



# Financial Part

# Balance Sheet

(by 31 December 2000, in thousands CZK)

	1999	2000	00/99	00/98
<b>A RECEIVABLES FOR SUBSCRIPTIONS</b>	-	-	<b>0.0</b>	<b>0.0</b>
B.I. Intangible fixed assets	12,799	18,975	148.3	269.7
B.II. Tangible fixed assets	1,578,756	1,829,646	115.9	129.3
B.III. Financial investments	152,347	142,335	93.4	40.5
<b>B FIXED ASSETS</b>	<b>1,743,902</b>	<b>1,990,956</b>	<b>114.2</b>	<b>112.3</b>
C.I. Inventory	25,595	16,646	65.0	58.1
C.II. Long-term receivables	85,980	13,576	15.8	160.7
C.III. Short-term receivables	735,910	108,010	14.7	80.6
C.IV. Financial assets	859,676	611,903	71.2	81.9
<b>C CURRENT ASSETS</b>	<b>1 707,161</b>	<b>750,135</b>	<b>43.9</b>	<b>81.7</b>
D.I. Accruals	55,532	41,739	75.2	115.8
D.II. Estimated receivables	218	200	91.7	9.9
<b>D OTHER ASSETS</b>	<b>55,750</b>	<b>41,939</b>	<b>75.2</b>	<b>110.2</b>
<b>TOTAL ASSETS</b>	<b>3,506,813</b>	<b>2,783,030</b>	<b>79.4</b>	<b>102.0</b>
A.I.1 Registered capital	550,000	550,000	100.0	95.7
A.I.2 Own shares	-12,804	-31,900	249.1	127.6
A.II. Capital funds	90,000	90,000	100.0	100.0
A.III. Funds created from net profit	987,745	1,001,106	101.4	103.5
A.IV. Profit (loss) of previous years	8,817	314,727	3,569.5	0.0
A.V. Profit (loss) of current period	322,011	238,633	74.1	114.1
<b>A EQUITY</b>	<b>1,945,769</b>	<b>2,162,566</b>	<b>111.1</b>	<b>119.0</b>
B.I. Reserves	268,427	212,556	79.2	91.3
B.II. Long-term payables	-	-	0.0	0.0
B.III. Short-term payables	1,081,482	295,980	27.4	77.9
B.IV. Bank loans	68,393	-	-	-
<b>B NOT-OWN CAPITAL</b>	<b>1,418,302</b>	<b>508,536</b>	<b>35.9</b>	<b>67.8</b>
C.I. Accruals	98,294	69,606	70.8	55.1
C.II. Estimated payables	44,448	42,322	95.2	116.0
<b>C OTHER LIABILITIES</b>	<b>142,742</b>	<b>111,928</b>	<b>78.4</b>	<b>68.7</b>
<b>TOTAL LIABILITIES</b>	<b>3,506,813</b>	<b>2,783,030</b>	<b>79.4</b>	<b>102.0</b>

# Profit and Loss Account

(by 31 December 2000, in thousands CZK)

	1999	2000	00/99	00/98
I. Revenues from merchandise	45,967	32,303	70.3	46.4
A. Cost of goods sold	40,309	27,814	69.0	43.3
<b>+ Sales margin</b>	<b>5,658</b>	<b>4,489</b>	<b>79.3</b>	<b>83.5</b>
II.1. Revenues from own products and services	1,748,294	1,671,805	95.6	86.1
II.2. Change in inventory of own products	-	-	-	-
II.3. Capitalisation	1,496	3,601	240.7	70.5
<b>II. Production</b>	<b>1,749,790</b>	<b>1,675,406</b>	<b>95.7</b>	<b>86.1</b>
<b>GROSS TRADE TURNOVER</b>	<b>1,755,448</b>	<b>1,679,895</b>	<b>95.7</b>	<b>86.1</b>
B.1. Materials and energy consumption	139,585	151,219	108.3	86.8
B.2. Services	918,249	753,985	82.1	82.8
<b>B. Production consumption</b>	<b>1 057,834</b>	<b>905,204</b>	<b>85.6</b>	<b>83.4</b>
<b>+ ADDED VALUE</b>	<b>697,614</b>	<b>774,691</b>	<b>111.0</b>	<b>89.4</b>
C. Personnel expenses	276,593	267,719	96.8	104.3
D. Taxes and fees	23,646	21,194	89.6	126.3
E. Depreciation of tangible and intangible fixed assets	99,485	101,800	102.3	83.7
III. Revenues from disposals of fixed assets and material	5,422	7,808	144.0	21.2
F. Net book value of fixed assets and material sold	3,016	6,472	214.6	11.9
IV. Accounting for reserves and accruals to operating revenues	228,302	13,608	6.0	13.5
G. Additions to reserves and accruals to operating expenses	9,333	400	4.3	0.3
V. Accounting for adjustment to operating revenues	20,752	38,471	185.4	124.7
H. Accounting for adjustments to operating expenses	41,423	29,526	71.3	55.0
VI. Other operating revenues	17,083	8,298	48.6	49.0
I. Other operating expenses	39,950	43,311	108.4	123.3
<b>* OPERATING PROFIT</b>	<b>475,727</b>	<b>372,454</b>	<b>78.3</b>	<b>94.5</b>

	1999	2000	00/99	00/98
VIII. Revenues from sales of securities and ownership interests	785,559	23,778	3.0	-
K. Securities and ownership interests sold	454,130	19,648	4.3	-
IX. Revenues from financial investments	1,216	441	36.3	42.5
X. Revenues from short-term financial assets	66,723	24,133	36.2	31.8
XI. Accounting for reserves to financial revenues	113	8,061	7133.6	326.0
L. Additions to reserves (financial)	7,819	398	5.1	352.2
XII. Accounting for adjustments to financial revenues	63,567	2,766	4.4	25.3
M. Accounting to adjustments to financial expenses	41,134	3,624	8.8	5.3
XIII. Interest received	14,031	15,381	109.6	92.4
N. Interest paid	34,958	16,111	46.1	32.3
XIV. Other financial revenues	13,934	6,727	48.3	32.9
O. Other financial expenses	51,429	16,626	32.3	38.1
<b>* PROFIT (LOSS) FROM FINANCIAL OPERATIONS</b>	<b>355,673</b>	<b>24,880</b>	<b>7.0</b>	<b>-71.8</b>
<b>R. Income tax on ordinary income</b>	<b>269,280</b>	<b>179,869</b>	<b>66.7</b>	<b>109.2</b>
<b>R. 1. Due</b>	<b>255,629</b>	<b>168,131</b>	<b>65.8</b>	<b>98.5</b>
<b>R. 2. Deferred</b>	<b>13,651</b>	<b>11,738</b>	<b>86.0</b>	<b>-196.7</b>
<b>** PROFIT (LOSS) FOR CURRENT ACCOUNTING PERIOD</b>	<b>562,120</b>	<b>217,465</b>	<b>38.7</b>	<b>60.5</b>
XVI. Extraordinary revenues	8,635	55,419	641.8	316.8
S. Extraordinary expenses	248,744	34,251	13.8	1,179.0
<b>** EXTRAORDINARY INCOME</b>	<b>-240,109</b>	<b>21,168</b>	<b>-8.8</b>	<b>145.1</b>
<b>PROFIT (LOSS) OF CURRENT ACCOUNTING PERIOD</b>	<b>322,011</b>	<b>238,633</b>	<b>74.1</b>	<b>114.1</b>
<b>PRE-TAX PROFIT (LOSS) OF CURRENT ACCOUNTING PERIOD</b>	<b>591,291</b>	<b>418,502</b>	<b>70.8</b>	<b>111.9</b>

# Cash Flow Overview

(for a period by 31 December 2000, in thousands CZK)

	1999	2000
<b>P. OPENING BALANCE OF CASH</b>	<b>747,126</b>	<b>859,676</b>
<b>Z. ACCOUNTING PROFIT OR LOSS FROM REGULAR ACTIVITIES BEFORE TAXATION</b>	<b>831,400</b>	<b>397,334</b>
A.1. Adjustments by non-financial operations (A.1.1. to 5)	-43,782	224,807
A.1.1. <i>Depreciation of fixed assets</i>	110,572	107,871
A.1.2. <i>Adjustments, reserves, temporary accounts</i>	225,865	144,643
A.1.3. <i>Profit (loss) from sale of fixed assets</i>	-333,207	-3,863
A.1.4. <i>Revenues from dividends</i>	-67,939	-24,574
A.1.5. <i>Accounted paid and received interest</i>	20,927	730
<b>A.* NET CASH FLOW FROM OPERATING ACTIVITY (Z.+A.1.)</b>	<b>787,618</b>	<b>622,141</b>
A.2. Alteration of the working capital requirements (A.2.1. to 3)	-115,467	-203,354
A.2.1. <i>Receivables in operating activity</i>	-820,164	575,077
A.2.2. <i>Short-term liabilities of operating activity</i>	701,627	-785,501
A.2.3. <i>Change to inventory</i>	3,070	7,070
<b>A.** NET CASH FLOW FROM OPERATING ACTIVITIES (A.* + A.2.)</b>	<b>672,151</b>	<b>418,787</b>
A.3. Expenses from interest payment except for capitalised interest	-34,958	-16,111
A.4. Interest received	14,031	15,381
A.5. Income tax paid for common activity and for re-allocations	-269,280	-179,869
A.6. Extraordinary accounting items, including taxes from extraordinary activities	-240,109	21,168
<b>A.*** NET CASH FLOW FROM OPERATING ACTIVITY (A.** + A.3. to A.6.)</b>	<b>141,835</b>	<b>259,356</b>
B.1. Expenses on fixed assets	-628,699	-471,091
B.2. Income from sale of fixed assets	790,278	29,617
B.3. Loans and credits to relatives	3,000	0
<b>B.*** NET CASH FLOW FROM INVESTMENT ACTIVITY, CASH FLOWS FROM INVESTMENT ACTIVITIES (B.1. to B.3.)</b>	<b>164,579</b>	<b>-441,474</b>
C.1. Change to the balance of liabilities	-68,843	-68,393
C.2. Impacts of changes to equity on cash flows (C.2.1. to 6)	-192,960	-21,836
C.2.1. <i>Increase of registered capital or reserves fund</i>	-221,949	-341,107
C.2.2. <i>Payment of share on the equity to associates</i>	-	-
C.2.3. <i>Monetary gifts and donations in the equity</i>	-	-
C.2.4. <i>Loss payment by the associates</i>	-	-
C.2.5. <i>Direct payments to the debit of funds</i>	203,229	342,620
C.2.6. <i>Paid dividends and shares to profit, including withholding tax</i>	-174,240	-23,349
C.3. Received dividends and shares to profit	67,939	24,574
<b>C.*** NETS CASH FLOW FROM FINANCIAL ACTIVITIES (C.1. to C.3.)</b>	<b>-193,864</b>	<b>-65,655</b>

	1999	2000
<b>A.*** Cash Flow from operating activity</b>	<b>141,835</b>	<b>259,356</b>
<b>B.*** Cash flow from investment activity</b>	<b>164,579</b>	<b>-441,474</b>
<b>C.*** Cash Flow from financial activities</b>	<b>-193,864</b>	<b>-65,655</b>
<b>F. Net CASH FLOW (A.***+B.***+C.***)</b>	<b>112,550</b>	<b>-247,773</b>
<b>R. FINAL BALANCE OF CASH FLOW (P.+F.)</b>	<b>859,676</b>	<b>611,903</b>

# Appendix to the Annual Financial Statement

(for a period by 31 December 2000)

## I. General Information

Company name: **Brněnské veletrhy a výstavy, akciová společnost**  
Company Headquarters: **Brno, Výstaviště 1, 647 00**  
Date of Establishment: **28. 12. 1990**  
The company is registered for: **organising and presenting fairs and exhibitions**

### Principal stockholders of Brněnské veletrhy a výstavy, a.s. by 31 December 2000

Stockholder's Name	Shares (pcs)	Ownership interest
Veletrhy Brno, a.s.	525,998	95.64%
BVV, a.s.	11,393	2.07%
Minority shareholders	12,609	2.29%
<b>Total of BVV, a.s.</b>	<b>550,000</b>	<b>100.00%</b>

### Company Organisation Chart

see the Appendix

### The following changes were entered in the Companies Register in 2000:

- replacement of members of the Board of Directors and Supervisory Board
- change to Articles of Association (the new version of Articles of Association approved by the General Meeting is registered)

### The following changes were made to the Articles of Association in 2000:

- cancelled public tradeability of shares
- change of a period for advertising or mailing an invitation

### Members of the Statutory Body by 31 December 2000:

#### Board of Directors:

Chairman: Karlheinz Wismer  
Vice-Chairman: Jiří Škrála  
Members: Petr Duchoň  
Milan Šimonovský

### Procurators

Jiří Škrála  
Jaromír Hažmuka  
Jaroslav Rubeš  
Jiří Carda  
Petr Finger

### Supervisory Board:

Chairman: Joachim Erwin  
Members: Petr Mayer  
František Kania

### Trading Companies with BVV Ownership Interest over 20%

Company Name	HQ	Share of RC	Reg. Capital
Alberga, a.s. in Liquidation	Brno	49.00%	CZK 41,010,000
Brno Inn, a.s.	Brno	59.16%	CZK 240,000,000
BVV, s.r.o.	Brno	100.00%	CZK 100,000
BVV Fair Travel, s.r.o.	Brno	100.00%	CZK 2,400,000
BVV Hotel Service, a.s. in bankruptcy	Brno	49.05%	CZK 31,600,000
CENTREX International Association	Budapešť	25.00%	HUF 100,000
EXPO restaurace, a.s.	Brno	80.00%	CZK 1,500,000
Park Praha, s.r.o.	Pec p. Sněžkou	34.00%	CZK 100,000
Pražské veletrhy, s.r.o. in Liquidation	Praha	50.00%	CZK 200,000
Vlečka BVV, s.r.o.	Brno	100.00%	CZK 100,000
VVB-Veltrhy a výstavy Bratislava, s.r.o. in Liquid.	Bratislava	100.00%	CZK 1,130,000
World Trade Center Brno, a.s.	Brno	100.00%	CZK 3,000,000
MQI, s.r.o.	Brno	49.00%	CZK 300,000
Vila TUGENDHAT Foundation	Brno	49.90%	CZK 501,000
BD – Expo GmbH	Budapešť	51.00%	HUF 4,000,000
Kongresové centrum Brno, a.s. „Daughter Company“	Brno	66.00%	CZK 1,000,000

## Data on Employees

<b>Average number of employees in the accounting period</b>	<b>662</b>
<i>in previous period</i>	718
Subtotal - managerial staff (CEO, deputies and directors)	9
- staff at the 3rd level of management	40

## Personnel Expenses

<b>Total of Personnel expenses:</b>	<b>CZK 267,719,000</b>
<i>in previous period</i>	CZK 276,593,000
<b>subtotal : - payroll cost</b>	<b>CZK 191,633,000</b>
- bonuses to members of the company bodies	CZK 1,694,000
- social security expenses	CZK 66,466,000
- social expenses	CZK 7,926,000

<b>Influence of accruals and deferrals</b>	<b>Addition</b>	<b>Distribution</b>	<b>Balance</b>
- wages	25 709	27 619	CZK -1,910,000
- social security	6 684	7 180	CZK -496,000
- health insurance	2 314	2 485	CZK -171,000
<b>T O T A L</b>	<b>34 707</b>	<b>37 284</b>	<b>CZK -2,577,000</b>

<b>Subtotal for managerial staff (CEO, deputies, directors)</b>	
<b>Personnel expenses on the managerial staff – total</b>	<b>CZK 23,846,000</b>
Subtotal: - payroll cost	<b>CZK 16,409,000</b>
- bonuses to members of the company bodies	<b>CZK 1,694,000</b>
- social security expenses	<b>CZK 5,743,000</b>
- social expenses	<b>CZK 1,000</b>

## Other bonuses paid to members of statutory and supervisory bodies

Board of Directors	<b>CZK 000</b>	Bonus type: <b>dividends</b>
<i>in previous period</i>	CZK 1,667,000	
Supervisory Board	<b>CZK 000</b>	Bonus type: <b>dividends</b>
<i>in previous period</i>	CZK 883,000	

## Loans, credits, bonds, etc.

- provided to members of the statutory, supervisory and management bodies, including ex-members, in cash or in kind

<b>Loans received in 2000 - total</b>	<b>CZK 3,642,000</b>
<i>For previous period</i>	CZK 2,377,000
Subtotal - Board of Directors	CZK 000
- Supervisory Board	CZK 000
- Management	CZK 834,000

<b>Balance of loans by 31 December 2000 - total</b>	<b>CZK 13,576,000</b>
Subtotal - Board of Directors	CZK 000
- Supervisory Board	CZK 000
- Management	CZK 5,473,000

<b>Income in kind - total</b>	<b>CZK 327,000</b>
Subtotal - Board of Directors	<b>CZK 000</b>
- Supervisory Board	<b>CZK 000</b>
- Management	<b>CZK 27,000</b>



## II. Information on Accounting Methods and General Principles

Purchased inventory is evaluated with acquisition price, minus adjustments.

Tangible and intangible fixed assets are evaluated in accordance with Article III of the Accounting Class 0 – Accounting Methods.

Securities and Capital Investments are evaluated with the acquisition price, minus adjustments.

Any reproduction acquisition price is determined by a special regulation or by an expert.

### 1. Types of secondary acquisition costs included under acquisition prices of purchased inventory

Freight and Customs Duty

### 2. Changes to accounting methods

Change	Reason for Change	Influence on Assets Profit/Loss
Method of Evaluation	no change	0
Method of Depreciation	no change	0
Arrangement of Items in the Financial Statement	no change	0

### 3. Method of determination of Adjustment to Fixed Assets

Adjustment	Method of Determination
Securities	based on an overview of rates at the Prague Stock Exchange
Receivables	based on the Act on Reserves and the Act on Accounting <ul style="list-style-type: none"> <li>- over 180 days from a due date up to 100 %</li> <li>- between 120 and 180 days from the due date up to 50 %</li> <li>- between 60 and 120 days from the due date up to 30 %</li> <li>- flat rate of 2% per a value of receivables to which no adjustment was added</li> </ul>
Inventory	based on the Act of Accounting <ul style="list-style-type: none"> <li>- low-turnover inventory in the amount of 50 %</li> <li>- inventory with no turnover in the amount of 90%</li> </ul>
Land	based on an expert estimate of real-estate offices

### 4. Method of Compilation of the Depreciation Plans and Methods Applied

Type of Fixed Assets	Depreciation Method Applied	Periodicity of Depreciation
Intangible FA/Tangible FA	even, accelerated	monthly/it is determined individually when put into service life

### 5. Change of the Method of Depreciation of FA

The accounting depreciation rates will be modified as of 1 January 2001 and will be adapted to the Messe Düsseldorf depreciation rates based on the corporate principles.

### 6. Method applied for the conversion of foreign currency into Czech crowns

- for the conversion of foreign currency into Czech crowns for the date of execution of an accounting operation, the accounting unit applies a fixed monthly exchange rate determined based on the exchange rate of the Czech National Bank as of the last workday of the previous month

- for the conversion of foreign currency into Czech crowns for operations on the crown and foreign currency markets carried out by the Financial Department, the currently valid exchange rate of the operation performed will be applied – the Financial Department will supply the complete accounting documents necessary to be accounted for properly (description of transactions, contacts, transaction rate of exchange, etc.)

- the receivables and payables unpaid by 31 December 2000 were converted using an exchange rate of the Czech National Bank

### III. Additional Information to the Balance Sheet and the Profit/Loss Account

#### 1) Tangible and Intangible Fixed Assets Other than Receivables

Assets with a market evaluation different from the accounting evaluation are, especially, the intangible assets of the company. Assets not recorded in the in the Balance Sheet are kept in the operating records on acquisition prices.

#### a) Main groups of individual tangible and intangible assets

Account	Type of Asset	Depreciation Group	Acquisition Price	Adjustments
02110	Buildings and halls	4, 5	CZK 2,109,741,000	CZK 654,329,000
02120	Other structures	4, 5	CZK 300,800,000	CZK 115,516,000
02230	Power machinery	1, 2, 3	CZK 18,905,000	CZK 3,432,000
02240	Working machinery	1, 2, 3	CZK 25,012,000	CZK 19,254,000
02250	Working machinery	1, 2, 3	CZK 269,300,000	CZK 243,374,000
02260	Transport means	1, 2, 3	CZK 106,839,000	CZK 60,474,000
02270	Inventory	1, 2, 3	CZK 31,402,000	CZK 26,887,000
02280	Exhibition equipment	-	CZK 5,424,000	CZK 5,298,000
02510	Orchards and vineyards	-	CZK 4,476,000	CZK 4,476,000
02812	Other non-exhibit. equip.	-	CZK 64,461,000	CZK 64,461,000
03110	Land	-	CZK 112,823,000	000 CZK
03210	Art works and collections	-	CZK 921,000	000 CZK

#### b) Intangible assets

Account	Type of Asset	Depreciation Group	Acquisition Price	Adjustments
01310	Software	1, 2	CZK 60,987,000	CZK 44,847,000
01410	Rights with value	-	CZK 3,288,000	CZK 546,000
01810	Low-value Intangible FA.	-	CZK 9,275,000	CZK 9,275,000
01910	Low-value Tangible FA.	-	CZK 000	CZK 000

#### c) Assets acquired in the form of financial leasing

##### Leasing Contract for real estates No. 050

**Lessor:** BACA Leasing Alfa, s.r.o., Vinohradská 37, Praha 2

**Subject of the Leasing:** EXPO-PARKING building and equipment situated on the lots No. 1023/16, 1023/17, 1023/18, 1023/19, 1023/20, 1023/35, 1023/36, 1023/37, 1023/38, 1023/40 and 1023/43 of the total area of 8,812 sqm., registered in the cadastral register of Brno-town.

**Term of the leasing:** 20 years

Actually remitted lease payments from financial leasing	CZK 8,167,000
Future lease payments due within one year	CZK 27,378,000

#### d) List of Tangible Assets under Lien

– Pavillon E	creditor: IPB, a.s.	CZK 240,000,000
– Land Deed of Title No. 344	creditor: Česká spořitelna, a.s.	CZK 32,000,000

#### Description of the Lien

**- Pavillon E**                      **creditor: IPB, a.s.**                      **CZK 240,000,000**

The Poštovní a Investiční banka, a.s., concluded a contract for the creation of a lien with Brněnské veletrhy a výstavy, a.s., on 30 November 1993. This contract secures a debt of the company Park Praha, s.r.o., in the amount of CZK 240 million from a loan contract described below.

The subject matter of the lien is pavilion E with the building site No. 99/2 covering an area of 8,443 sqm., registered as Deed of Title No. 344 at the Pisárky cadastral office in Brno. The entry of the lien was approved by the decision of the Brno cadastral office under a Ref. No. 911 V2-4118/93, with the entry effective date as of 10 December 1993. On 30 November 1993 Investiční a Poštovní banka with its head office in Prague concluded a loan contract No. 200993031 with one Appendix with the company Park Praha, s.r.o., with the headquarters in Pec pod Snežkou, Reg. No. 15039650. The subject matter of the loan contract is the liability of Investiční a Poštovní banka, a.s., to provide the company Park Praha with a loan in the amount of CZK 240 million for financing of the construction of a hotel, currently called "Hotel Expo", located at Za elektrárnou 3, Praha 7. The loan is payable by 31 December 2001.

Appendix No. 1 to the Contract sets forth the liability of Brněnské veletrhy a výstavy, a.s. to place a property lien on the pavilion E. The Appendix also sets out a commitment of the contracting parties to make an entry of the lien on the hotel immediately after the building inspection of the hotel (within 14 days) at the cadastral office, and in favour of Investiční a Poštovní banka. The inspection decision became effective as of 1 September 1994. However, the commitment of contractual parties to transfer the lien on the hotel has not been fulfilled yet. The non-fulfilment of the liability is a subject matter of an action filed at Municipal Court in Prague under the Ref. No. 8 Cm 324/98 on 20 August 1998. At the same time, in 1999 IPB filed a lawsuit against Park Praha and a court payment order was issued together with an approval to sell the pavilion E. BVV appealed against such a decision and the dispute is filed at a Regional Court in Hradec Kralove under Ref.

No. 41 Cm 124/99. Due to increased risk, a fund of provisions the amount of CZK 197 million has been made.

#### Description of the Lien

**- Land Deed of Title No. 344**    **Creditor: Česká spořitelna, a.s.**                      **CZK 32,000,000**

Brněnské veletrhy a výstavy, a.s. concluded a contract with Česká spořitelna, a.s., on 14 July 1992 for the creation of a lien. This contract secures a debt of the company TOSCA, s.r.o., of CZK 32 million from the loan contract described below. The subject of the lien is the following immovable asset: lot No. 756 with 326 sqm. (housing object – developed property), Deed of Title No. 405, cadastral office of Stare Brno, Brno, lots nos. 27, 358, 1, 3, 4, 13, 19, 20, and 22, all developed, Deed of Title No. 344, Pisárky cadastral office, Brno. The lien contract was registered at the State Notary in Brno on 17 July 1992 under Ref. No. R III 758/92.

On 14 July 1992 Česká spořitelna, a.s., concluded loan contract No. 184/1992 with the company TOSCA, s.r.o., with headquarters in Brno, Reg. No. 44012217. The subject matter of the loan contract is the liability of Česká spořitelna to provide the company TOSCA with a middle-term operating loan of CZK 32 million for inventories to cover work in progress. The loan was due by 30 June 1996, but it has not been repaid yet.

The prerequisite for providing a loan was a lien on the immovable asset and guarantee of the Českomoravská záruční a rozvojová banka, a.s., to secure receivable from the loan provided. The lien contract was concluded for the immovable asset. Českomoravská záruční a rozvojová banka, a.s., did not issued a guarantee.

Česká spořitelna, a.s., and TOSCA concluded an amendment No. 1 to the loan contract on 29 October 1992. According to that amendment, Česká spořitelna accepted the lien on the immovable assets of the company TOS Znojmo, a.s. BVV filed an action at the Regional Court in Brno on 12 May 1998, for nullification of the loan contract.

### List of Tangible Assets under Lien

Inv. No.	Asset	Acquisition price	Balance Book	Value Lien for
0005	Pavilion A	246,765,844.40	61,775,344.00	Česká spořitelna, a.s.
9853	Pavilion E	375,461,177.64	279,109,670.64	IPB Praha
0033	Pavilion G	367,189,125.91	330,392,931.01	Česká spořitelna, a.s.
3072	WC next to Pav. G	21,407.00	0.00	Česká spořitelna, a.s.
133810	Area near G	4,885,344.30	4,412,023.30	Česká spořitelna, a.s.
7788	Pavilion O	9,129,160.30	6,062,937.30	Česká spořitelna, a.s.
4890	Pavilion P	3,735,876.00	0.00	Česká spořitelna, a.s.
8438	Pavilion R	4,309,539.00	0.00	Česká spořitelna, a.s.
0070	Pavilion Z	37,069,563.69	6,434,322.09	Česká spořitelna, a.s.
135345	Hlinky building	4,684,510.00	4,413,984.00	Česká spořitelna, a.s.
135346	Land	3,167,000.00	3,167,000.00	Česká spořitelna, a.s.
<b>T O T A L</b>		<b>1,056,418,548.24</b>	<b>695,788,212.34</b>	

The land is under lien together with the buildings. However, it is not possible to determine individual evaluations from the books, as the lots in the BVV premises are recorded as one unit.

### 2) Overview of Receivables

<b>a) Total receivables past due</b>		<b>CZK 142,245,000</b>
<i>in previous period:</i>		<i>CZK 151,006,000</i>
- subtotal past due by	60 days	CZK 15,150,000
	90 days	CZK 4,169,000
	120 days	CZK 2,440,000
	180 days	CZK 1,174,000
	360 days	CZK 11,772,000
	over 360 days	CZK 107,540

### b) Total of receivables past due in foreign currencies **CZK 15,625,000**

- listed by individual currencies	CHF	CZK 3,853,000
	DM	CZK 8,050,000
	USD	CZK 1,463,000
	EUR	CZK 1,301,000
	GBP	CZK 513,000
	ATS	CZK 445,000

### c) Total of intercompany receivables accounted for by 31 December 2000

Company name	Volume
Alberga, a.s. in Liquidation	CZK 000
Brno Inn, a.s.	CZK 3,525,000 + 3,524,000
BVV, s.r.o.	CZK 000
BVV Fair Travel, s.r.o.	CZK 4,186,000
BVV Hotel Service, a.s. in bankruptcy	CZK 000
CENTREX international association	CZK 000
EXPO restaurace, a.s.	CZK 7,257,000
Kongresové centrum Brno, a.s.	CZK 2,169,000
Park Praha, s.r.o.	CZK 000
Pražské veletrhy, s.r.o. in Liquidation	CZK 000
Vlečka Brno, s.r.o.	CZK 54,000
VVB-Veltrhy a výstavy Bratislava, s.r.o. in Liquidation	CZK 000
World Trade Center Brno, a.s.	CZK 3,454,000
MQI, s.r.o.	CZK 42,000
BD-Expo	CZK 34,000
Vila Tugendhat	CZK 000
<b>T O T A L</b>	<b>CZK 24,245,000</b>

**d) Balance of short-term intercompany receivables accounted for by 31 December 2000**

<b>Company name</b>	<b>Volume</b>
Alberga, a.s. in Liquidation	CZK 000
Brno Inn, a.s.	CZK 342,000
BVV, s.r.o.	CZK 000
BVV Fair Travel, s.r.o.	CZK 311,000
BVV Hotel Service, a.s. in bankruptcy	CZK 4,000
CENTREX mezinárodní sdružení	CZK 000
EXPO restaurace, a.s.	CZK 954,000
MQI, s.r.o.	CZK 000
BD-Expo	CZK -4,000
Kongresové centrum Brno, a.s.	CZK 279,000
Park Praha, s.r.o.	CZK 2,440,000
Pražské veletrhy, s.r.o. in Liquidation	CZK 799,000
Vlečka Brno, s.r.o.	CZK 000
VVB-Veltrhy a výstavy Bratislava, s.r.o. in Liquidation	CZK 277,000
World Trade Center Brno, a.s.	CZK 167,000
Villa Tugendhat	CZK 000
<b>T O T A L</b>	<b>CZK 5,569,000</b>

**e) Balance of long-term intercompany receivables accounted for by 31 December 2000**  
none

<b>Short-term receivables</b>	<b>CZK 108,010,000</b>
<i>in previous period</i>	<i>CZK 735,910,000</i>
<b>Long-term receivables</b>	<b>CZK 13,576,000</b>
<i>in previous period</i>	<i>CZK 85,980,000</i>

**Receivables covered by the lien or secured otherwise**

–Bills of Exchange of Královopolská, a.s.	CZK 7,224,000
as a guarantee of the loan repayment, presented in the full value, incl. interest	

**3. Profit Distribution (Profit distribution for previous accounting period)**

<b>Accounting profit in 1999 total</b>	<b>CZK 322,011,000</b>
Distribution	
- reserve fund (5%)	CZK 16,100,000
- undivided profit	CZK 305,911,000

**4) Registered Capital of the Company** **CZK 550,000,000**

**Number and type of shares:**

550,000 ordinary bearer shares in the nominal value of CZK 1,000

**Company Equity**

	<b>YEAR 1999</b>	<b>YEAR 2000</b>
Registered capital	550,000	550,000
Treasury stock	-12,804	-31,900
Stock premium	90,000	90,000
Statutory fund of provisions	115,393	131,494
Statutory and other funds	872,352	869,612
Undivided profit	8,817	314,727
Profit/loss of current	322,011	238,633
<b>E Q U I T Y T O T A L</b>	<b>1,945,769</b>	<b>2,162,566</b>

## 5) Overview of payables

**a) Total of payables past due** **CZK 18,494,000**  
*in previous period* *CZK 35,217,000*

**b) Total of payables in foreign currencies past due** **CZK -260,000**  
*in previous period* *CZK 253,000*

### c) Total of intercompany payables accounted for by 31 December 2000

<b>Company name</b>	<b>Volume</b>
Alberga, a.s. in Liquidation	CZK 000
Brno Inn, a.s.	CZK 1,257
BVV, s.r.o.	CZK 000
BVV Fair Travel, s.r.o.	CZK 15,008,000
BVV Hotel Service, a.s. in bankruptcy	CZK 000
CENTREX international association	CZK 64,000
EXPO restaurace, a.s.	CZK 7,887,000
Kongresové centrum Brno, a.s.	CZK 2,728,000
Park Praha, s.r.o.	CZK 000
Pražské veletrhy, s.r.o. in Liquidation	CZK 000
Vlečka Brno, s.r.o.	CZK 304,000
VVB- Veletrhy a výstavy Bratislava, s.r.o. in Liquidation	CZK 000
World Trade Center Brno, a.s.	CZK 263,000
MQI, s.r.o.	CZK 11,523,000
BD-Expo	CZK 1,642,000
Vila Tugendhat	CZK 000
<b>T O T A L</b>	<b>CZK 40,676,000</b>

## d) Balance of Intercompany payables accounted for by 31 December 2000

<b>Company name</b>	<b>Volume</b>
Alberga, a.s. in Liquidation	CZK 000
Brno Inn, a.s.	CZK 185,000
BVV, s.r.o.	CZK 000
BVV Fair Travel, s.r.o.	CZK 352,000
BVV Hotel Service, a.s. in bankruptcy	CZK 000
CENTREX international association	CZK 000
EXPO restaurace, a.s.	CZK 157,000
Kongresové centrum Brno, a.s.	CZK 22,000
Park Praha, s.r.o.	CZK 000
Pražské veletrhy, s.r.o. in Liquidation	CZK 000
Vlečka Brno, s.r.o.	CZK 000
VVB-Veletrhy a výstavy Bratislava, s.r.o. in Liquidation	CZK 000
World Trade Center Brno, a.s.	CZK 000
MQI, s.r.o.	CZK 325,000
BD-Expo	CZK 55,000
Vila Tugendhat	CZK 000
<b>T O T A L</b>	<b>CZK 1,096,000</b>

**Short-term payables** **CZK 295,980,000**  
*in previous period* *CZK 1,081,481,000*

**Long-term payables** **CZK 000**  
*in previous period* *CZK 000*

**6) Bank loans**  
none

## 7) Legal Provisions and Other Reserves

<u>Legal provisions for adjustments to tangible fixed assets (45110)</u>		
- opening balance		CZK 4,675,000
- withdrawals		CZK 4,675,000
- addition		CZK 000
- closing balance		CZK 000
<u>Provisions on exchange rate losses (45410)</u>		
- opening balance		CZK 7,819,000
- withdrawals		CZK 7,819,000
- addition		CZK 156,000
- closing balance		CZK 156,000
<u>Other Reserves (45930)</u>		
- opening balance		CZK 255,933,000
- withdrawals		CZK 58,933,000
- addition		CZK 15,400,000
- closing balance		CZK 212,400,000
<u>subtotal</u>		
- IPB lawsuit on the lien on pavilion E (court payment order)		CZK 197,000,000

## 8) Adjustments and Depreciation to Receivables in Operating Expenses

### Legal tax adjustments

- bankruptcy and settlement	(39101)	CZK 28,202,000
- receivables due after 31 December 1994	(39102)	CZK 23,992,000
subtotal	20% adjustment	CZK 640,000
	33% adjustment	CZK 13,733,000
	17% adjustment (legal)	CZK 3,138,000
	33% adjustment (legal)	CZK 243,000
	47% adjustment (legal)	CZK 1,113,000
	67% adjustment (legal)	CZK 5,125,000

## Accounting adjustments

- adjustment to receivables due prior to 31 December 1994 (39103)		CZK 690,000
- <b>adjustment to receivables due after 31 December 1994 (39103)</b>		<b>CZK 27,878,000</b>
<u>subtotal</u>		
- over 180 days past due		CZK 24,443,000
- between 120 and 180 days past due		CZK 681,000
- between 60 and 120 days past due		CZK 2,020,000
- flat rate		CZK 734,000
- adjustment to other short-term receivable form business activity (39111)		CZK 43,814,000

## 9) Adjustments to Financial Investments

### Type of adjustment to companies

- with controlling influence	(09610)	CZK 14,130,000
- with substantial influence	(09620)	CZK 35,584,000
- others	(09630)	CZK 100,000

### Adjustments to loans

- intercompany loans	(09660)	CZK 6,400,000
- others	(09670)	CZK 7,224,000

## 10) Adjustment to Assets

- to land	(09231)	CZK 33,072,000
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## 11) Revenues from Operating Activity Listed by the Principal Activities

**Revenues from sale of own products, services and merchandise** **CZK 1,704,108,000**  
*in previous period* *CZK 1,794,261,000*

**Revenues from sale of own products and services** **CZK 1,671,805,000**  
*in previous period* *CZK 1,748,294,000*

<b>subtotal:</b> revenues from exhibition activities <i>in previous period</i>	<b>CZK 1,542,542,000</b> <i>CZK 1,656,097,000</i>
<b>revenues from sale of merchandise</b> <i>in previous period</i>	<b>CZK 32,303,000</b> <i>CZK 45,967,000</i>
<b>revenues from sale of securities and financial deposits</b> <i>in previous period</i>	<b>CZK 23,778,000</b> <i>CZK 785,559,000</i>
<b>revenues from financial activities</b>	<b>CZK 57,509,000</b>
subtotal – interest	CZK 15,381,000
– deposits and petty cash vouchers	CZK 24,133,000
– others	CZK 17,995,000