

Gathering for International Trade Journalists on June 26, 2007
"Weißes Brauhaus", Munich
Speech by Norbert Bargmann
Managing Director
Munich International Trade Fairs



Mr. Zaers,

Mr. Hänisch,

Dr. Frings,

Ladies and Gentlemen,

It is a pleasure for me to welcome all of you to our first gathering for international trade journalists for MAINTAIN 2007 here at "Weißes Brauhaus" in Munich. I would like to extend my special thanks to our colleagues from the Czech Republic, Austria and Hungary for traveling all the way to Munich to find out about the current status of MAINTAIN and the latest trends in the maintenance industry.

We intentionally selected a special topic for today's press gathering:

"Maintenance as a priority for upper management – from reactive troubleshooting to a factor that creates value."

In the past, the "man with the oil can" was responsible for maintenance in companies. Now people realize that maintenance means a lot more than checking machines now and then. Maintenance is a factor that creates value. It helps to cut costs in companies and, for that reason alone, is an important competitive factor.

MAINTAIN – a platform for the maintenance sector

Thanks to MAINTAIN, we have established an international trade fair that provides decision-makers and experts in the processing and manufacturing industries information about modern solutions for inspecting, repairing and maintaining industrial plants and machinery in all branches of industry.

Developments over the past three years have shown that the MAINTAIN concept meets the industry's exact needs.

MAINTAIN has established itself as Europe's leading exhibition for maintenance. Our exhibitors have confirmed the fact that MAINTAIN has evolved into a key industry event with the character of a leading exhibition after it was held for the second time.

Maintenance is a competitive factor

The fact that maintenance continues to increase in importance is no secret. Several studies such as the "Sustainable Maintenance" study conducted by the VDMA (German Machinery and Plant Manufacturing Association), WZK (Laboratory for Machine Tools and Production Engineering), RWTH Aachen University and the Fraunhofer Institute for Material Flow and Logistics (IML) in Dortmund have shown that the importance of maintenance has and will continue to increase. Maintenance is a chance to optimize systems at the end of the value-added chain. More than 90% of the companies surveyed agree with the statement that proper maintenance reduces overall costs of plants and machinery, and approximately 80% of the companies surveyed confirmed the need for maintenance to reach their production objectives.

In the words of one of today's speakers, Dr. Stefan Frings, "Maintenance is a priority for upper management." Mr. Frings' statement hits the nail on the head. His study on "Maintenance Excellence" in 2006 clearly demonstrates how much potential a sustainable maintenance strategy has to offer.

- According to a careful estimate, maintenance expenditures in the German industrial sector account for a total volume of 268 billion euros. Nationwide optimization of maintenance could contribute between 20 and 30 billion euros toward securing Germany's position as a business location.

However, if you consider sales in the machine-manufacturing industry – which is very important to maintenance – the maintenance market abroad is also interesting from an economic point of view.

- Since German reunification, the Czech Republic's hard-hit machine-manufacturing industry has recovered as a result of restructuring. Since 2005, it has been considered a pillar of economic growth with a 13.3 percent increase in production and sales worth 6.5 billion euros. (Source: Federal Agency for Foreign Trade, bfai)
- Hungary now has a modern market economy that competes in the domestic European economy. There is close cooperation between its domestic machine-manufacturing industry and western European companies, especially in Germany. Production includes customer-specific one-off parts as well as small and medium-sized series.

Hungary has some 50 to 70 larger companies that, together, generate some 300 million euros in annual sales. (Source: Federal Agency for Foreign Trade, bfai)

- The plant and machine-manufacturing industry in Austria had a successful fiscal year in 2006. From January to September 2006, industry sales increased by 13.8% to 11.3 billion euros. (Source: Federal Agency for Foreign Trade, bfai)

These are very impressive figures that lead to the conclusion that maintenance is in great demand in manufacturing facilities.

For me, it also indicates that we are on the right track with MAINTAIN. We have created the leading exhibition for maintenance in Europe and are doing everything we can to continue building on the success of the first two years.

Exhibitors

For 2007, MAINTAIN's main exhibition sectors, i.e. maintenance services and maintenance management, have been expanded to include disposal/environmental protection, occupational safety, personnel leasing, technical infrastructure management, contracting and energy management.

To date, some 200 companies from eight countries have registered for MAINTAIN 2007. As of today, the exhibitors will occupy some 5,400 square meters of net exhibition space in Halls 1, 2 and 3 of the M,O,C, Event Centre. Compared to last

year, that is an increase of some 200 square meters of rented stand space, which we consider quite a success.

Our exhibitors come from Germany, Austria, France, Belgium, Great Britain, Finland, Switzerland and the Netherlands. They include leading companies in the maintenance sector such as Bilfinger Berger Industrial Services, Siemens Industrial Services, DB Services and MCE Industrietechnik.

Visitors

Although we are very pleased with the progress that the fair has made to date, we still have a long way to go to make the exhibition this October a success. Our primary concern right now is visitors. MAINTAIN is a business and information platform for decision-makers and experts in the processing and manufacturing sector – from technical buyers and maintenance managers to plant and business executives.

As in the past, visitors will be able to register online for this year's MAINTAIN.

That allows us to reach trade visitors, most of whom come from Germany, the Czech Republic, the Slovak Republic, Italy, Great Britain, Hungary, Switzerland and the Netherlands. They can order their free admission tickets or redeem their guest tickets at our homepage at www.maintain-europe.com. Besides free admission, they save time when they arrive at the fair, enjoy free admission to the exhibitor forum, receive a free exhibition catalog and can look forward to a free Bavarian snack. MAINTAIN is also the only exhibition in Germany that offers its visitors refreshments: the free Bavarian snack not only helps visitors keep up their strength, its also gives experts and decision-makers a chance to sit down together and exchange information.

Related-events program

The related-events program at MAINTAIN 2007 gives visitors an opportunity to gather information that goes beyond the scope of the exhibits. The exhibitor forum, which is being organized by "Verlag moderne industrie," will feature interesting presentations on topics that pertain to the industrial and scientific sectors on all three days of the fair. In addition, the 2007 Maintenance Summit is being held on October

16 and 17. This new conference, which is being organized by "Management Circle", gives participants the latest information about the trends and opportunities associated with modern maintenance management. Finally, a workshop that is part of the Maintenance Summit is being held on the last day of the fair.

Job exchange

Qualified, motivated and informed employees are another important factor for successful maintenance. Knowledge is one of the most important ways to create and sustain competitive advantages, particularly when it comes to maintenance. To take the needs of up-and-coming industry professionals into account, MAINTAIN has its own job exchange. The changing mentality in companies is reflected by growing demand for maintenance experts in all branches of industry. At the same time, the requirements that trained specialists have to meet have increased considerably. Unfortunately, Germany does not have an officially recognized course of study for becoming a maintenance specialist. MAINTAIN will focus on this topic and is responding to the industry's needs by establishing a job exchange. As the only maintenance exhibition in Germany with its own online job exchange, we are a pioneer in this area. Industry representatives can post their job openings without coverage loss and contact exactly the qualified specialists they are looking for at www.maintain-europe-jobs.de.

This tool is another communications platform where industry representatives and maintenance specialists can observe the market the entire year.

Munich

MAINTAIN has found suitable surroundings here in Munich. The M,O,C, Event Centre is the perfect venue for MAINTAIN. It has a suitable internal and external infrastructure for a trade fair of this type – from optimum technical equipment to being easy to reach using all forms of transportation.

Time and again the M,O,C, has served as a development center for new exhibitions such as EXPO REAL, the commercial property exposition which is now held at the New Munich Trade Fair Centre. Munich is one of the most attractive cities in Europe

and it has one of the leading trade-fair centers in the world. There are several reasons for Munich's success and appeal as a business location and exhibition venue. Maintenance plays an important role in the three largest industrial sectors in the Bavarian economy – i.e. automobile, electrical and machine manufacturing – as well as in the chemicals, plastics, metals and food industries, publishing, printing and paper manufacturing, all of which generate a great deal of sales and create lots of jobs in Bavaria.

As a European industrial hub, Munich also satisfies the best prerequisites for establishing business ties in markets throughout Western and Eastern Europe.

Munich's outstanding transportation infrastructure – which includes Germany's second largest airport with approximately 60 intercontinental connections each day and international railway and motorway networks – makes our "cosmopolitan city with heart" easy to reach for guests from around the world. The infrastructure combined with intense cooperation with several industrial and scientific organizations and institutions in Munich and extensive international contacts are what make it possible for Munich International Trade Fairs to make professional information and communications platforms available to its customers from around the world.

Today's press gathering brings visitors, exhibitors and experts from MAINTAIN 2007 together with international journalists.

I am looking forward to interesting presentations and animated and informative discussions. So let's move on to today's speakers. Thank you.