previously inaccessible (an example being summer HR at the Dufferin Gate). This service will be used to provide Grand Prix media and teams with telephony in areas where we have no actual physical telephone cable. The VOIP system will become a major piece of our telecommunications menu and will assist in our convergence of services for our staff and clients.

## **Building Operations**

In this quarter a new energy conservation program was initiated and rolled out at Direct Energy Centre. All lights in the exhibit halls, other than emergency lights, will be controlled based on the level and type of activity taking place. This replaces the standard "full on" for all activities lighting of the past. Savings are expected to be in the tens of thousands of dollars.

Major Maintenance was conducted on one of the three 1250-ton chillers, replacing oil seals to guarantee performance. Three large motors were changed out on the roof top cooling towers to allow full operation. Major maintenance was performed on the east loading dock roll up door as well as routine maintenance on required equipment.

To fill its complement and provide optimum customers service Operations hired a new coordinator, Vladimir Strelalovskikh, who is in charge of environmental systems. He holds an Engineering degree from Kurgan, Russia, and has a wealth of experience in property management in Toronto. Reporting to Vladimir will be the Building Technicians and the HVAC department.

The Electrical department was dual focused over this period, executing major repair and upkeep initiatives throughout the building, performing major high voltage maintenance, and preparing for the site for the Steelback Grand Prix, Chin Picnic and various other events.

## Facility Services

The following projects and activities were completed or are on-going during the 2<sup>nd</sup> quarter:

- Planet Earth will now be used to separate and recycle hand towels.
- Exhibition Place will be the first facility in Canada to introduce a solar powered compactor during this year's CNE.
- Received delivery of new dustless sweeper which blasts air down and across onto the pavement, forcing up debris from the sweeping surface and cleaning the exhausted air to 99.999% of 0.5 micron size particles, far exceeding the PM 10 requirements.
- We have tested and have implemented a new non wax floor system for the Galleria terrazzo in Direct Energy Centre. We anticipate considerable maintenance cost savings while still having a high gloss non scuff finish.
- Facility Services and Centerplate have successfully implemented recycling of compostable tableware, which premiered at the Green Living Show.
- Scheduling approximately 400 cleaning and labour personnel as required for BMO stadium, Grand Prix and CHIN Picnic, beginning in July, and continue to plan and work on scheduling for the CNE.
- Installed and now utilize a wireless audio/video system in the Direct Energy Centre presentation theatre to reduce extra service costs to our clients.
- In the process of planning and scheduling tool box talks, zoom boom, scissor lift and forklift training for Cleaning, Labour and IATSE unions.
- John Harlowe, Senior Facility Coordinator, had attended the 2007 IAAM Public Assembly Facility Management School (PAFMS) held in June this year in Wheeling, West Virginia. The PAFMS is the best professional education program available to public assembly facility management, consisting of one week of intensive instruction, held over 2 consecutive years.

## Service Stars

Liam Dick of the YMCA Corporate Team Challenge e-mailed Debbie Sanderson on May 31<sup>st</sup> to say "Jim McGregor and his staff did an amazing job this year in making the Corporate Challenge a huge success"

Robert Gee received email on June 11<sup>th</sup> from Rayaz Baksh of the Toronto Community Housing Corporation: "Thanks for all your help getting us up and running at last week's conference. Everyone was very pleased with the convenience of having Wi-Fi access..."

Barbara Outschoorn received e-mail from Dana Henshaw of the CFA Institute on June 19<sup>th</sup> as follows: "The exam earlier this month was a huge success. Thank you to you and all of the Direct Energy Centre staff!"

Jennifer Foster received e-mail on June 27<sup>th</sup> from Tiziana Tedesco of the Italian Chamber of Commerce in Toronto. "I would like to thank you very much for your assistance in organizing the visit at the Exhibition Place and at the Direct Energy Centre for the Italian delegation from Lombardy. Your help was a great contribution to the success of their visit in Toronto."



## Centerplate

Centerplate announced staff changes in June. Colleen MacNeil has been appointed General Manager, Centerplate Operations, Direct Energy Centre. Prior to assuming this role, she held the position of Accounting Manager. The new Food and Beverage Director is Gregg Malsbary, who was formerly the Director of Culinary Standards and Regional Executive Chef at the Washington, D.C. Convention Center.

### Retail Department

The focus of the Retail Department for April and May was the role out of the new green program, with conversion to compostable packaging. Public education is a priority and detailed signage discussing the project and how it works was posted at the Green Living Show.

The first two weeks of June were busy for concessions with new shows such as the Kimberly Seldon Designer Market in the Automotive Building and FAME Nationals & Expo in the Queen Elizabeth Exhibit Hall. Both events were a success and look promising for future business. Currently Centerplate is preparing for the CNE.

### Catering Department

In April Centerplate focused on sales for large gala and holiday season bookings. Events booked for the fall include the Mount Sinai hospital fundraiser and the Canadian Shaare Zedak hospital fundraiser. For the holiday season we have repeat bookings of the Air Miles Awards Gala and the Canadian Investment Awards, both of which have been successful events in the past.

Overall, May was a busy month with highly successful guest satisfaction and a fantastic momentum builder for upcoming galas and events. Meeting planners were impressed with our venue and we have had many inquiries.

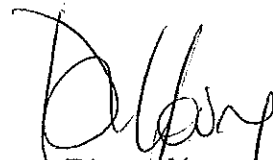
Catering in June got off to a busy start with Toronto Housing hosting three days of conferences in Heritage Court and Hall A with 550 attendees per day. The client was extremely happy with the service and the flow of their event. As well, the Make a Wish Foundation held a fundraising event at the Automotive building in conjunction with the Kimberly Seldon Designer Market opening night. The theme was chocolate and proceeds from the event went towards making a wish come true for an under privileged child.

Submitted by:



Arlene Campbell  
General Manager, Sales & Events

Submitted by:



Dianne Young  
CEO, Exhibition Place

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

Statement Of Operations Highlights Six Months Ended June 30, 2007						
	Current Month		Actual	YTD		Variance
	Budget	Variance		Budget	Variance	
	\$	\$	\$	\$	\$	\$
Event Income	1,540,666	152,144	1,385,958	12,675,805	710,153	
Direct Expenses	1,001,191	79,328	6,362,745	6,174,582	(188,163)	
Indirect Expenses	1,286,402	(117,388)	8,122,621	8,577,617	454,996	
<b>Loss before Ricoh contribution and Reorganization savings</b>	(746,927)	114,084	(1,099,403)	(2,076,394)	976,986	
Ricoh contribution	29,234	12,506	237,940	175,404	62,536	
Reorganization savings	45,833	(45,833)	-	275,000	(275,000)	
<b>Loss before debt payment cost</b>	(671,860)	80,757	(861,463)	(1,625,990)	764,522	
Debt payment cost	2,083	-	12,500	12,500	-	
<b>Net loss</b>	(673,943)	80,757	(873,963)	(1,638,490)	764,522	

**DIRECT ENERGY CENTRE  
FINANCIAL STATEMENT HIGHLIGHTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2007**

	CURRENT			YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
Number of Events	11	4	7	60	27	33
Direct Event Income	\$ 424,425	\$ 502,527	\$ (78,102)	\$ 5,178,076	\$ 5,105,022	\$ 73,054
Ancillary Income	95,073	62,987	32,086	1,590,890	1,609,422	(18,532)
Sponsorship Income	15,566	19,784	(4,218)	96,804	80,648	16,156
Ricoh & MLSE Recovery	6,533	8,002	(1,469)	39,196	48,012	(8,816)
<b>Total Event Income</b>	<b>541,597</b>	<b>593,300</b>	<b>(51,703)</b>	<b>6,904,966</b>	<b>6,843,104</b>	<b>61,862</b>
Direct Expenses	335,030	443,289	108,259	3,150,813	3,425,407	274,594
Indirect Expenses	379,703	396,865	17,162	2,307,170	2,408,419	101,249
<b>Total Event Expenses</b>	<b>714,733</b>	<b>840,154</b>	<b>125,421</b>	<b>5,457,983</b>	<b>5,833,826</b>	<b>375,843</b>
<b>Income (loss) before Ricoh Contribution and Reorganization Savings</b>	<b>(173,136)</b>	<b>(246,854)</b>	<b>73,718</b>	<b>1,446,983</b>	<b>1,009,278</b>	<b>437,705</b>
Ricoh Contribution	41,740	29,234	12,506	237,940	175,404	62,536
Reorganization Savings	-	45,833	(45,833)	-	275,000	(275,000)
<b>Net Income (Loss)</b>	<b>(131,396)</b>	<b>(171,787)</b>	<b>86,224</b>	<b>1,684,923</b>	<b>1,459,682</b>	<b>225,241</b>

Actuals include 12% markup paid to Exhibition Place on labour and materials. At June 30, 2007 the markup paid to Exhibition Place was a total of \$228,177.54 ( \$171,001.68 expensed against direct event income and the balance of \$ 57,175.86 in direct expense).

NOTE: 1

**DIRECT ENERGY CENTRE  
COMPARATIVE FINANCIAL STATEMENT HIGHLIGHTS  
SIX MONTHS ENDED JUNE 30, 2007**

	2006 YTD JUNE ACTUAL	2007 YTD ACTUAL	2007 YTD BUDGET	2007 VARIANCE	VARIANCE TO YTD JUNE 2006 ACTUAL	%
Number of Events	57	60	27	33	3	5.3%
Direct Event Income	4,391,609	5,178,076	5,105,022	73,054	786,467	17.9%
Ancillary Income	1,446,721	1,590,890	1,609,422	(18,532)	144,169	10.0%
Advertising Income	61,365	96,804	80,648	16,156	35,439	57.8%
Ricoh & MLSE Recovery	48,012	39,196	48,012	(8,816)	(8,816)	(18.4%)
<b>Total Event Income</b>	<b>5,947,707</b>	<b>6,904,966</b>	<b>6,843,104</b>	<b>61,862</b>	<b>957,260</b>	<b>16.1%</b>
Direct Expenses	3,062,358	3,150,813	3,425,407	274,594	(88,455)	(2.9%)
Indirect Expenses	2,295,641	2,307,170	2,408,419	101,249	(11,530)	(0.5%)
<b>Total Event Expenses</b>	<b>5,357,999</b>	<b>5,457,983</b>	<b>5,833,826</b>	<b>375,843</b>	<b>(99,985)</b>	<b>(1.9%)</b>
<b>Income before Ricoh Contribution and Reorganization Savings</b>	<b>589,708</b>	<b>1,446,983</b>	<b>1,009,278</b>	<b>437,705</b>	<b>857,275</b>	<b>145.4%</b>
Ricoh Contribution	175,440	237,940	175,404	62,536	62,500	35.6%
Reorganization Savings	-	-	275,000	(275,000)	-	-
<b>Net Income</b>	<b>765,148</b>	<b>1,684,923</b>	<b>1,459,682</b>	<b>225,241</b>	<b>919,775</b>	<b>120.2%</b>

Note: 1 Actuals include 12% markup paid to Exhibition Place on labour and materials. At June 30, 2007 the markup paid to Exhibition Place was a total of \$228,177.54 ( \$171,001.68 expensed against direct event income and the balance of \$ 57,175.86 in direct expense).

Note: 2 Actual reorganization savings are reflected directly in the departmental budget rather than a separate line item due to the nature of

## DIRECT ENERGY CENTRE EVENT STATISTICS

FOR THE MONTH OF JUNE 2007

	MONTH ACTUAL	YTD ACTUAL	PRIOR YEAR ACTUAL
Attendance [Note:1]	22,650	674,830	655,945

EVENT	ACTUAL # OF EVENTS		(IN THOUSANDS)		REFRESHMENT PER CAP'S ACTUAL [Note: 2]
	2007	2006	2005	NET EVENT INCOME [Note: 3] ACTUAL BUDGET	
Consumers Show	23	22	28	4,211    4,240	3.76
Trade Show	18	13	16	964    1,503	3.79
Concert	0	0	2	-    -	
Photo/Film Shoot	3	3	2	5    -	
Meeting/Corporate	16	19	18	535    -	38.84
	60	57	66	5,714    5,743	

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 JUNE 30, 2007**

**ASSETS**

	June 30 2007	June 30 2006
	\$	\$
<b>CURRENT ASSETS</b>		
CASH	322,094	504,841
ADVANCE TO EX PLACE	420,000	420,000
TERM INVESTMENTS	4,450,000	2,850,000
TRADE ACCOUNTS RECEIVABLE	1,568,546	
ALLOWANCE FOR DOUBTFUL ACCOUNTS	<u>(71,262)</u>	
NET ACCOUNTS RECEIVABLE	1,497,284	1,747,786
OTHER RECEIVABLE	442,574	104,953
PREPAID EXPENSES	23,748	48,315
<b>TOTAL CURRENT ASSETS</b>	7,155,700	5,675,751
<b>FIXED ASSETS</b>		
EQUIPMENT - NET	12,658	18,414
<b>TOTAL ASSETS</b>	7,168,358	5,694,164

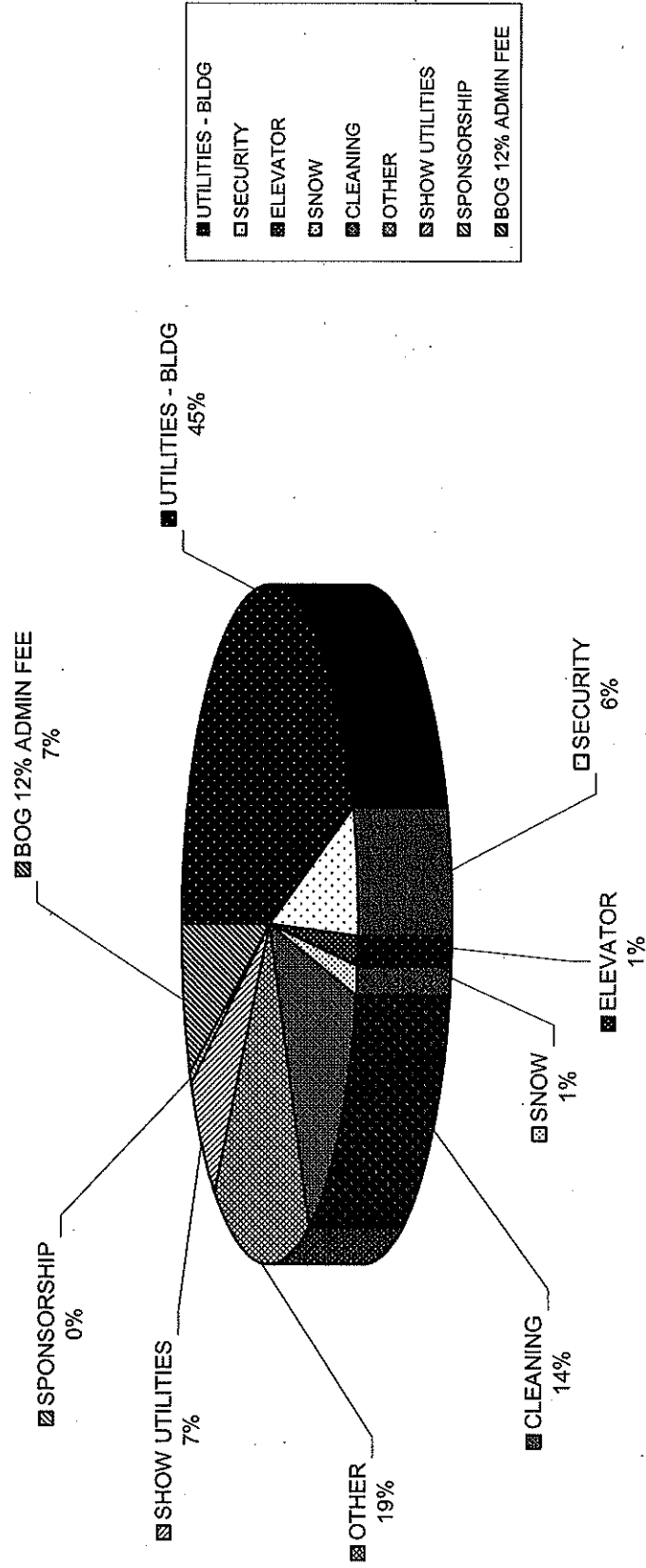
**LIABILITIES & EQUITY**

<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLES & ACCRUED LIABILITIES	2,897,130	
PROVINCIAL & FEDERAL SALES TAX PAYABLE	14,467	
RESERVE - EXHIBITION PLACE NAMING RIGHTS	334,343	
RESERVE - ENERGY/LIGHTING INITIATIVES	234,332	
DEFERRED REVENUE	<u>2,351,558</u>	5,028,310
<b>EQUITY</b>		
NET INCOME CURRENT	1,684,923	765,148
PRIOR YEAR PSAB ADJUSTMENT	(347,309)	(310,658)
PRIOR YEAR SURPLUS - 2006	1,125,903	
SURPLUS DISTRIBUTION TO EXPLACE	<u>(1,126,989)</u>	
BALANCE	(1,086)	211,508
<b>TOTAL LIABILITIES AND EQUITY</b>	7,168,358	5,694,164

**DIRECT ENERGY CENTRE  
FINANCIAL STATEMENT HIGHLIGHTS  
STATEMENT OF CASH FLOW  
FOR THE SIX MONTHS ENDED JUNE 30, 2007**

	Current Month \$	Six Months Ended June 30, 2007 \$
<b>CASH FLOW FROM OPERATIONS</b>		
NET INCOME (LOSS)	(131,396)	1,684,923
<b>SOURCES (USES) OF CASH</b>		
TERM INVESTMENTS		1,000,000
ACCOUNTS RECEIVABLE - TRADE	684,504	307,905
ACCOUNTS RECEIVABLE - OTHER	(357,207)	(321,917)
PREPAID EXPENSES	8,624	18,774
DEPOSITS AND OTHER ASSETS	12,808	7,423
ACCOUNTS PAYABLE & ACCRUED EXPENSES	(120,572)	(554,853)
OTHER PAYABLES	(109,005)	(103,220)
RESERVE - EXHIBITION PLACE NAMING RIGHTS	58,332	-
RESERVE - ENERGY/LIGHTING INITIATIVES	24,042	145,055
DEFERRED INCOME	(403,655)	(1,434,493)
<b>NET CASH FROM OPERATIONS</b>	<b>(333,525)</b>	<b>749,598</b>
<b>OTHER SOURCES (USES) OF CASH</b>		
DISTRIBUTION TO OWNERSHIP - Exhibition Place B.O.G.	-	(1,126,989)
<b>NET CASH FROM OTHER SOURCES</b>	<b>-</b>	<b>(1,126,989)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(333,525)</b>	<b>(377,391)</b>
<b>BEGINNING CASH BALANCE</b>	<b>655,619</b>	<b>699,484</b>
<b>ENDING CASH BALANCE</b>	<b>322,094</b>	<b>322,094</b>

**COMPONENTS OF DIRECT EXPENSE  
SIX MONTHS ENDED JUNE 30, 2007**





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

Check No	Date	Amount	DESCRIPTION
024071	6/21/2007	265,520.52	BOARD OF GOVERNORS OF EXHIBITON PLACE BOG SALARIES WE JUN 9TH & 23RD, 2007
024067	6/20/2007	122,527.48	BOARD OF GOVERNORS OF EXHIBITON PLACE TIME & MATERIALS COSTS - VARIOUS SHOWS
024040	6/11/2007	177,570.41	BOARD OF GOVERNORS OF EXHIBITON PLACE TIME & MATERIAL COSTS - LATCHMAN EVENT
024054	6/13/2007	141,910.39	BOARD OF GOVERNORS OF EXHIBITON PLACE WORK ORDERS - MONTH OF MAY/07
024072	6/21/2007	111,257.31	BOARD OF GOVERNORS OF EXHIBITON PLACE BOG 50% SHARE OF ELECTRICITY - VARIOUS SHOWS
024062	6/20/2007	93,767.93	CANADA CUSTOMS & REVENUE AGENCY GST REMITTANCE FOR THE MONTH OF MAY/07
024052	6/11/2007	75,101.17	BOARD OF GOVERNORS OF EXHIBITON PLACE TIME & MATERIAL COSTS - PACEX EVENT
		<u>987,655.21</u>	
		<u>127,357.46</u>	
		<u>1,115,012.67</u>	
			<b>DISBURSEMENTS OVER \$50,000</b>
			<b>OTHER DISBURSEMENTS LESS THAN \$50,000.</b>
			<b>TOTAL DISBURSEMENT</b>

**THE BOARD OF GOVERNORS OF EXHIBITION PLACE**  
**FINANCIAL STATEMENT HIGHLIGHTS**  
 June 2007 and Year-To-Date

	MONTH ACTUAL	MONTH BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
<b>Direct Event Income</b>						
Rentals	143,010	22,409	120,601	568,951	512,249	56,702
3rd Party Billings	220,440	162,426	58,014	1,478,966	974,555	504,410
Parking - EP	325,761	210,500	115,261	2,412,474	2,524,700	(112,226)
Parking - BMO Field	109,444	95,550	13,894	278,536	164,325	114,211
Advertising	28,521	134,697	(106,176)	172,208	203,472	(31,265)
Program Recoveries & Admin Fee	39,421	28,000	11,421	383,347	286,000	97,347
Tenants Recoveries	284,617	337,900	(53,283)	1,186,511	1,167,400	19,111
<b>Total Event Income</b>	<b>1,151,214</b>	<b>991,482</b>	<b>159,733</b>	<b>6,480,992</b>	<b>5,832,701</b>	<b>648,291</b>
<b>Expenses:</b>						
Direct Expenses	586,833	565,419	(21,415)	3,211,932	2,749,175	(462,757)
Indirect Expenses	1,024,089	889,537	(134,552)	5,815,452	6,169,198	353,746
<b>Total Event Expenses</b>	<b>1,610,922</b>	<b>1,454,955</b>	<b>(155,967)</b>	<b>9,027,384</b>	<b>8,918,373</b>	<b>(109,010)</b>
<b>NET INCOME BEFORE PSAB</b>	<b>(459,707)</b>	<b>(463,473)</b>	<b>3,766</b>	<b>(2,546,391)</b>	<b>(3,085,672)</b>	<b>539,281</b>
ENERGY EFFICENCY DEBT PMT	2,083	2,083	-	12,500	12,500	-
<b>NET INCOME</b>	<b>(461,791)</b>	<b>(465,557)</b>	<b>3,766</b>	<b>(2,558,891)</b>	<b>(3,098,172)</b>	<b>539,281</b>

BOARD OF GOVERNORS - EXHIBITION PLACE  
BALANCE SHEET  
As at June 30, 2007

**ASSETS**

**Current Assets**

Accounts receivable		
Trade	3,851,892	
Less: Allowance for Doubtful Accounts	(39,875)	3,812,017
Other Receivables	372,651	
Due to/Due From DEC, CNEA	419,367	792,018
Inventories	144,834	
Prepaid expenses	67,807	
Total Current Assets	4,816,677	
Receivable from the City of Toronto - PSAB	4,134,920	
Receivable from the City of Toronto - Capital	175,878	
Rent Receivable (Step-Up Lease)	2,264,898	
Capital assets, net	111,526	

**TOTAL ASSETS**

11,503,900

**LIABILITIES & EQUITY**

**LIABILITIES**

<b>Current Liabilities</b>		
Cash & Cash Equivalent	(105,783)	
CIBC Overdraft (limit of \$500k)	(74,568)	
Loan from City's Term Investment	4,990,492	4,810,141
Accounts Payable	886,219	
Accrued Liabilities	2,523,006	
Accounts Payables - Statutory & Omers Pension	102,628	
Accounts Payables - Trade Unions	133,614	3,645,468
A/P - Holdbacks	963,560	
Deferred revenue	821,457	
Total Current Liabilities	9,840,626	
<b>Other Liabilities</b>		
Employee Benefits - PSAB	6,489,653	

**EQUITY**

Net Income/(Loss) - Current Period	(2,558,891)	
Prior Year - Combined 2006 Profit/Loss		
DEC Profit (Cash Basis)	1,126,989	
CNE Loss (Cash Basis)	(1,182,222)	
EP Loss (Cash Basis)	(2,266,205)	
Less Advance from City	53,949	(2,267,488)

**TOTAL LIABILITIES & EQUITY**

11,503,900

**BOARD OF GOVERNORS OF EXHIBITION PLACE**  
**FINANCIAL STATEMENT HIGHLIGHTS**  
**STATEMENT OF CASH FLOW**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2007**

	<u>MONTH</u>	<u>YTD</u>
<b>CASH FLOW FROM OPERATIONS</b>		
NET LOSS	(461,791)	(2,558,891)
<b>SOURCES (USES) OF CASH</b>		
Accounts receivable	(1,005,957)	(1,672,990)
Other Receivable	1,345,266	2,530,217
Inventories	1,787	(4,389)
Prepaid expenses	23,541	(67,588)
Receivable from the City of Toronto - PSAB	-	(145,845)
Receivable from the City of Toronto - Capital	154,514	(175,878)
Rent Receivable (Step-Up Lease)	43,355	204,395
Capital assets, net	3,566	11,091
Accounts Payable + Accrued & Other Liabilities	(247,464)	(2,394,230)
A/P - Holdbacks	38,454	(291,044)
Deferred revenue	176,918	620,224
Employee Benefits - PSAB	-	-
<b>NET CASH FROM (TO) OPERATIONS</b>	<u>72,187</u>	<u>(3,944,929)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	72,187	(3,944,929)
<b>BEGINNING CASH BALANCE</b>	<u>(4,882,328)</u>	<u>(865,212)</u>
<b>ENDING CASH BALANCE</b>	<u>(4,810,141)</u>	<u>(4,810,141)</u>

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

Cheque No	Date	Amount	Description
10289	6/6/2007	303,650.86	ADP CANADA SALARY PAYROLL
10426	6/13/2007	220,901.67	ADP CANADA HOURLY PAYROLL
10427	6/13/2007	300,557.91	ADP CANADA HOURLY PAYROLL
10457	6/19/2007	299,474.00	ADP CANADA SALARY PAYROLL
10529	6/20/2007	200,937.06	ADP CANADA HOURLY PAYROLL
10390	6/30/2007	225,128.36	CITY OF TORONTO TREASURER PROPERTY TAX
10445	6/30/2007	107,535.56	OMERS PENSION CONTRIBUTION FOR APRIL
10456	6/19/2007	51,112.22	MINISTRY OF FINANCE R.S.T.RETAIL SALES TAX FOR APRIL
10433	6/14/2007	73,266.36	CITY OF TORONTO PREMIUM FOR MAJOR.,DENTAL LIFE FOR APRIL
10522	6/20/2007	74,304.14	TORONTO HYDRO 5 BUILDING ENERGY EFFICIENCY PROJECT
10369	5/31/2007	256,025.24	CITY OF TORONTO MARCH 2007 HYDRO
10294	5/31/2007	108,793.93	CARIMANAH TECHNOLOGY CAPITAL WORK HOLDBACK -HORSE PALACE PHOTOVOLTAIC
10422	6/13/2007	53,830.01	BMO FIELD SHARE OF PARKING REVENUE FOR MAY 2007
10398	6/15/2007	78,762.60	LOCAL 58 BENEFIT I.A.T.S.E WELFARE VAC & PENSION FOR MAY 2007
		<b>2,354,279.92</b>	<b>DISBURSEMENTS OVER \$50,000</b>
		<b>852,559.30</b>	<b>OTHER DISBURSEMENTS</b>
		<b>3,206,839.22</b>	<b>TOTAL DISBURSEMENT</b>

