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**FY 2014 Consolidated Results and
the strategic guidelines of the 2015-2018 Industrial Plan**

Fiera Milano Group

Conference Call – 23 March 2015



Contents

FY 2014 Financial results

Strategic guidelines of 2015-2018 Industrial Plan



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FY2014 highlights

- 2014 results reflected not only a **less favourable Italian exhibition calendar** compared to the previous year but also the **prolonged slowdown in the domestic market** and were also impacted by **the write-down of the trademarks of some trade publications**, as well as some non-recurring expenses
- **Net exhibition space of 1,634,425 square metres** (38% directly organised), **of which 414,300 square metres abroad**
- **Consolidated revenues: Euro 245.5 million**
- **Consolidated gross operating loss: Euro 3.3 million**
- **Consolidated net operating loss: Euro 18.8 million**
- **Consolidated net loss: Euro 19.1 million**

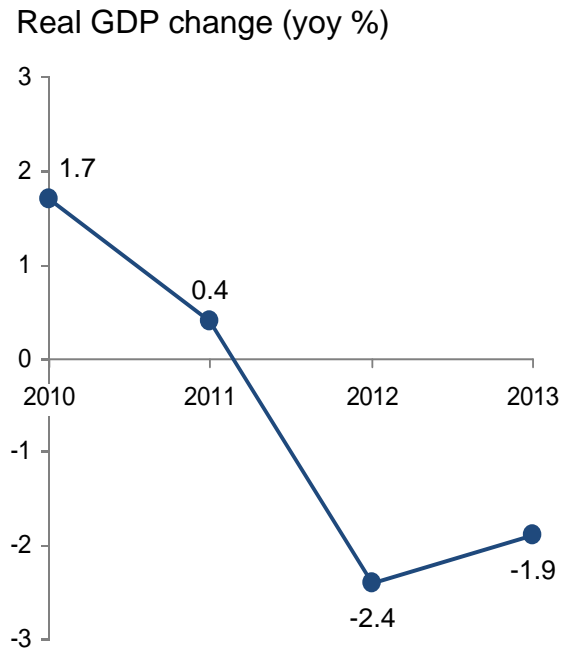


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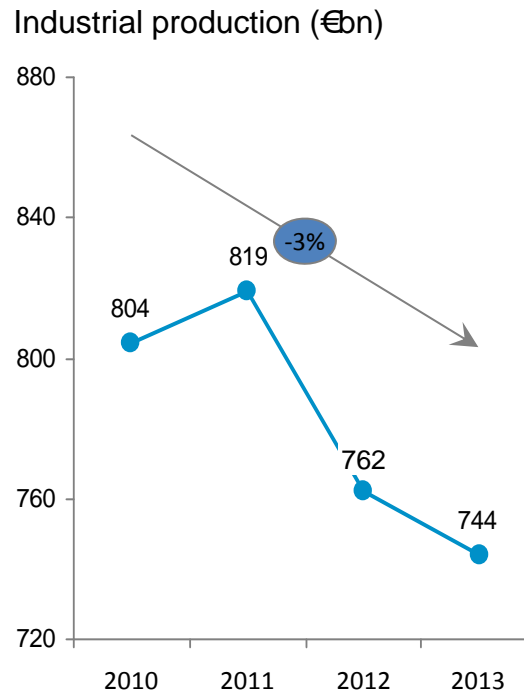


Weak Italian economy did not support exhibition industry in the last years

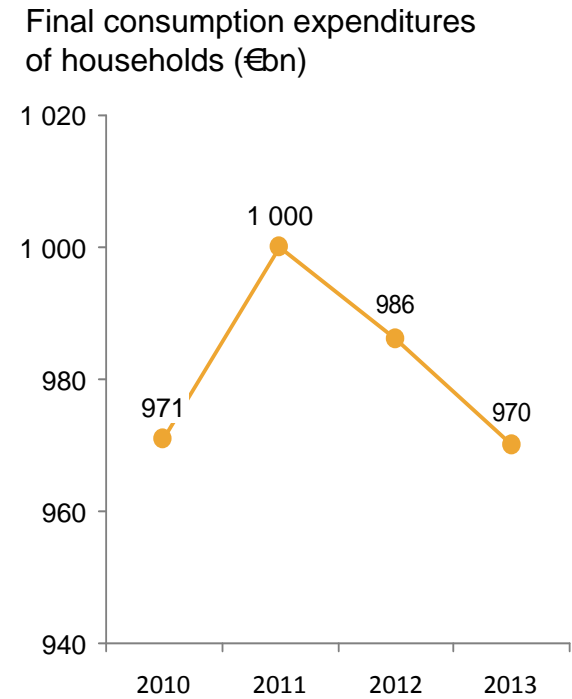
Italy GDP trend



Industrial production in Italy



Household consumption expenditure Italy



Average monthly expenditure (€)

Year	2010	2011	2012	2013
Average monthly expenditure (€)	2,453	2,488	2,419	2,359



Source: Istat; Eurostat; Il Sole 24 Ore

Italian exhibition calendar

Exhibitions	Net sq. metres of exhibition space	
	FY14	FY13
Annual exhibitions		
Directly organised	178,165	198,925
Organised by 3rd parties	716,345	757,085
Total annual exhibitions	894,510	956,010
Biennial exhibitions		
Directly organised	14,330	199,335
Organised by 3rd parties	261,060	124,365
Total biennial exhibitions	275,390	323,700
Multi-year exhibitions		
Directly organised	16,480	-
Organised by 3rd parties	-	13,865
Total multi-year exhibitions	16,480	13,865
Total exhibitions	1,186,380	1,293,575
Congresses with related exhibition area	33,745	40,105
Total	1,220,125	1,333,680

Annual exhibitions:

- The negative trend in the economy and in the reference industrial sectors had a significant impact on the January edition of HOMI (homeware) and BIT (tourism) among the exhibitions that are directly organised and on The Innovation Cloud among exhibitions organised by third parties
- The absence of Made (architecture, design and building sectors), which, from 2013, is held biennially
- First edition of the biannual exhibition Lineapelle (41,665 square meters)

Biennial exhibitions:

- Presence of Mostra Convegno Expocomfort and absence of HOST and TUTTOFOOD



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Italian exhibitions



Italian exhibitions	FY14	FY13
Revenues (€'000)	181,098	194,583
Gross operating result (€'000) % on revenues	(12,894) -7.1%	(5,124) -2.6%
Net operating result (€'000) % on revenues	(18,312) -10.1%	(11,806) -6.1%



- The decrease in revenues reflected the trend in exhibition space occupied.
- The gross operating result was affected by the trend in revenues and non-recurring expenses related to the relaunch of HOMI, partially offset by the reduction in the rent payable for the Rho exhibition site (Euro 6.7 million less)



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Gross of adjustments for inter-segment transactions

Foreign exhibition calendar

Exhibitions	Net sq. metres of exhibition space	
	FY14	FY13
Annual exhibitions		
China	283,345	292,360
Brazil	30,620	30,850
Turkey	25,075	18,880
India	20,550	13,730
South Africa	11,425	11,355
Russia	2,600	1,210
Thailand	2,500	1,500
Total annual exhibitions	376,115	369,885
Biennial exhibitions		
China	1,200	15,950
Brazil	36,985	18,045
Singapore	-	1,120
Total biennial exhibitions	38,185	35,115
Total	414,300	405,000



- In China positive performance of Chengdu Motor Show, lower exhibition space from PTC Asia and the absence of the biennial exhibition WoodMac China
- There was a more favourable exhibition calendar in Brazil as the biennial exhibitions FISP and Fesqua were held
- Success of the first edition of CeBIT in India
- In Turkey positive performances from Art Istanbul and the successful launch of Promoturk, an exhibition for corporate communication & promotional gifts, and from the ZheJiang Trade Fair

Foreign exhibitions



Foreign exhibitions	FY14	FY13 restated*
Revenues (€'000)	18,786	15,274
Gross operating result (€'000)	1,088	2,798
% on revenues	5.8%	18.3%
Net operating result (€'000)	(118)	1,644
% on revenues	-0.6%	10.8%

* Some figures in the Consolidated Financial Statements at 31 December 2013 have been restated for comparative purposes following the introduction of IFRS 11 applicable from 1 January 2014



- The increase in revenues mainly reflected the more favourable exhibition calendar in Brazil and the activities of the Chinese subsidiary Worldex, which was acquired in May 2013
- The lower gross operating result reflected the increased operating costs in the Brazilian companies due to corporate restructuring and the higher rental costs for the exhibition site in São Paulo

Stand-fitting services



Stand-fitting services	FY14	FY13
Revenues (€'000)	33,389	33,594
Gross operating result (€'000)	1,895	1,605
% on revenues	5.7%	4.8%
Net operating result (€'000)	365	(215)
% on revenues	1.1%	-0.6%



- Despite the less favorable exhibition calendar, revenues were basically stable reflecting higher stand-fitting volumes due to the strong performances of the Salone Internazionale del Mobile, HOMI and Lineapelle

Media

Media	FY14	FY13
Revenues (€'000)	12,334	11,958
Gross operating result (€'000)	415	277
% on revenues	3.4%	2.3%
Net operating result (€'000)	(4,120)	(7,335)
% on revenues	-33.4%	-61.3%



- The improved revenues and gross operating result were mainly due to higher poster advertising revenues from the presence of Mostra Convegno Expocomfort and to the launch of Lineapelle, as well as to higher revenues from digital services
- The improvement in the net operating result was due to lower write-downs for trade publications: Euro 3.6 million in 2014 compared to Euro 6.6 million the previous year



Congresses



Congresses	FY14	FY13
Revenues (€'000)	37,835	24,546
Gross operating result (€'000)	6,045	2,532
% on revenues	16.0%	10.3%
Net operating result (€'000)	3,373	566
% on revenues	8.9%	2.3%



- The increase in revenues and margins was mainly due to the use of the MiCo Congress Centre for meetings held during the Italian presidency of the European Union
- The gross operating result was affected by a few non-recurring expenses for improvements made to the MiCo – Congress Centre

Consolidated Income Statement

Consolidated Income Statement (€'000)	FY14	FY13 restated*
Revenues	245,457	245,057
Gross operating result	(3,338)	2,155
Margin (%)	-1.4%	0.9%
Net operating result (EBIT)	(18,793)	(17,087)
Margin (%)	-7.7%	-7.0%
Profit/(loss) before income tax	(23,692)	(20,932)
Margin (%)	-9.7%	-8.5%
Profit/(loss)	(19,106)	(16,625)
Margin (%)	-7.8%	-6.8%
-attributable to Shareholders of the controlling entity	(18,955)	(16,498)
Margin (%)	-7.7%	-6.7%
-attributable to non-controlling interests	(151)	(127)
Margin (%)	-0.1%	-0.1%

* Some figures in the Consolidated Financial Statements at 31 December 2013 have been restated for comparative purposes following the introduction of IFRS 11 applicable from 1 January 2014



Consolidated Statement of Financial Position

Consolidated Statement of Financial Position (€'000)	31/12/14	31/12/13 restated*
Non-current assets	204,730	209,402
Net working capital	(44,135)	(49,186)
Gross capital employed	160,595	160,216
Non-current liabilities	19,240	20,929
Total net capital employed	141,355	139,287
Equity	19,688	37,462
Net financial position	121,667	101,825
Equity and net financial position	141,355	139,287

* Some figures in the Consolidated Financial Statements at 31 December 2013 have been restated for comparative purposes following the introduction of IFRS 11 applicable from 1 January 2014



Consolidated Net Financial Position

Consolidated Net Financial Position (€'000)	31/12/14	31/12/13 restated *
Cash (including bank balances)	12,276	11,416
Other cash equivalents	-	-
Securities held for trading	-	-
Cash & cash equivalents	12,276	11,416
Current financial assets	-	635
Current bank borrowings	62,908	42,706
Current portion of non-current debt	19,986	12,699
Other current financial liabilities	22,150	20,572
Current financial debt	105,044	75,977
Current net financial debt (cash)	92,768	63,926
Non-current bank borrowings	26,898	34,408
Debt securities in issue	-	-
Other non-current payables	2,001	3,491
Non-current net financial debt	28,899	37,899
Net financial debt (cash)	121,667	101,825

* Some figures in the in the Financial Position at 31 December 2013 have been restated for comparative purposes following the introduction of IFRS 11 applicable from 1 January 2014



The increase in net debt mainly reflected the lower cash flow from operating activities and cash outflows for investments that were mainly for improvements made to MiCo – Milano Congressi



Fiera Milano SpA

- The **difficult economic environment in Italy** and the **unfavourable exhibition calendar** had an impact on the results of the Parent Company in 2014: the net loss was Euro 30.7 million
- The net loss also reflected Euro 14.9 million of **impairment charges** for investments in the subsidiary Fiera Milano Media, which incorporates the value of the business divisions for publications, editorial and communication products (Euro 11.1 million) and for the investments held by the subsidiary Eurofairs International Consultoria e Participações (Euro 3.8 million)
- As a result, the share capital of the Parent Company has fallen by one-third and the Company is in the situation to which **Article 2466 of the Italian Civil Code** applies
- The exhibition business has shown positive signs in the first months of **2015** supporting the assumption of a turnaround in 2015 when the Company **should benefit** not only **from the economic recovery in Italy**, now considered highly likely, but also **from the particularly favourable exhibition calendar and the presence of Expo 2015**
- The forecasts for 2015 underpin **Company** expectations that, barring any unforeseeable events, it **will be able to restore the share capital to above the two-thirds threshold required by law**



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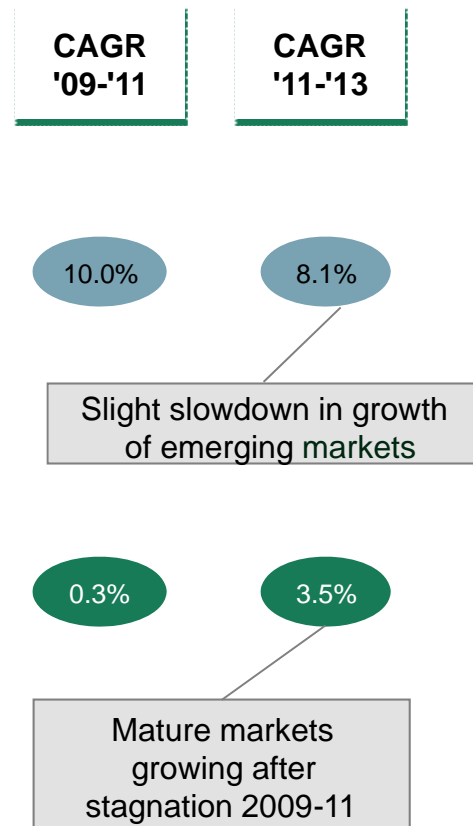
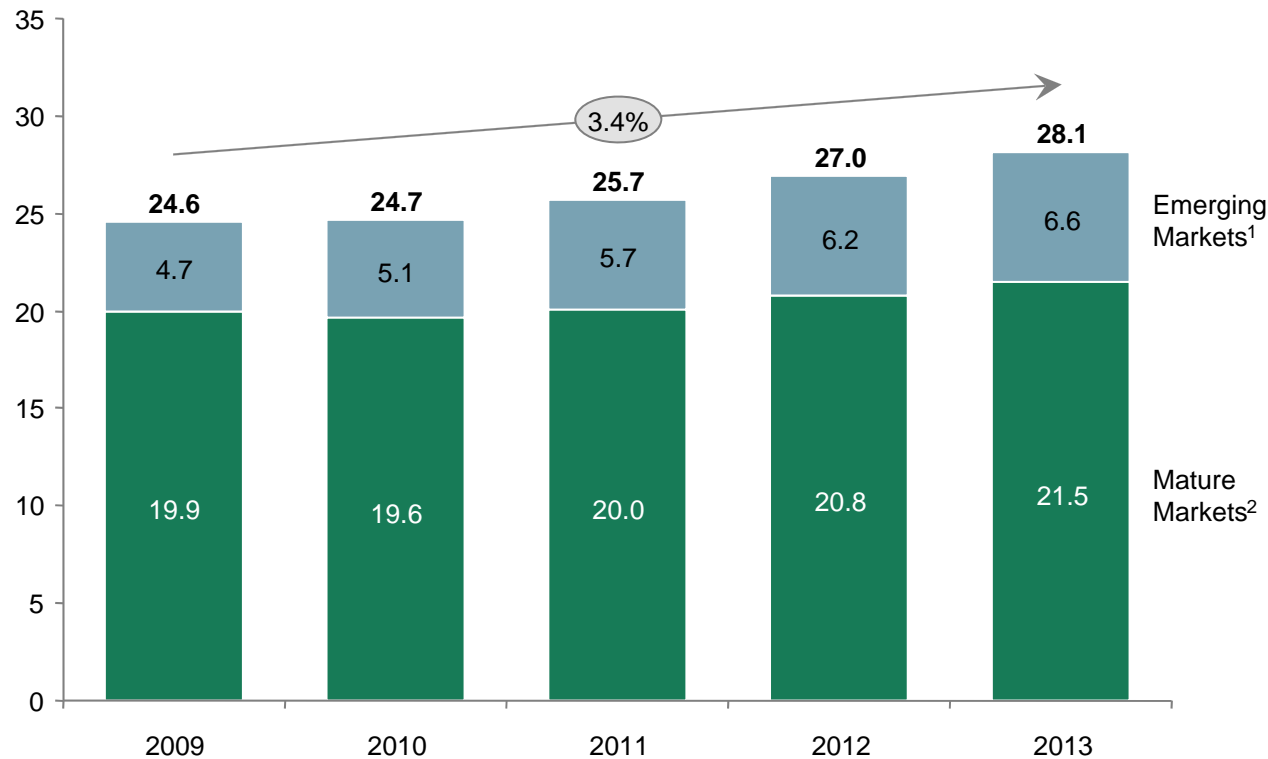
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The global exhibition market is growing

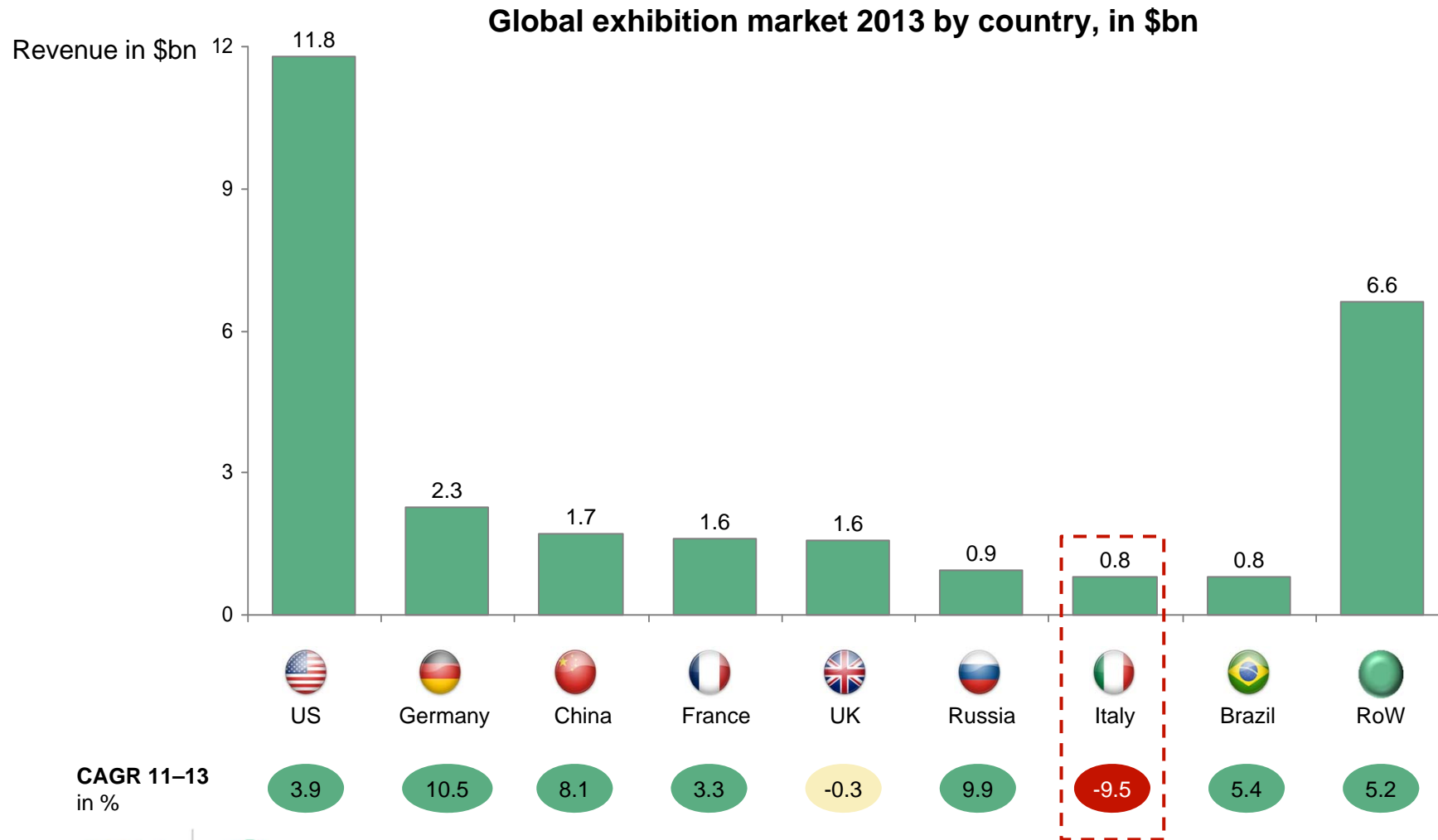
Mature markets have also returned to growth after a period of stagnation

Global exhibition organizing market (US\$ bn)



1. Emerging Markets: China, Russia, India, Brazil, Mexico, Turkey, Gulf Cooperation Council 2. Mature Markets: US, Germany, UK, France, Italy, Hong Kong
 Note: Countries represented in AMR account for approx. 86% of global market.
 Source: AMR international Globex report 2014

Italy was the only large exhibition market that fell in 2011-2013



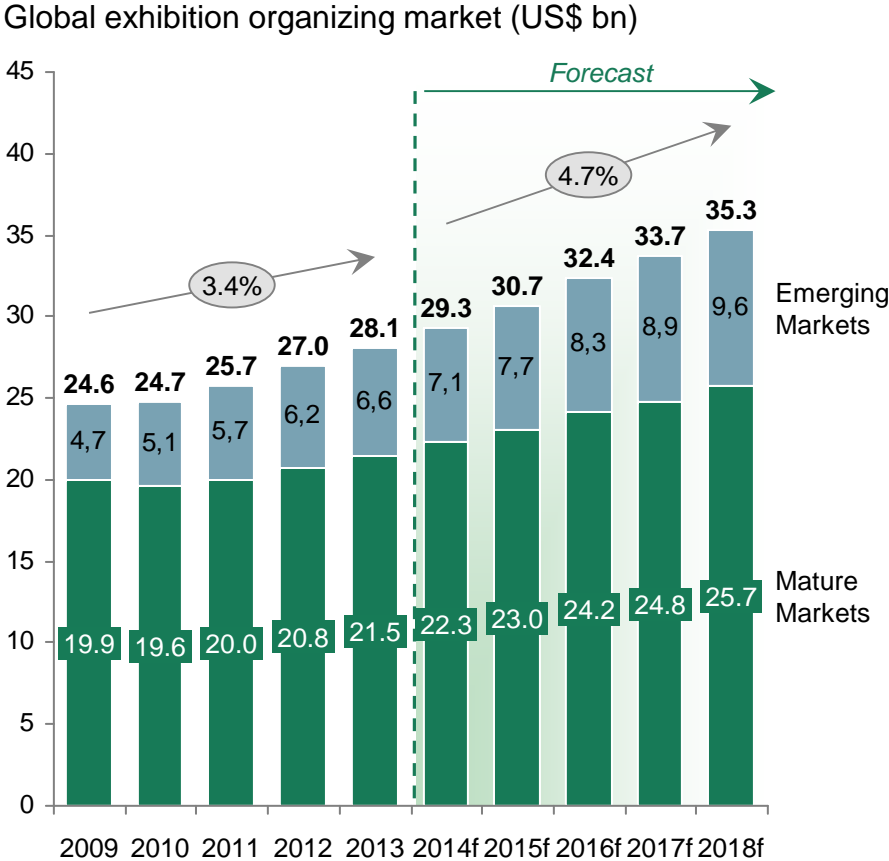
Source: AMR international Globex report 2014

Three main trends in the trade fair industry



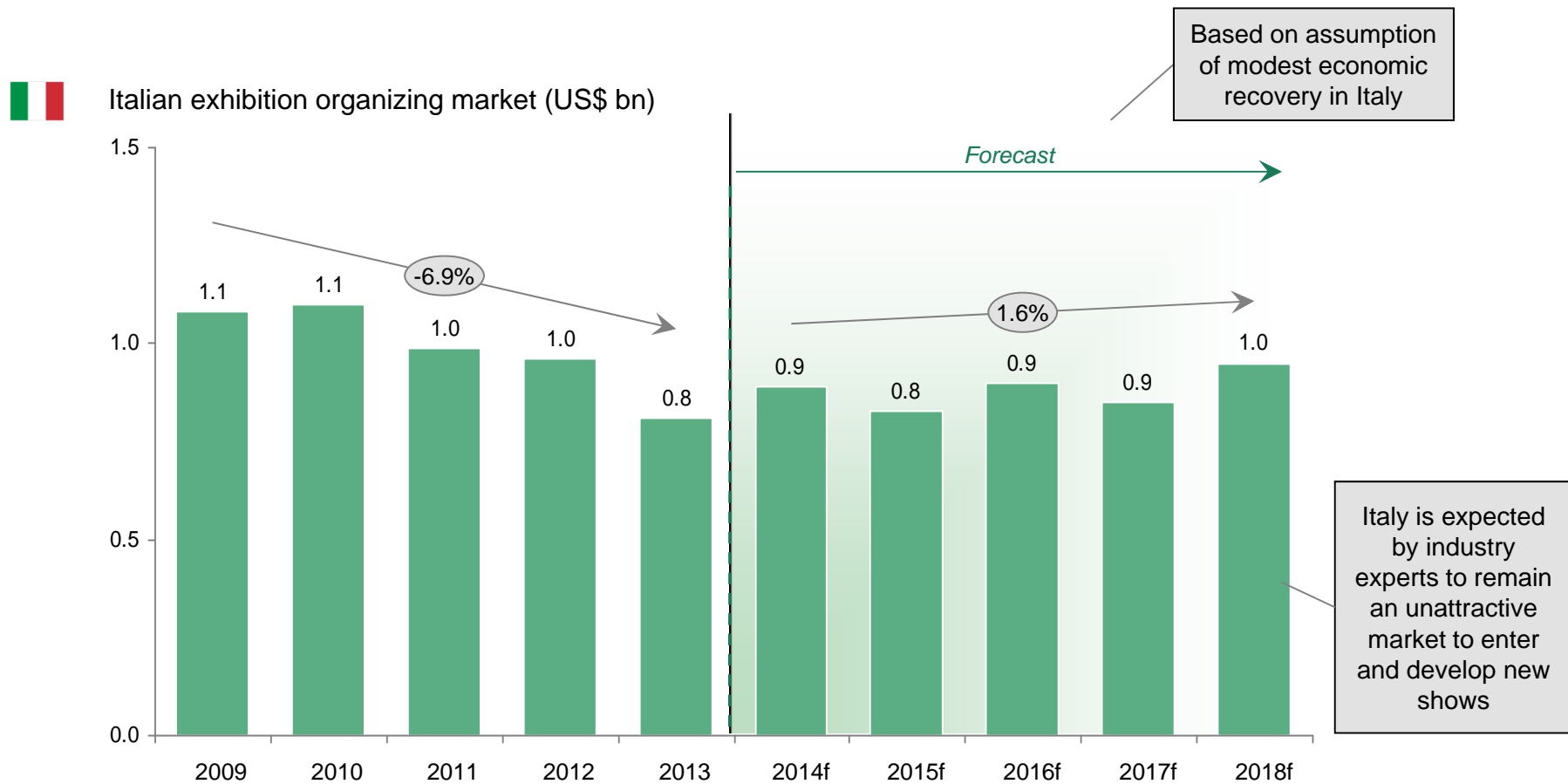
Outlook: main industry sources project significant growth in the next five years

AMR market estimate and forecast

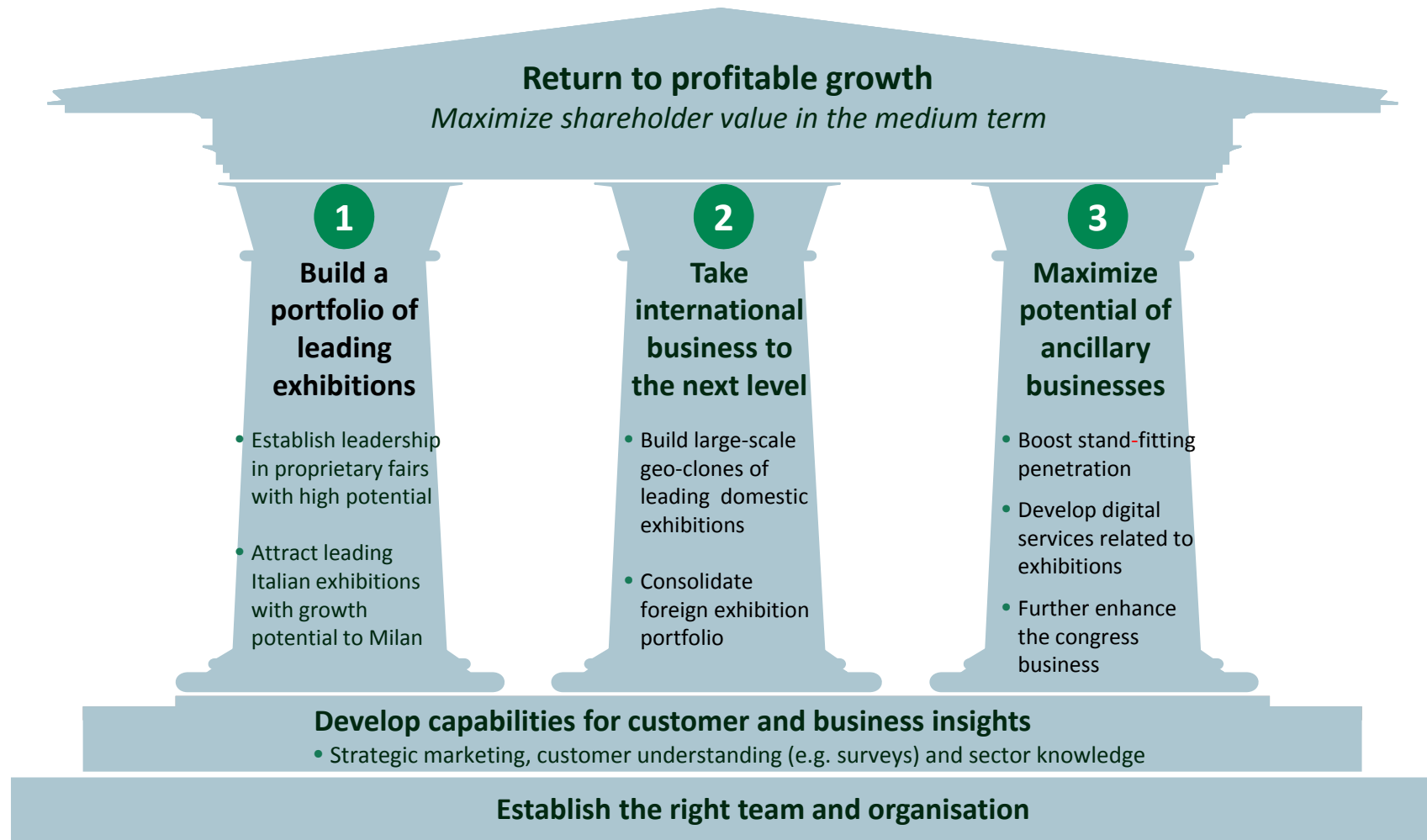


Source: AMR international Globex report 2014

The exhibition industry expects a slow recovery in the Italian market in the next five years



Fiera Milano strategic plan 2015-2018: the three main pillars



First strategic pillar: Build a portfolio of leading exhibitions

Main elements



Build a portfolio of leading exhibitions

Establish leadership of proprietary fairs with high potential

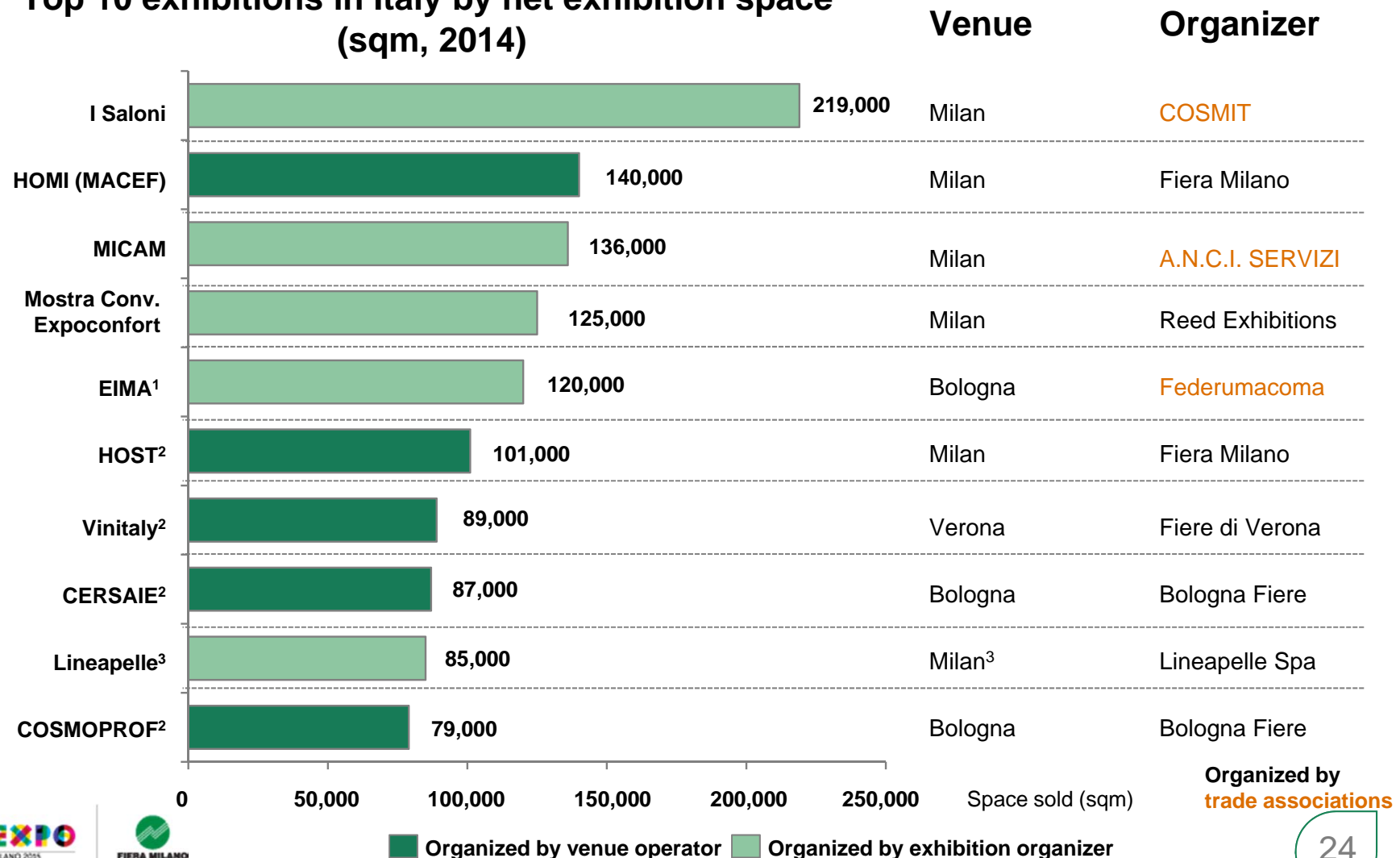
- **Consolidate leadership of HOST** through completion of offer (e.g. ice-cream & bread-making machinery) and increase the presence of international exhibitors
- **Ensure EU leadership of TUTTOFOOD** by expanding existing categories (e.g. dairy, cured meats) and increasing the presence of international exhibitors also by leveraging on Expo 2015
- **Restore the EU leadership of HOMI** through expansion of existing categories (e.g. home fragrances, tableware), agreements with leading partners, and the increased presence of international exhibitors

Attract leading Italian exhibitions with growth potential to Milan

- **Attract leading Italian exhibitions to the Milan venue** and expand these exhibitions within the context of the EU
- Development of small/medium **niche exhibitions** with strong potential

Most Italian exhibitions are organized by venue operators or national trade associations

Top 10 exhibitions in Italy by net exhibition space (sqm, 2014)

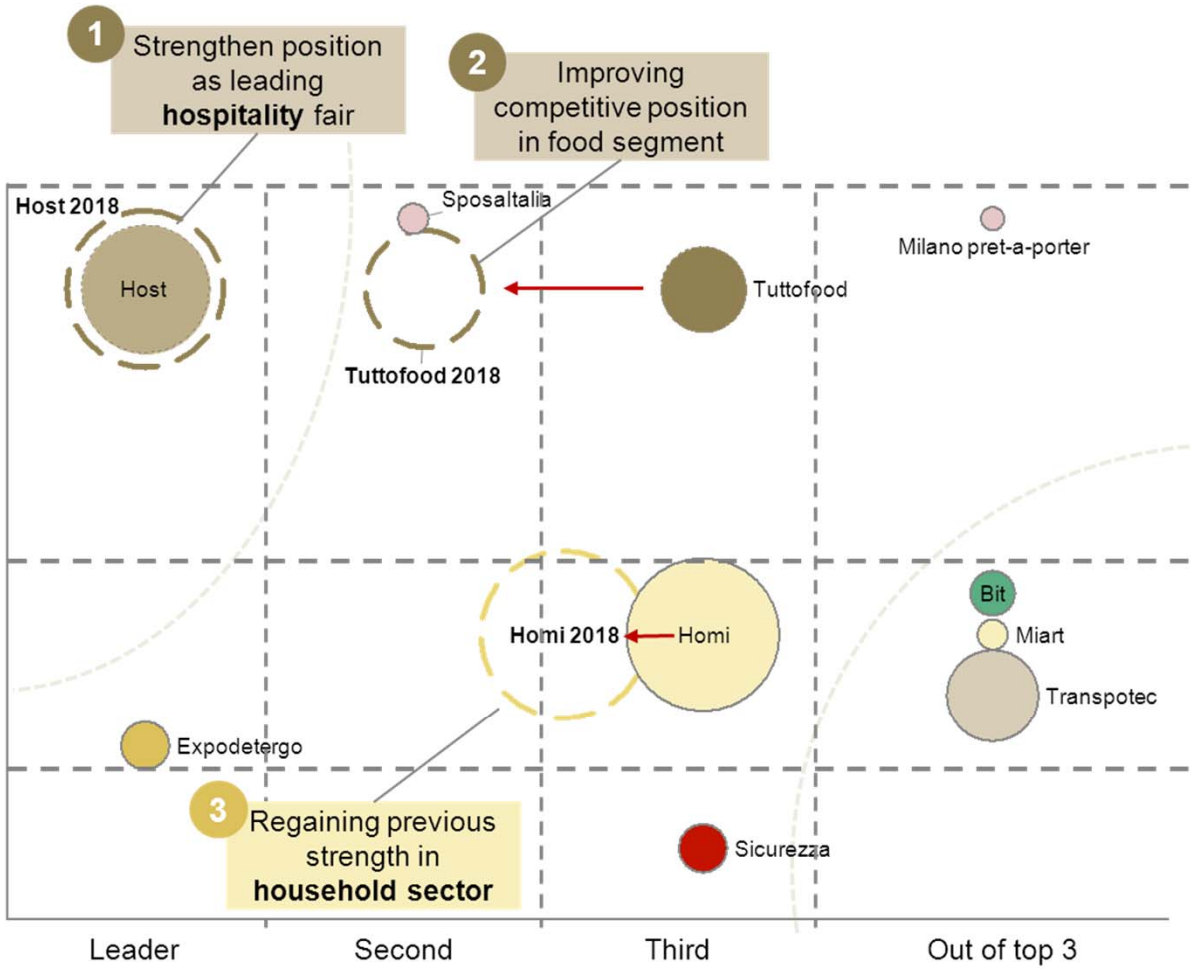


1. Data from 2012 (biennial exhibition) 2.Data from 2013 3. In Milan since September 2014
 Source: AMR international Globex report 2014; AUMA

Large-scale growth potential indentified in three sectors of Fiera Milano's exhibition portfolio

Exhibition sectors by attractiveness

Attract. for Italy	Sector description
↑	Textile, apparel, fashion
↑	Food & beverage, hospitality
↑	Construction, infrastructure
↑	Automation, machineries & eng.
↑	Agriculture, forestry, fishery
↑	Furniture, Interior design
↑	Health & rehabilitation, chemistry
→	Leisure, hobby, entertainment
→	Premium, household, gift, toys
→	Automobiles, Motorcycles
→	Business services, retail
↓	Transport, logistics, maritime
↓	Security, fire safety, defense
↓	Energy, Oil, Gas



Competitive positioning in EU

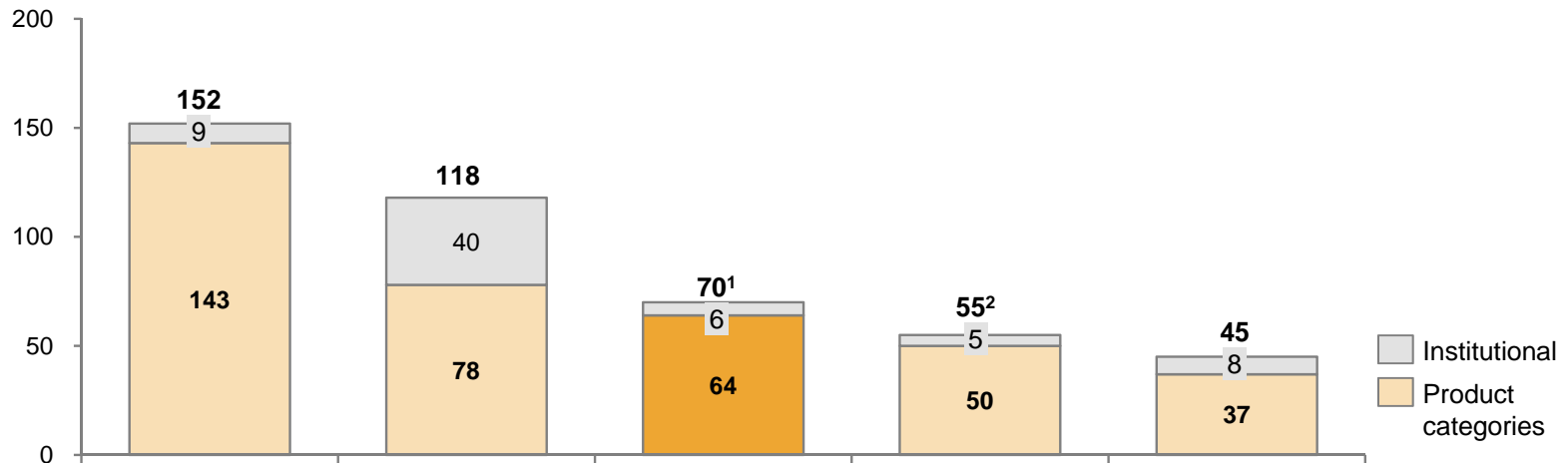
Annual exhibition space (sqm) 2011-2014

25

Tuttofood third exhibition in EU within food segment by size, but growing fast

Top five exhibitions for food segment

Total net exhibition space
(last available edition - k sqm)



	Anuga	Sial	Tuttofood	Alimentaria	Cibus
CAGR 2009-2015³	+2%	+2%	+17%	-18%	0%
% of intl. exhibitors	88%	85%	9%	22%	3%

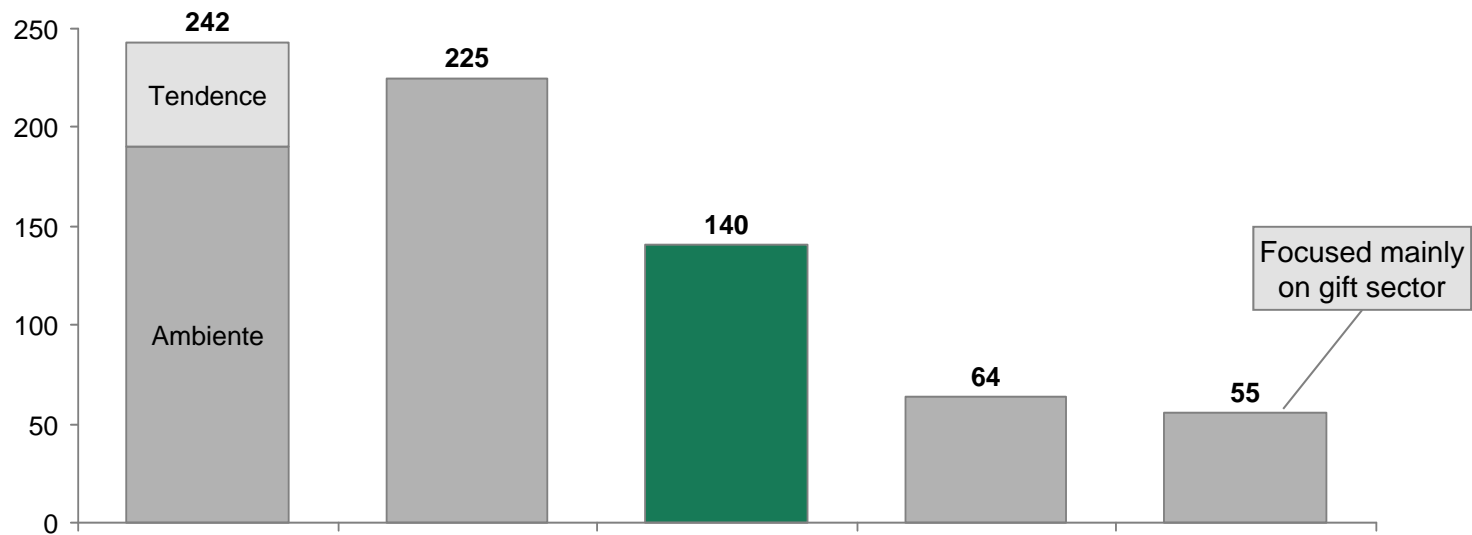


1. Data expected in 2015; 2. Estimates by industry experts; 3. Compound edition growth rate from first edition to last edition held in 2009-2015 period
 Note: Net space venue capacity hypothesized 55% of gross capacity
 Source: UFI 2013; AUMA; industry experts

HOMI third exhibition in homeware segment

Top five exhibitions for homeware segment

Total net exhibition space
(last 2 available editions¹ - k sqm)



Ambiente
(with Tendence)



ambiente tendence
Internationale Frankfurter Messe

Maison&Objet



HOMI



HOMI

Intergift



intergift

Christmasworld



christmasworld

CAGR 2011-2013

+1% Ambiente
-10% Tendence

+2%

-5%

-16%

1%



% of intl. exhibitors

67%

46%

20%

14%

74%

27

1. Both editions of one year aggregated
Source: UFI 2013; AUMA

Second strategic pillar: Take the international business to the next level

Main elements



Take the international
business to the next level

Build large-scale geo-clones of leading domestic exhibitions

- **Develop HOST and TUTTOFOOD geo-clones** through JVs with complementary exhibitions
- **Develop geo-clones of HOMI** (Russia) and introduce the exhibition to new markets (e.g. the USA) together with partners with local knowledge
- **Develop MICAM in China** through the addition of MIFUR and a clothing sector

Develop the international exhibition portfolio, after the divestment of smaller fairs

- **Grow the leading fairs in the proprietary exhibition portfolio** (e.g. FISP, Exposec, Tubotec) targeting sectors and countries with strong potential
- **Divest exhibitions of under 3,000 sqm that offer limited growth potential** or portfolio synergies

Geo-clones of leading domestic exhibitions

Proprietary exhibitions exported from Italy

HOMI to:

- Russia (Moscow)
- USA (New York)

Food Hospitality World to:

- India (Bangalore; Mumbai)
- China (Guangzhou)
- Brazil (São Paulo)
- South Africa (Cape Town)

Tuttofood to:

- USA (Chicago and San Francisco)

HOST to:

- Russia (Moscow)

Third-party exhibitions exported from Italy

TheMICAM to:

- China (Shanghai) through the addition of MIFUR and a clothing sector

Proprietary exhibitions exported from South Africa

Good Food & Wine Show to:

- India (New Dehli)



Third strategic pillar: Maximize potential of ancillary businesses

Main elements



Maximize potential of
ancillary businesses

Boost stand-fitting penetration

- **Increase penetration in the Rho and Fiera Milano city venues** of standard fittings by 20% through a targeted go-to-market approach and product innovation
- **Develop external markets** (Italian congress market, events) through product investments (e.g. new materials, updated designs) and a dedicated marketing team

Develop digital business for exhibitions

- **Grow the digital business** for exhibitions leveraging on the database service for exhibitors and visitors, generating leads and branding content

Offer destination management services

- **Introduce destination services** (e.g. ticketing, reservations, catering) for congresses and for visitors to Fiera Milano
- **Partnership with a leading** destination management **provider** to ramp-up the business in the short-term

Stand fitting growth driven by increased penetration in Rho venue and expansion into external markets

Increase penetration in shell scheme

+20 p.p. of market share on small stands

- Upgrade products through modernization of current design and acquisition of new materials

Explore external market with shell scheme

Increase market share on Italian congress market and events

- Product enhancement: modernization of current design, acquisition of high-end materials for congress and events markets



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Development of Digital business introducing new products and partnering with specialist operator

Develop digital products

Development/ introduction of new digital products and services to support organized fairs

- Introduction of lead generation and branded contents in addition to display ads to increase monetization potential
- Offering of matchmaking platform and related services
- Growth of existing editorial portals and launch of additional ones
- Implementation of marketing tools aiming to monitor user behavior and increase customer understanding (e.g. iBeacons)

Expand service offering with commercial partnership

Increase monetization potential by offering integrated communication bundle in collaboration with commercial partner

- Creation of integrated solution targeting SMEs with bundled communication products leveraging on DB (e.g. lead generation, DEM)
- Exploit commercial contacts of partner for distribution



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Congresses business with potential to grow further

Focus on large congress

Increase current market share on large congresses (>3k participants) with higher service expenditure than smaller ones

- Potential to increase current market share on large events
- Mico infrastructure able to host large events keeping high marginality thanks to large space availability

Enter new associative markets

Expand into other associative markets other than medical sciences (e.g. technologies, Sciences)

- Fiera Milano Congressi historically focused on the only medical science segment (representing 17% of total associative market)
- Technologies and Sciences growing fast and today represent an unexplored 27% of total associative markets

Develop corporate events

Establish long-term relationship with corporation requiring periodical meeting points

- Loyal leading corporation already hosted (E.g. Cisco, HP, SAP) to increase acknowledgement worldwide and target main competitors

Destination services

Management of all services for attendees related with the destination (e.g. hotel booking, travel arrangements, city desk, entertainment activities)



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2015 financial targets (Euro mn)

- In 2015, the first year of the 2015-2018 Industrial Plan, forecasts are for consolidated **revenues of over Euro 330 million** and a **consolidated gross operating margin of 10%**
- **The first two months of 2015** have shown strong growth in results from operations: **consolidated revenues in excess of Euro 50 million, an increase of more than 50%** compared with the first two months of 2014, and a **gross operating profit of about Euro 7 million**, a significant improvement compared with the gross operating loss of Euro 8 million in the same period of the previous year
- In March 2015, the subsidiaries Nolostand and Fiera Milano Congressi won **the contract for the stand-fitting and management of the Expo 2015 Congress Centre and Auditorium**



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Appendix



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Fiera Milano SpA Income Statement

Fiera Milano SpA Income Statement (€'000)	FY14	FY13
Revenues	181,098	194,523
Gross operating result	(12,887)	(4,989)
Margin (%)	-7.1%	-2.6%
Net operating result (EBIT)	(18,315)	(11,676)
Margin (%)	-10.1%	-6.0%
Profit/(loss) before income tax	(35,901)	(15,275)
Margin (%)	-19.8%	-7.9%
Profit/(loss)	(30,674)	(12,664)
Margin (%)	-16.9%	-6.5%

Fiera Milano SpA Statement of Financial Position

Fiera Milano SpA Statement of Financial Position (€'000)	31/12/14	31/12/13
Non-current assets	193,906	209,262
Net working capital	(42,298)	(46,505)
Gross capital employed	151,608	162,757
Non-current liabilities	7,631	9,047
Total net capital employed	143,977	153,710
Share Capital	41,521	41,521
Reserves	11,068	23,732
Retained earnings	(179)	(12)
Profit (loss) for the year	(30,674)	(12,664)
Equity	21,736	52,577
Net financial position	122,241	101,133
Equity and net financial position	143,977	153,710

Forward-Looking Statements

Data and information herewith set forth are extracted from the Fiera Milano Press Release issued on 20 March 2015 filed with Italian authorities regulating exchanges and securities and disseminated concomitantly with this presentation.

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The Manager responsible for preparing the company's financial reports Flaminio Oggioni declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this document corresponds to the document results, books and accounting records.



Fiera Milano SpA

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