

No. 23 e

February 2008

Final Report

inhorgenta europe 2008: Positive Course of Trade Fair with Increased Orders

- Organizers again register more than 30,000 trade visitors from 78 countries
- About one-third of the trade visitors came from foreign countries
- Another strong increase of trade visitors from Eastern Europe
- Trade fair participants praise the event ambience, range of offers and categories
- Trade visitors were especially interested in the precious stone and design areas

inhorgenta europe 2008, which took place on the grounds of the New Munich Trade Fair Centre from 15 to 18 February 2008, was also able to confirm its role as one of the leading trade fairs in the industry this year. A total of 1,224 exhibitors (2007: 1,183) from 48 countries (2007: 44) exhibited at the 35th International Fair for Watches, Clocks, Jewellery, Precious Stones, Pearls and Technology this year. The very high level of previous years was also maintained on the trade visitor side. More than 30,000 trade visitors again came to the trade fair grounds of the New Munich Trade Fair Centre.

It became clear during the trade fair that manufacturers and retailers/traders remain optimistic with respect to future business developments. One reason for this confidence is based on the high number of orders, which trade visitors made. Especially established exhibitors were again able to increase the high level of business transactions of the previous year.

Manfred Wutzlhofer, Chief Executive Officer of Messe München GmbH:

"In spite of the more difficult framework conditions compared to 2007, for example the increase of prices for precious metals, the majority of exhibitors at inhorgenta europe reported good business. This was also certainly supported by the high number of foreign trade visitors. We were able to record a substantial increase especially from Eastern Europe."

Exhibitors presented the current trends, collections, new brands and technologies as well as pioneering marketing concepts deal with all aspects of timepieces and jewelry on the 64,500

square meters. The positive overall course of the trade fair and the good ambience at inhorgenta europe 2008 were also expressed in the TNS Infratest survey. The values only changed slightly compared to the previous year; 52% (59%) of the surveyed exhibitors assessed the current economic situation of the industry as excellent to good, and 75% (83%) stated the same about the future development of the market. Among the visitors, the figures were 57% (62%) and 74% (86%) of those surveyed. Against the background of a no longer so positive market evaluation due to current economic framework conditions, the mood in the halls remained unchanged optimistic compared to the previous years.

Breil Milano (Binda Group), Andrea Canevari, Managing Director:

"After many years of abstinence, we returned to inhorgenta europe this year. And I have to say that the effort was worth it. We are very satisfied both with respect to the number of visitors as well as sales. inhorgenta europe is above all helping us to increase recognition of our brand in Germany further."

Casio Europe GmbH, Andreas Schult, Sales Manager:

"We are looking back at a very positive course of the trade fair. The most successful day was Saturday. We were able to generate increased sales according to our initial estimates. Our hottest sellers were the G-Shock and radio-controlled watch collections. inhorgenta europe is one of the most important trade fairs for us due to its strong ordering character and the proximity to the Austrian and Swiss trade fairs."

Elysee Uhren GmbH, Claudia Hermann, Marketing Manager:

"Above all, the quality of visitors was very good at this year's inhorgenta europe. We were able to increase our result slightly from last year. We were very successful with the introduction of the brand Levi's."

Fossil (Europe) GmbH, Christian Coenen, Member of the Executive Board:

"Surprisingly, we had more customers at this year's inhorgenta europe than last year – and these were buying customers. In other words, we were again able to increase our order volume. We were also able this year to represent the variety of our brands thanks to our distinguished booth architecture. The highlight was the introduction of the brand Michael Kors. We used the good international orientation of the trade fair to invite many foreign partners too. We were able to welcome 30 purchasers from Romania alone on Saturday."

Pandora - KasiGroup, Jesper Nielsen, Managing Director:

"We are at inhorgenta europe for the 3rd time. Because 80 percent of our business is in Germany in the meantime, inhorgenta europe is always the high point of the year for us. The willingness to buy has again increased substantially. Our inhorgenta sales were many times higher than in the past years. It is already clear that we'll be in Munich next year again."

Thomas Sabo, Ralf Mock, Marketing Director:

inhorgenta europe is and remains the most important jewelry trade fair in Europe for us. We scheduled 495 order appointments in advance last year and 650 this year. We also observed a substantial increase in the number of trade visitors on the trade fair days. It was also very nice to meet all of our important international customers in Munich. We were at the right place at the right time."

Schoeffel GmbH, Jutta Effenberger, PR Manager:

"The course of the trade fair and number of visitors are completely satisfactory. But inhorgenta europe is also decisive for us as a trend trade fair. We now have a good overview of what the jewelry season 2008 will have to offer."

72% (73%) of the surveyed exhibitors evaluated the trade fair overall with excellent to good, and the percentages were 92% (94%) on the visitor side. The trade visitors gave best grades to the atmosphere at the fair (90%), completeness and range of exhibits of the offers (94%), the clarity of the industry categorization (86%) and the quality of visitor information (85%). The top three items of the exhibitors were the atmosphere of the trade fair (87%), the clearness of the industry categories (83%), the very varied supporting and seminar program (81%) and the leading trade fair character (72%).

inhorgenta europe was again able to demonstrate its international character with a foreign trade visitor share of 32%. Trade visitors from 78 countries were guests in Munich. The countries with the largest visitor contingents were Austria, Spain, the Netherlands, Switzerland, Great Britain, Italy, Greece, the Czech Republic and Hungary. Greece, the Netherlands, Hungary and the Czech Republic had the highest growth rates. As a result, the trend of the past years has again been confirmed that an increasing number of trade visitors are coming to inhorgenta europe from the up-and-coming markets in the East.

Atelier Bunz GmbH, Georg Bunz, Owner:

"We want to grow considerably in 2008. That's why our exhibition in horgenta europe this year was that much more important. We were able to meet almost all of our important European customers here. We are correspondingly satisfied with the course of the trade fair."

Theodor Wilh. Herbstrith GmbH, Jürgen Schlittenhardt, Sales Manager:

"We were at horgenta europe for the first time since 2001. As we hoped, we were able to establish a lot of new contacts to Eastern Europe and Scandinavia. Our trade fair sales figures are in the expected range overall. The signs for good trade fair follow-up business are also good."

German Jewelry and Timepiece Association, Dr. Alfred Schneider, Managing Director:

"The mood at horgenta europe is better than in the industry itself. Many exhibitors are recording high growth rates. Others are having problems with the more difficult framework conditions, e.g., the high prices for precious metals. The strong orientation to Europe is something very positive."

Frey Wille, Stefanie Lehment, Officer with Statutory Authority:

"The mood was very extremely positive at this year's horgenta europe. In other words, we were to sign up a lot of new customers in addition to our existing ones. Most of the customers were from Germany, but there were also numerous interested trade visitors at our booth from Spain and the Baltic countries."

Jacques Lemans Uhrenvertriebs GmbH, Natalie Stecher, Marketing:

"The past business year was already very successful for us. This year is starting just as promising based on the impression from horgenta europe. Business was more than satisfactory. In addition to many customers from Austria and Germany, we were able to welcome many trade buyers from Spain and Russia at our booth this year."

Leonardo, Frank Friedl, Sales Manager:

"Given the fact that we exhibited at horgenta europe for the first time, we were able to record a lot of customers at our booth. Although we focus mainly on the German market, we were very pleased about the great deal of interest of Spanish, Italian and Austrian trade visitors. All in all, we were able to achieve our goals, which is why we want to come back to Munich next year."

German Association of Jewelry and Timepiece Shops, Joachim Dünkelmann, Managing Director:

"More visitors at booths, higher quality and increasing internationalism of the trade visitors distinguished this year's inorgenta europe. The mood among trade visitors is good despite the reserved buying behavior during seasonal shopping. Especially the design area in Munich provides an ideal framework to establish new contacts and get fresh ideas for your own business."

Both inorgenta europe management and exhibitors saw one reason for the positively assessed clear arrangement of the fair in the combining of the complete offer for precious stones and pearls in Hall C1. As a result, the trade fair did justice to the increased interest in this jewelry segment. This trade fair area enjoyed a correspondingly high degree of favor among visitors; 95% of the trade visitors assessed both the offer of precious stones and pearls as excellent to good.

Ph. Hahn Söhne, Dieter Hahn, Owner:

"Contrary to the belief of all skeptics, inorgenta europe 2008 proved that the combining of competency in precious stone in Hall C1 was a great success. This creates easier orientation for trade visitors. Those in the know in the industry can speak on equal terms there. The positive tendency of last year continued in our business transactions. Nothing in the way of a downturn is noticeable."

German Association of the Gem and Diamond Industries, Jörg Lindemann, Managing Director:

"Both exhibitors and trade visitors rated the combining of the gem or precious stone offers in Hall C1 positively. This promotes a very important sector of the trade fair, competency in the area precious stones. The efforts of the trade fair to increase internationalism are continuing to bear fruit, especially with respect to Eastern Europe. I believe that the trade fair site of Munich is ideal."

Schlangenotto Opals, Helen Schlangenotto, Managing Director:

"We have been coming to inorgenta europe from Australia for 15 years. We are also very satisfied our business results here. One reason could be the new orientation of Hall C1. We were able to serve a very international public, especially visitors from Spain, England and Eastern Europe."

This year also proved that inorgenta europe has outstanding competency in design. A total of 95% of trade visitors evaluated this point with excellent to good. Many of the most creative exhibitors were again in Hall C2, where the trade fair provides an optimum forum with

numerous special exhibitions and prizes, especially to up-and-coming designers of the next generation with their extravagant precious objects.

Charlotte Ehinger-Schwarz GmbH & Co KG, Caroline Schwarz, Managing Partner:

"As one of the pioneering exhibitors in the Designer Hall C2, we are very pleased at the high quality of exhibited jewelry pieces in this special trade fair area every year. This extravagance contributes considerably to the great reputation of inhorgenta europe. It is also especially pleasing that an increasing number of customers are willing to experiment and are willing to support our design courage. We are very satisfied with our transactions."

Gebr. Niessing GmbH & Co., Jochen Exner, Managing Director and Owner:

"The mood was especially positive in our Hall C2, which is also due to the high quality of the exhibitors. As in every year, we were able to serve our German trade fair public well. The increase in international customers was striking. Main countries: Spain, Holland and Belgium."

Friederike Schürenkämper, Winner of the inhorgenta europe Innovation Prize 2005: "Of course, the high point of inhorgenta europe for me was winning the innovation prize. I am here as an exhibitor for the first time and feel very comfortable in the Designer Hall C2. This is not only due to the high number of national and international gallery owners, who are interested in my pieces. You can also meet a lot of creative colleagues here, with whom you can reflect on joint projects."

inhorgenta europe 2009 will take place on the grounds of the New Munich Trade Fair Centre on 20-23 February 2009.

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