Lagardère Unlimited®
STADIUM SOLUTIONS

Considerations regarding Concerts & Other Arena Events
HNS Arena Rotterdam

21 February 2013

LAGARDÈRE UNLIMITED STADIUM SOLUTIONS

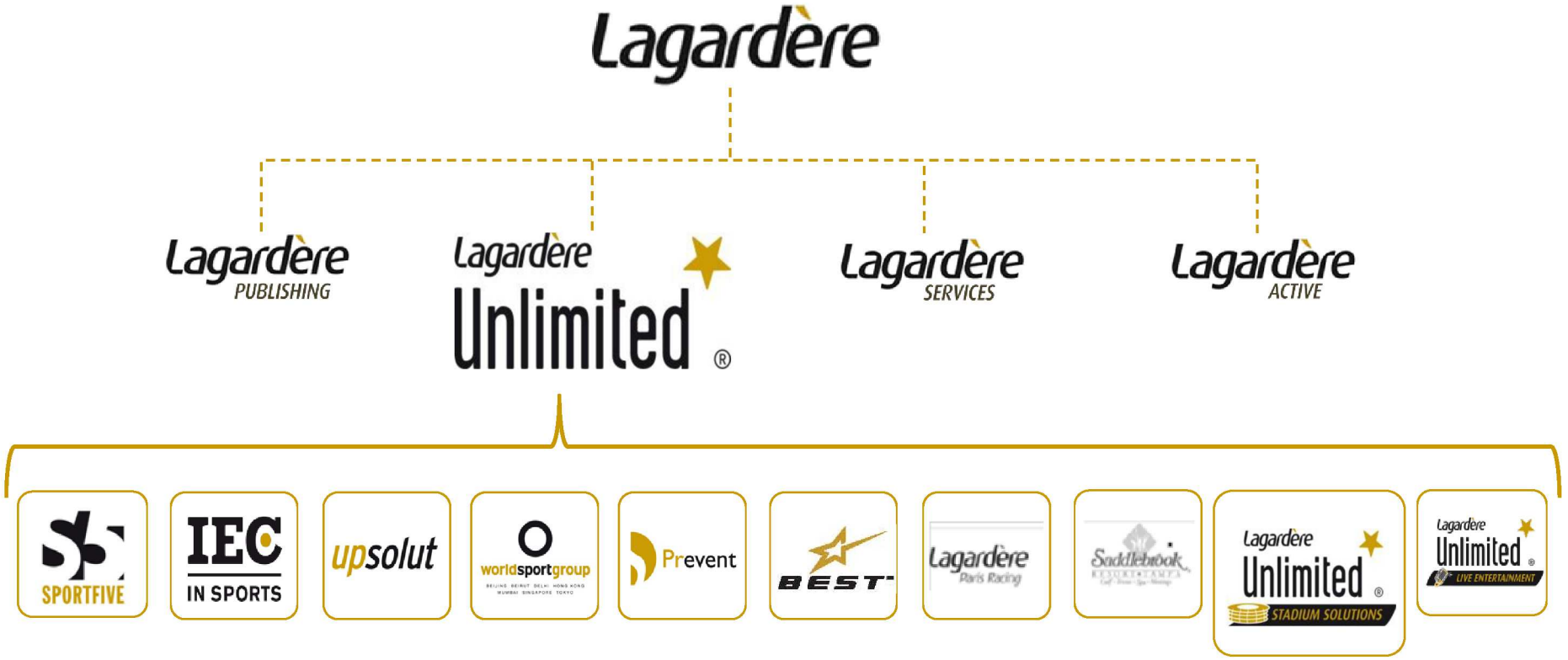
- Lagardère Unlimited Stadium Solutions (LUSS) is a 100% subsidiary of Lagardère Unlimited and offers integrated, comprehensive solutions for stadium and arena owners around the globe.

- LUSS colllaborates with its long-established affiliate companies SPORTFIVE, World Sport Group and IEC in Sports. LUSS has gathered extensive operational experience in the fast-growing area of stadia and arena development and management, through its subsidiaries' involvement in international projects in Europe and Asia.

- LUSS competitive advantage is the ability to deliver its services as a one-stop shop through one centralized company. Moreover, LUSS has hired a broad range of professionals in their specific field of work. Thus led also to the development of a unique expert database with over 120.000 contacts which enables LUSS to provide first hand knowledge.

- As a FIFA partner and long-established expert in stadium consulting, LUSS defines ideal and marketable solutions. Being an essential part in the planning and implementation of 9 out of 12 Stadia 2006 FIFA World Cup Germany, 3 out of 4 Stadia 2012 UEFA EURO Poland and 7 out of 9 Stadia 2016 UEFA EURO France, in addition to other worldwide projects, LUSS possesses in-depth knowledge of current, state-of-the-art international stadium construction. LUSS sets up the organizational and economical framework for a successful stadium operation and, above that, implements devised hospitality, media and catering concepts.

LAGARDÈRE GROUP – STRONG SET-UP



Lagardère Unlimited is the division of the Lagardère Group dedicated to sports and entertainment

LAGARDÈRE GROUP WORLDWIDE PRESENCE

N°1 AGENCY IN ASIA AND MIDDLE EAST:

SPORTFIVE

IEC IN SPORTS

worldsportgroup

ENTRY INTO NORTH AMERICA:

Lagardère Unlimited AMERICAS

Saddlebrook Resort Tampa

N°1 AGENCY IN EUROPE & AFRICA:

SPORTFIVE

Prevent

Lagardère Unlimited LIVE ENTERTAINMENT

upsolut

Lagardère Paris Racing

IEC IN SPORTS

Lagardère Unlimited STADIUM SOLUTIONS

Lagardère Unlimited STADIUM SOLUTIONS

Lagardère Unlimited Stadium Solutions now leads all of the group's stadium and arena activities globally, engaging SPORTFIVE and World Sports Group to deliver long-term comprehensive marketing services.

LUSS' USP IS UNRIVALLED

Product know-how:

Business Planning

Catering

Safety & Security

Naming Right

Hospitality

Market Research

3rd Party Events

Functional Concept

Operation

User Concept

Market know-how:

- Global network of affiliates
- More than 15 years experience in the stadium and arena market
- Cultural knowledge in relevant key markets

LUSS EVENT- NETWORK

A global network is most important to get content into a (new) stadium:

Established relationships to international promoters, agents and associations:

- Live Nation (USA)
- AEG Live (USA)
- SOLO - John Giddings (UK)
- Marshall Arts (UK)
- Feld Entertainment (USA)
- MLK (Germany)
- Klitschko Management (Germany)
- World Sport Group (Singapore)
- UFC (USA)
- TSP The Sports Promoters (Germany)

Established relationships to suppliers:

- Stage Co (Belgium)
- Ed Shirley (UK)
- Jake Berry (UK)
- Trucking Service (Germany)
- PRG (Germany)
- Megaforce (Germany)
- EPS (Germany)
- Trend Event (Germany)
- TMI Productions (Ireland)

The two major players for live entertainment and venue operations in Europe are AEG (Anschutz Entertainment Group) and Live Nation. Both companies book events of the other agency for their respective venues. None of the companies could just run an arena based on their own exclusive content. Therefore they diversify their portfolio and try to attract other artists/content as well. Apart from exclusive agreements, promoters and/or agencies are always looking for new and highly profitable revenue opportunities.

In the current competitive environment the planned HNS Arena is the only venue to attract and host big scale events.

HIGHLY EXPERIENCED STAFF

Große Serie in BILD FRANKFURT

Meine Firma

Fünf Jahre Erfolgsgeschichte

Das Top-Team der Commerzbank-Arena

Seite 6

Das WM-Stadion wird super gemanagt

Frankfurt hat den besten Stadion-Manager der Welt

Frankfurt – Unser WM-Arena-Chef Patrik Meyer ist in Dublin als Stadionmanager des Jahres geehrt worden!

150 Stadion-Vertreter aus aller Welt beim internationalen Stadion-Gipfel. Der „Stadium Business Award" wurde erstmals vergeben, die Preisträger von einer internationalen Jury gewählt. Patrik Meyer setzte sich gegen 5 international nominierte Stadionmanager durch – u.a. die Chefs vom ManU-Stadion und vom Red Bull New York Soccer Team-Stadion.

Der Top-Manager happy: „Wir sind sehr stolz, dass das Management der Commerzbank-Arena international so herausragend wahrgenommen wird. Die Auszeichnung ist eine Belohnung für das gesamte Team – passend zum 5. Geburtstag der Arena." Der wird dort morgen beim Spiel gegen Ghana groß gefeiert. *kip*

Trevor Roberts (l.), Chef der IT-Firma Agilysys, ehrt unseren Stadion-Manager Patrik Meyer

Multifunctional vs. Football Stadia

MULTIFUNCTIONAL vs. FOOTBALL

- Multifunctional stadiums are not used for football only. Those stadiums host other events such as concerts, other sport events, mass conventions, religious or poltical events/conventions as well as corporate and private events.

- Multifunctional stadiums benefit from those other events in the area of rental income, catering (commission or revenue based), VIP-ticket-sales and marketing rights.

- On top of that the naming right for a stadium has a higher value if the stadium is used as a multifunctional stadium and not for football only.

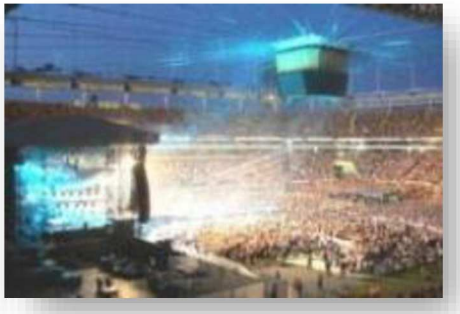
- The success of a multifunctional stadium depends on the city which it is located in, the location within the city and ist surroundings and the functional alignment of the building structure BUT most of all it depends on the stadium management.

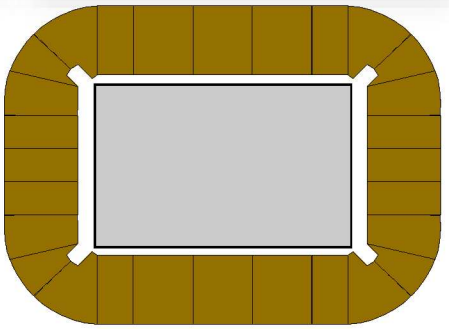
MULTIFUNCTIONAL vs. FOOTBALL

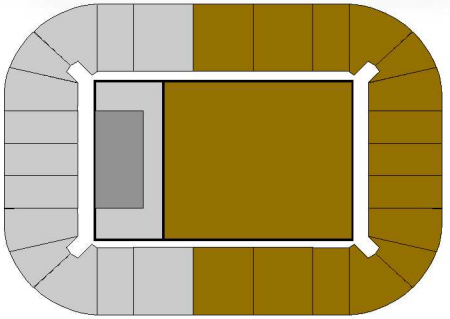
The value of multifunctional usage can roughly be seen at around 3 – 5 million Euro revenue per year.

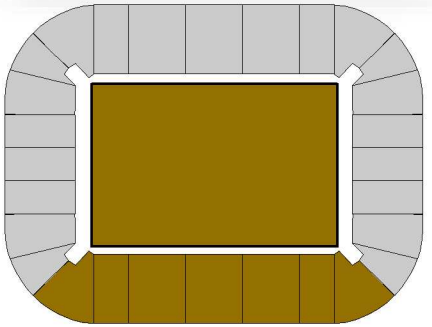
STADIUM EVENT CATEGORIES

HOMETEAM	SPORTS	CONCERTS	BUSINESS
Hometeam National Team	Motorsport Other Sport	Concerts *International / National*	Conventions Corporate Events



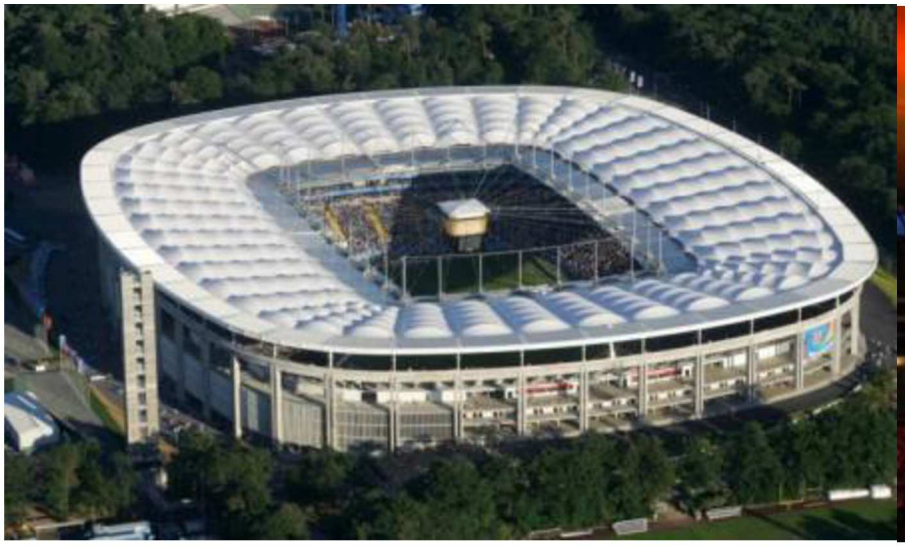






Example Arena Events
Commerzbank-Arena Frankfurt

GERMANY: COMMERZBANK ARENA FRANKFURT



Key Facts

- Capacity 51.500
- Construction costs 188m €
- Costs/seat 3.650 €
- Hospitality capacity 3.274
- Year of completion 2005

- Stadium type: multifunctional; removable roof, video cube
- Main tenant: German Bundesliga club Eintracht Frankfurt

ARENA EVENTS IN FIRST 7 YEARS OF OPERATION

After the new opening in 2005

YEAR/SEASON	EINTRACHT (hometeam)	OTHER FOOTBALL	SPORT	CONCERT	OTHER	TOTAL	ATTENDANCE
2005 / 2006	20	12	5			**37**	**1.446.119**
2006 / 2007	21	4	7	3	2	**37**	**1.496.428**
2007 / 2008	17	7	1	3	1	**29**	**1.165.109**
2008 / 2009	18	20	2	2	1	**43**	**1.218.000**
2009 / 2010	19		5	1	3	**28**	**1.276.850**
2010 / 2011	18	3	6	2	1	**30**	**1.246.278**
2011 / 2012	18	4	5	3	1	**31**	**1.123.287**
TOTAL	**131**	**50**	**31**	**14**	**9**	**235**	**8.972.071**
AVERAGE	***18,7***	***7,1***	***4,4***	***2,0***	***1,3***	***33,6***	***1.281.724***

- Other Football: Friendly, national team and other football matches
- Sport: Motorsports, Boxing etc.
- Concert: National/International Top Acts
- Other: Non-football and non-concert events (e.g. Dalai Lama, Political events/conventions etc.)

STADIUM OPERATIONS OUTLOOK

- Stadiums can generally be seen as products and consequently follow a product life cycle. As any other consumer product, a permanent refresh as well as reinvention is needed, and in terms of content a constant flow of up-to-date entertaining products.

- The quantity and kind of products, apart from the pure football schedule, depend on a multiple number of influencing factors:
  - Trends in consumer taste and behavior
  - Technical developments and current stadium infrastructure of the venue
  - Competition from other venues etc.

- It is challenging to predict a definite number of developments in terms of specific trends, but to be proactive on the content side (as "*content is always king*") is a key success factor. Thus depends also on the ability to have or build up and use viable contacts to promoters, acts etc. to create new hot topics. As already mentioned before LUSS possesses a long established global network in this particular respect.

- It is quite obvious that after several years of operation, one will have gained enough learning experience to develop the business in the long run. Additionally it is important to have the right qualified staff on board, to get this job done properly.

Entertainment Market Insights

International Live Entertainment Market

- The music business changed over the last years from a business dominated by record sales with live concerts as „add-on“ to a business of live concerts with record sales as „add-on“. This means concerts and tours have become more and more important for today‘s artists in order to generate revenues.

- Due to this fact, there will be a rather growing than decreasing market of live entertainment. Nobody can predict which artists in particular will be on tour in 2018 but the industry and the artists will be both in need for the generated revenues from live touring. However, it has to be kept in mind that the football and concert schedules have to be harmonized (international top acts mainly organize their tours to Europe in the summer months).

- Concerts in the past 10 years have always been a mixture of „old“ artists like the Rolling Stones, Genesis or Bruce Springsteen and „younger“ artists like Madonna, Robbie Williams (and Take That) or Lady Gaga.

- On top of that, locals festivals are a growing factor for the live entertainment market. „Rock im Pott“ is one of the latest examples for such a local festival which is hosted in a football stadium (Veltins Arena Schalke). Thus is a highly interesting concept for the Dutch market as well.

CONTENT IS KING

Without content, venues would not exist.
Without the right content, people would not fill seats.
Without content, marketing and sales rights are worthless.

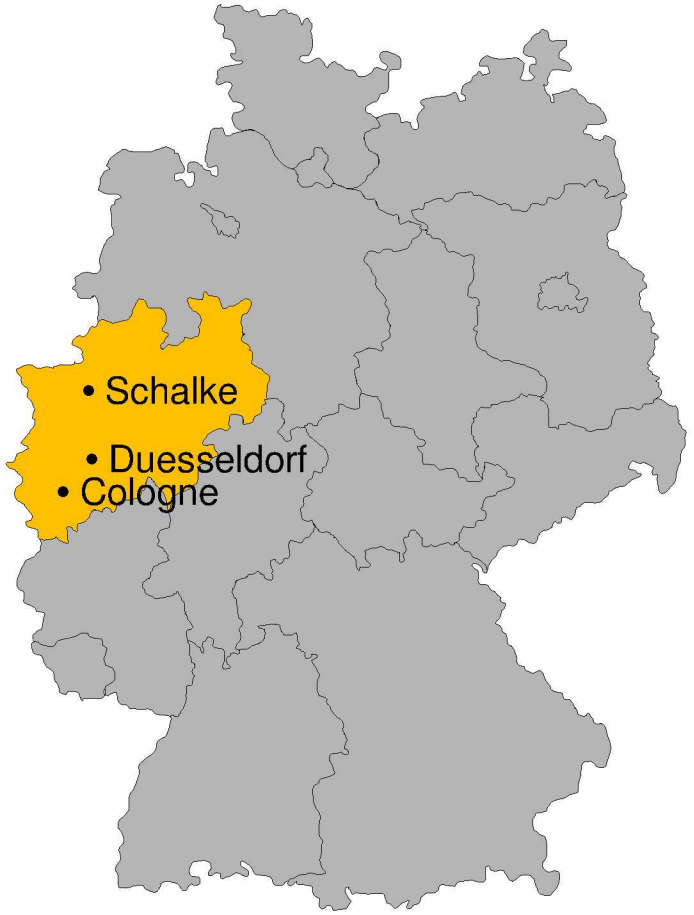
- To provide high class content it is essential to combine a global network and expertise with local focus.

- Third party events besides a major tenant are a strong driver for economic success of a stadium. Especially for new venues and in developing markets, events like concerts and major sport events stand for the arrival of a new century and national as well as international acknowledgement.

- Events acquisition is seen as a key skill for the success of a venue. International contacts and experience from other projects are the basis for the transfer to other markets. The success at Commerzbank-Arena in Frankfurt is profoundly based on a good event acquisition.

- The international concert business is based on financial issues but also strongly based on contacts, relationships and trust.

MULTIFUNCTIONAL STADIUMS IN NORDRHEIN WESTFALEN (GERMANY)



- The state Nordrhein Westfalen (NRW) accomodates roughly 17m people and therefore can be compared with the Netherlands in terms of population and size.

- Although 3 stadiums in NRW (Schalke, Duesseldorf and Cologne) compete for shows / concerts and events, they all equally operate successfully in the local market
  - Veltins Arena, Schalke, was opened 2001 (now 11 years old)
  - Duesseldorf and Cologne were opened in 2004 (now 8 years old)

VELTINS ARENA AUF SCHALKE, GELSENKIRCHEN, GERMANY

Key Facts

Capacity	61.673
Construction costs	191m €
Costs/seat	3.097
Hospitality capacity	4.154
Year of completion	2001

- Stadium type: multifunctional, removable pitch
- Main tenant: German Bundesliga Club FC Schalke 04

OPERATION MODEL ESPRIT ARENA (FORMER LTU-ARENA) – DÜSSELDORF, GERMANY

Key Facts

Capacity	51.500
Construction costs	223m €
Costs/seat	4.330
Hospitality capacity	2.143
Year of completion	2004

- Stadium type: multifunctional; retractable roof
- Main tenant: German Bundesliga club Fortuna Düsseldorf

ARENA EVENTS 2005 – 2008 (Schalke, Duesseldorf, Cologne)

Veltins Arena auf Schalke (Gelsenkirchen)	ESPRIT arena Duesseldorf	Rhein Energie Stadion Köln (Cologne)
2005	**2005**	**2005**
Concert U2	NFL Europa World Bowl	FIFA Confederations Cup
TV total Stock Car Crash Challenge	World Youth Day 2005	Concert Queen and Paul Rodgers
Turandot	Concert Die Toten Hosen	World Youth Day 2005
Sensation White	Concert Herbert Grönemeyer (2x)	
World Youth Day 2005	Concert Phil Collins	
VELTINS Biathlon WTC 05	Concert Marius Müller-Westernhagen	
2006	**2006**	**2006**
Sensation White	Concert Madonna	FIFA World Cup
TV total Stock Car Crash Challenge	NFL Europa World Bowl	Jehovas Witnesses
National Walking Day	Concert Depeche Mode	Concert Rolling Stones
VELTINS Biathlon WTC 06	Concert Bon Jovi	Concert Die Ärzte
FIFA World Cup	Opera AIDA	Concert Robbie Williams
2007	**2007**	NFL Europe
Concert Herbert Grönemeyer	Concert Rolling Stones	Concert Genesis
Pop-Festival Taksim	Concert Genesis	Turkish Super Cup
Concert PUR	Sensation White	Jehovas Witnesses
TV total Stock Car Crash Challenge	International Match Germany - Switzerland	Concert Kölle Live
VELTINS Biathlon WTC 07		Concert Herbert Grönemeyer
2008	**2008**	**2008**
Concert Bon Jovi	Concert Madonna	Event Colonia Noctes
VELTINS Biathlon WTC 08	Concert Bruce Springsteen	International Match Germany - Romania
	Concert Linking Park	
	TV total Stock Car Crash Challenge	
	Sensation White	
	Concert André Rieu	
	Concert The Police	

ARENA EVENTS 2009 – 2011 (Schalke, Duesseldorf, Cologne)

Veltins Arena auf Schalke (Gelsenkirchen)	ESPRIT arena Duesseldorf	Rhein Energie Stadion Köln (Cologne)
2009	**2009**	**2009**
Concert AC/DC	Concert Coldplay	Concert AC/DC
Boxing W. Klitschko - R. Tchagaev	European Youth Day EYD	Concert Fantastische Vier
Concert Schlagernacht auf Schalke	Sensation White	Concert Clueso
Mc Fit Allstars - Bayern München	International Match Germany - Norway	
Concert U2		
TV total Stock Car Crash Challenge		
ODLO Biathlon WTC 09		
2010	**2010**	**2010**
Opening Game Icehockey-World Cup 2010	Public Viewing World Cup	Concert Pink
Boxing V. Klitschko - A. Sosnowski	Race of Champions	Gay Games
Day of Song	Concert Depeche Mode (2x)	International Match Germany
Schlagernacht auf Schalke	Sensation White	
Concert Pur & Friends		
TV total Stock Car Crash Challenge		
ODLO Biathlon WTC 10		
2011	**2011**	**2011**
Oldiemarathon auf Schalke	Eurovision Song Contest	Concert Brings
Concert Herbert Grönemeyer	Race of Champions	Concert Herbert Grönemeyer
Comedyshow Mario Barth	International Match Germany - Belgium	DFB cup final women
Concert Schlagernacht auf Schalke		
The Big Four Rockfestival		
TV total Stock Car Crash Challenge		
ODLO Biathlon WTC 11		

BENCHMARKING GERMAN – DUTCH MARKET

- The international premium concert and top event market in the Netherlands is rather focused on Amsterdam. The Amsterdam ArenA and the Ziggo Dome (opened mid 2012) are considered the prime event locations at the moment.

- LUSS would like to draw a comparison to the German market, especially the Nordrhein-Westfalen area (NRW), with the above overview of the stadia in Gelsenkirchen (Schalke), Duesseldorf and Cologne. These 3 typical multifunctional venues hosted a similar number of events as the Amsterdam ArenA in the past.

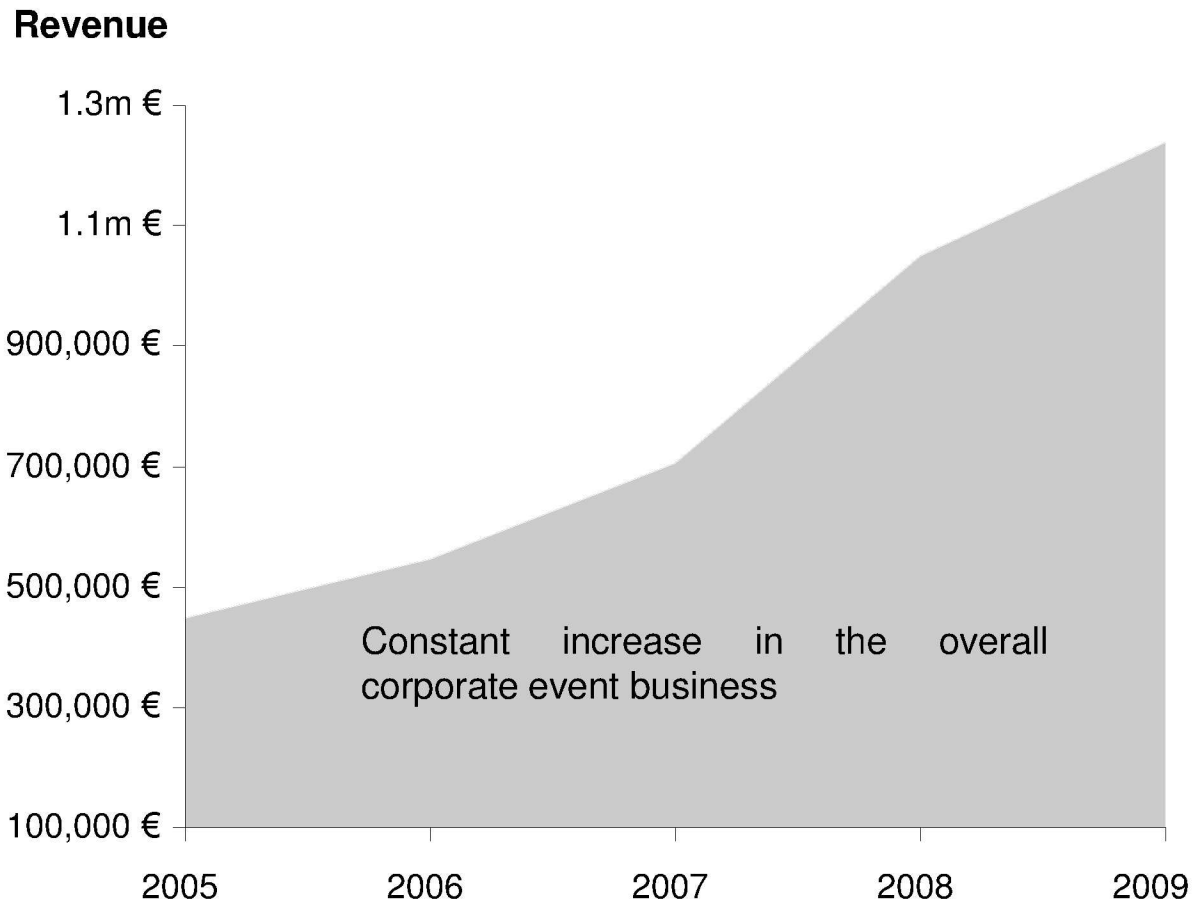
- This should already illustrate the fact that the Dutch market has a rather high potential for another premium event venue, as so far the event market was focused mainly on the Amsterdam area. Only the GelreDome in Arnhem can be seen as a competitor so far.

- The Netherlands and NRW do both have similar dimensions in terms of size and population with roughly 17m residents. In this respect Gelsenkirchen (Schalke), Duesseldorf and Cologne could work as best practice examples and benchmarks in order to show that more than one stadium can be operated successful and profitable in the Dutch market, particularly in the Randstad area.

- After assessment of LUSS the assumption of 2 international and 4 national concerts in the new HNS Arena from 2018 onwards is very realistic and rather conservative.

Example Corporate Events
Commerzbank-Arena Frankfurt

CORPORATE EVENTS IN FRANKFURT
DEVELOPMENT IN FIRST 5 YEARS OF OPERATION



Legal Notice

Information contained in this document is strictly confidential, is intended solely for the purpose of presenting certain information to its intended audience and shall not be considered to be a firm offer.
Any arrangement arising from the information contained in this document shall be subject to negotiation and signed contract.
Information contained in this document is not complete without and is subject to any oral comments to be provided by representatives of Lagardère Unlimited Solutions Stadium.

Lagardère Unlimited STADIUM SOLUTIONS
16, rue du Dôme, 92100 Boulogne-Billancourt, France
info@lu-stadiumsolutions.com / www.lu-stadiumsolutions.com
Lagardère Unlimited Stadium Solutions is a Lagardère Unlimited company

OTHER MULTIFUNCTIONAL STADIUMS IN GERMANY

MULTIFUNCTIONAL STADIUMS: ARENA SCHALKE

The first multifunctional stadium in Germany was the Veltins Arena in Schalke.

The stadium is used for multipurpose events like:

- **Biathlon**
- **Icehockey (opening game World Championship 2010)**
- **Boxing (Klitschko boxing fights)**
- **Handball**
- **Stock Car (tv show)**
- **Concerts**

The stadium in Schalke has a retractable roof and the pitch can be moved outside the stadium (similar to concept at Gelredome in Arnheim). Thus enables them to hold year-round events independent from weather influences.

See photos from events at Veltins Arena Schalke

MULTIFUNCTIONAL STADIUMS: ARENA SCHALKE

MULTIFUNCTIONAL STADIUMS: ARENA DÜSSELDORF

Another leading multifunctional stadium in Germany is the ESPRIT arena in Düsseldorf.

The stadium is used for multipurpose events like:

- Eurovision Song Contest 2011
- Boxing (Klitschko boxing fights)
- Sensation White
- The Race of Champions 2010 and 2011
- Stock Car (tv show)
- Concerts

The stadium in Düsseldorf has a retractable roof and the stadium can be heated in winter which was an advantage for events during the cold period of the year. Thus enables them to hold year-round events independent from weather influences.

See photos from events at ESPRIT arena Düsseldorf

MULTIFUNCTIONAL STADIUMS: ARENA DÜSSELDORF

EVENT STADIUMS IN GERMANY

- Roughly 10 – 12 stadiums in Germany are in competition to host concerts and arena events. International artists usually do tours with between 3 and 7 concerts in Germany.
- Even with that high competition in place, most stadiums in Germany host 2 – 3 international concerts per year.
- Additionally there are other events like festivals, sport events and friendly matches.
- Each region of Germany has specific regional events which are hosted in stadiums such as concerts of local artists, local shows or events related to local traditions.

ARENA EVENTS 2005 – 2008 (Schalke, Düsseldorf, Frankfurt)

Veltins Arena auf Schalke (Gelsenkirchen)	ESPRIT arena Düsseldorf	Commerzbank-Arena Frankfurt
2005	**2005**	**2005 (Stadium Opening)**
Concert U2	NFL Europa World Bowl	FIFA Confederations Cup
TV total Stock Car Crash Challenge	World Youth Day 2005	
Turandot	Concert Die Toten Hosen	
Sensation White	Concert Herbert Grönemeyer (2x)	
World Youth Day	Concert Phil Collins	
VELTINS Biathlon WTC 05	Concert Marius Müller-Westernhagen	
2006	**2006**	**2006**
Sensation White	Concert Madonna	FIFA World Cup
TV total Stock Car Crash Challenge	NFL Europa World Bowl	Turkish Super Cup
National Walking Day	Concert Depeche Mode	Public Viewing Semi-Final World Cup
VELTINS Biathlon WTC 06	Concert Bon Jovi	Jehovas Witnesses
FIFA World Cup	Opera AIDA	
2007	**2007**	**2007**
Concert Herbert Grönemeyer	Concert Rolling Stones	Concert Rolling Stones
Pop-Festival Taksim	Concert Genesis	Concert Herbert Grönemeyer (2x)
Concert PUR	Sensation White	Concert Genesis
TV total Stock Car Crash Challenge	International Match Germany - Switzerland	Jehovas Witnesses
VELTINS Biathlon WTC 07		NFL Europe World Bowl
2008	**2008**	**2008**
Concert Bon Jovi	Concert Madonna	Concert Madonna
VELTINS Biathlon WTC 08	Concert Bruce Springsteen	Concert Celine Dion
	Concert Linking Park	Concert Bon Jovi
	TV total Stock Car Crash Challenge	Public Viewing EURO Final
	Sensation White	Jehovas Witnesses
	Concert André Rieu	UEFA Women's Cup
	Concert The Police	Real Madrid Friendly

ARENA EVENTS 2009 – 2011 (Schalke, Düsseldorf, Frankfurt)

Veltins Arena auf Schalke (Gelsenkirchen)	ESPRIT arena Düsseldorf	Commerzbank-Arena Frankfurt
2009	**2009**	**2009**
Concert AC/DC	Concert Coldplay	Concert Depeche Mode
Boxing W. Klitschko - R. Tchagaev	European Youth Day EYD	Concert Bruce Springsteen
Concert Schlagernacht auf Schalke	Sensation White	Political Event of German Union
Mc Fit Allstars - Bayern München	International Match Germany - Norway	Jehovas Witnesses
Concert U2		Dalai Lama
TV total Stock Car Crash Challenge		German Bowl XXXI
ODLO Biathlon WTC 09		International German Gymnastics Festival
2010	**2010**	**2010**
Opening Game Icehockey-World Cup 2010	Public Viewing World Cup	Concert U2
Boxing V. Klitschko - A. Sosnowski	Race of Champions	Boxing Klischko - Peter
Day of Song	Concert Depeche Mode (2x)	Public Viewing World Cup
Schlagernacht auf Schalke	Sensation White	Jehovas Witnesses
Concert Pur & Friends		International Match Germany - Bosnia and Herzegovina
TV total Stock Car Crash Challenge		German Bowl XXXII
ODLO Biathlon WTC 10		Chelsea Friendly
2011	**2011**	**2011**
Oldiemarathon auf Schalke	Eurovision Song Contest	Comedyshow Mario Barth
Concert Herbert Grönemeyer	Race of Champions	Concert Herbert Grönemeyer
Comedyshow Mario Barth	International Match Germany - Belgium	Jehovas Witnesses
Concert Schlagernacht auf Schalke		FIFA Women's World Cup
The Big Four Rockfestival		Valencia Friendly
TV total Stock Car Crash Challenge		
ODLO Biathlon WTC 11		

STADIUMS AND ARENAS

Stadiums (football size) and indoor arenas (icehockey/basketball size [for example ZIGGO]) are both used for sports and concert events.

For international and national concert tours the two different types of venues (stadiums and arenas) do not directly compete because a tour usually is planned either to be hosted in stadiums or in arenas. As result the new ZIGGO in Amsterdam is not a direct competitor for a new stadium in Rotterdam.

New stadiums have an advantage because the promoters prefer to do events in new stadiums as they attract more people (people that want to see the stadium and not only the event). This effect can be identified for 8 – 10 years.

The AmsterdamArena will be more than 20 years old when the new stadium in Rotterdam will be opened. This will cause a „movement“ of events from Amsterdam to state-of-art venue in Rotterdam as seen with the movement of shows from the AHOI to the ZIGGO.