



Consolidated Interim Management Report at 30 September 2016 (3rd Quarter 2016)

This document is available
in the Investor Relations section of the Company website,
www.fieramilano.it

This document contains a faithful translation in English of the original report in Italian "*Resoconto intermedio di gestione consolidato al 30 settembre 2016*".

However, for information about Fiera Milano Group reference should be made exclusively to the original report in Italian.

The Italian version of the *Resoconto intermedio di gestione consolidato al 30 settembre 2016* shall prevail upon the English version.

Fiera Milano SpA
Registered office: Piazzale Carlo Magno, 1 - 20149 Milan
Operational and administrative office: SS del Sempione, 28 - 20017 Rho (Milan)
Share Capital: Euro: 42,445,141.00 paid up
Companies Register, Tax code and VAT no. 13194800150 - Economic Administrative Register 1623812

Rho (Milan), 4 November 2016

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Corporate Bodies and Independent Auditor

BOARD OF DIRECTORS

Roberto Rettani	Chairperson*°
Attilio Fontana	Deputy Vice Chairperson*°
Licia Ronzulli	Vice Chairperson*°
Corrado Peraboni	Chief Executive Officer
Joyce Victoria Bigio	Director*°
Renato Borghi	Director °
Pier Andrea Chevallard	Director *°
Romeo Robiglio	Director
Vincenza Patrizia Rutigliano	Director*°

* Independent director under the Self-Regulatory Code of the Italian Stock Exchange.

° Independent director under Article 148, paragraph 3 of Legislative Decree no. 58 of 24 February 1998.

CONTROL AND RISK COMMITTEE

Joyce Victoria Bigio
Renato Borghi
Vincenza Patrizia Rutigliano

REMUNERATION COMMITTEE

Attilio Fontana
Romeo Robiglio
Licia Ronzulli

BOARD OF STATUTORY AUDITORS

Federica Nolli	Chairman
Antonio Guastoni	Statutory Auditor
Carmine Pallino	Statutory Auditor
Francesca Maria D'Alessandro	Substitute Auditor
Alessandro Carlo Galli	Substitute Auditor

SUPERVISORY BOARD under Decree Law 231/01

Ugo Lecis
Federica Nolli
Andrea Pizzoli

MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL STATEMENTS LAW 262/2005

Sebastiano Carbone

The Board of Directors and the Board of Statutory Auditors were appointed at the Shareholders' Meeting of 29 April 2015 and their mandates expire with the Shareholders' Meeting to approve the Financial Statements at 31 December 2017.

The Board of Directors is invested with the widest powers for the ordinary and extraordinary management of the Company, excluding only those which by law are the preserve of the Shareholders' Meeting.

The Chairperson, in addition to legally representing the Company and performing the duties as required by law and by the Company's articles of association, also, in conjunction with the Chief Executive Officer, has the following responsibilities: relations with shareholders, national and international institutional relations, internationalisation activities, strategic and innovative initiatives, coordinating the work of the Board of Directors for the appointment of new Directors, verification of the implementation of the Board of Directors' resolutions and supervision of the internal audit.

The Chief Executive Officer has ordinary and extraordinary administrative powers, except for those relating to certain specific matters that include the acquisition or disposal of investments, obtaining loans that exceed 30% of the Company's equity, the stipulation of contracts for assets, excluding leases for the conduct of Company business of less than six years duration, approval of the budget for the year, and the grant of guarantees to third parties.

INDEPENDENT AUDITOR

EY SpA

The mandate, given the independent audit firm by the Shareholders' Meeting of 29 April 2014, is for the 2014-2022 financial years.

Business model

The Fiera Milano Group is involved in all the characteristic phases of the exhibition and congress sector and is one of the leading international integrated companies in this sector.

Its operating segments are:

- **Italian Exhibitions:** this segment covers all activities for the organisation and hosting of exhibitions and other events in Italy through the use, promotion and offer of furnished exhibition spaces, of project support, and of ancillary services. This segment includes all activities associated with exhibitions (including end services for exhibitors and visitors):
 - that are directly organised by the Group or in partnership with third-parties;
 - organised by third parties, through the hiring out of spaces and services.

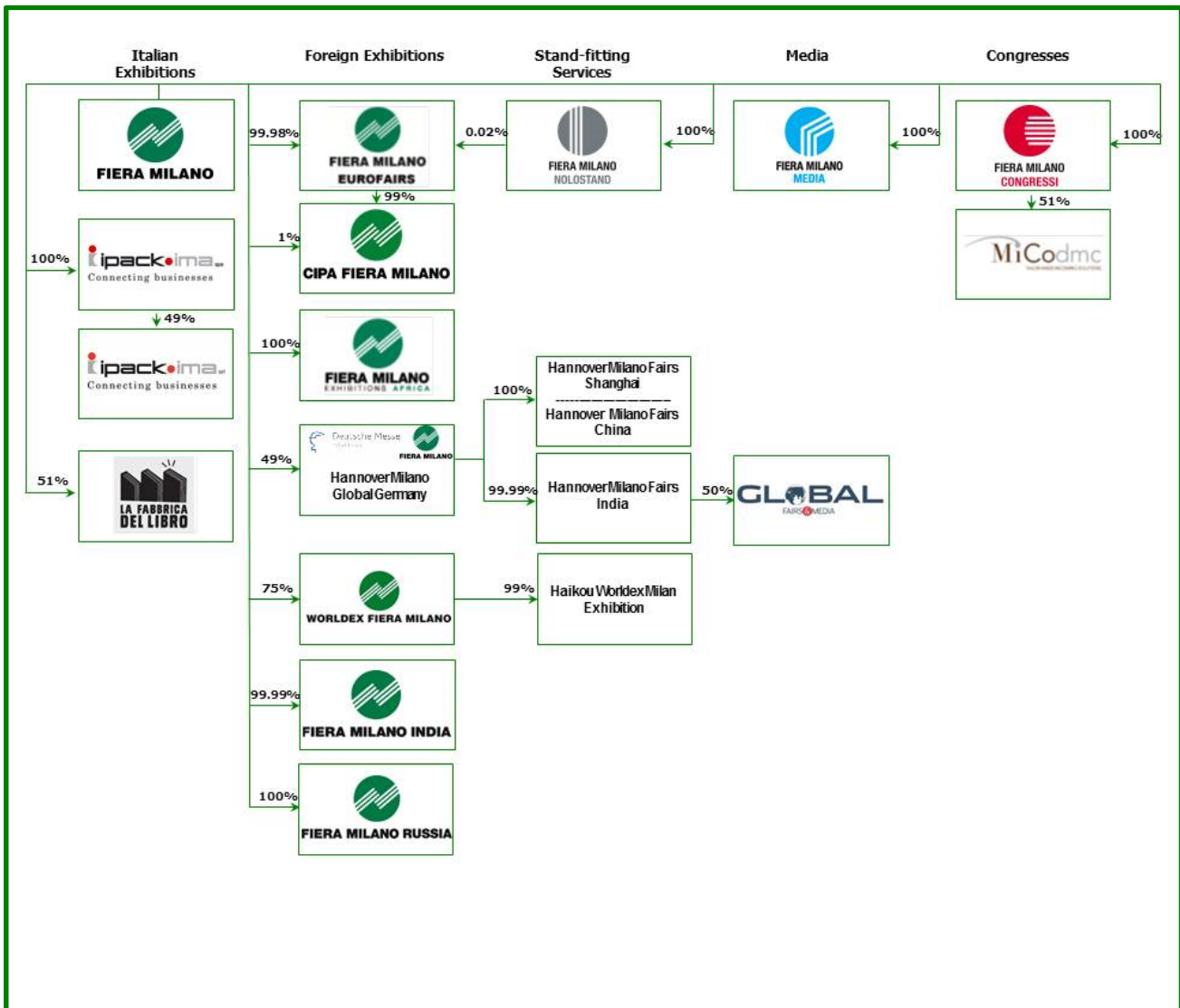
- **Foreign Exhibitions:** this segment covers all activities for the organisation of exhibitions and other events abroad through the use, promotion and offer of furnished exhibition spaces, of project support, and of ancillary services. Specifically this segment includes all activities associated with exhibitions (including end services for exhibitors and visitors) that are directly organised by the Group or in partnership with third-parties.

- **Stand-fitting services:** this segment covers stand-fitting services, technical services and all exhibition site services for exhibitions and congresses.

- **Media:** this segment covers the production of content and supply of on line and off line publishing services, as well as those associated with the organisation of events and congresses.

- **Congresses:** this segment covers the management of conferences, events and destination management services.

Group structure



Report on operations in the third quarter 2016

Summary of results and significant events during the quarter

The following table gives the main figures of the Group for the third quarter 2016 and the nine months period at 30 September 2016 with comparable data for the same quarter and the nine-month period of the previous year, as well as figures for the full year 2015.

Full year at 31/12/15	Fiera Milano Group Summary of key figures (Amounts in € 000)	3rd Quarter at 30/09/16	3rd Quarter at 30/09/15 restated	9 months at 30/09/16	9 months at 30/09/15 restated
337,339	Revenues from sales and services	41,253	46,848	179,908	228,380
43,594	Gross operating result (a)	(6,366)	(8,864)	14,316	19,634
11,958	Net operating result (EBIT)	(8,884)	(12,217)	4,859	557
8,438	Profit/(loss) before income tax of continuing operations	(9,193)	(14,068)	4,464	(3,444)
(1,988)	Profit/(loss) before income tax of discontinued operations	-	9	-	(1,988)
6,450	Profit/(loss) before income tax:	(9,193)	(14,059)	4,464	(5,432)
7,012	- Attributable to the shareholders of the controlling entity	(9,215)	(14,080)	4,625	(4,654)
(562)	- Attributable to non-controlling interests	22	21	(161)	(778)
38,086	Cash flow before income tax for the Group and non-controlling interests (b)	(6,675)	(10,706)	13,921	13,645
97,694	Net capital employed (c)	132,338	96,474	132,338	96,474
	covered by:				
84,572	Equity attributable to the Group	87,681 *	13,378 *	87,681 *	13,378 *
696	Equity attributable to non-controlling interests	395 *	349 *	395 *	349 *
12,426	Net financial debt/(cash)	44,262	82,747	44,262	82,747
7,817	Investments (continuing operations and assets held for sale)	2,612	2,248	6,067	4,898
783	Employees (no. of permanent employees at the end of period)	722	797	722	797

* includes pre-tax result for the period

(a) Gross operating profit is operating result before depreciation and amortisation, adjustments to asset values and other provisions.
(b) Cash flows is the sum of the result for the period, depreciation and amortisation, provisions and adjustments to asset values.
(c) Net capital employed is the sum of non-current assets, non-current liabilities and net working capital.

Some of the figures of the consolidated financial statements at 30 September 2016 have been restated to reflect the different classification of the use of risk provisions.

The third quarter, which is traditionally characterised by low levels of activity due to the summer break in July and August, had lower revenues but a higher gross operating profit than in the same quarter of 2015. The exhibition calendar was similar in the third quarters 2015 and 2016 but the third quarter 2015 benefited from one-off events and circumstances that had an impact on both revenues and costs. Lower revenues due to the absence of Expo 2015 were more than compensated by a significant reduction in operating costs from rationalisation measures implemented in the previous financial year both in Italy and abroad and from the absence of the variable rent component for the **fieramilano** exhibition site that was payable only for 2015.

As part of the strategy to strengthen the directly organised exhibitions, on 5 September 2016, Fiera Milano SpA and Ediser Srl, a service company belonging to the Associazione Italiana Editori (AIE), set up a company called La Fabbrica del Libro SpA. The two companies hold respectively 51% and 49% of the shares of the new company. This partnership will develop activities connected to book publishing, also through the organisation of fairs throughout Italy, to focus on all form of publishing. The first event, Tempo di Libri, will be held in Milan from 19-23 April 2017. The exhibition will bring together publishers, authors, librarians, booksellers, students and readers in a large event aimed at combining tradition and innovation and reflecting the main characteristic of books down the centuries: the ability to remain attuned to the spirit of the times and to accompany cultural and technological progress.

On 27 September 2016, the exhibition trademark, No Frills, was acquired. From next year it will be integrated into the proprietary exhibition BIT as part of a content development project structured around professional conferences and seminars.

On 22 July 2016, Fiera Milano SpA waived the Euro 0.706 million loan made to Fiera Milano Exhibitions Africa thereby strengthening the capital position of the latter.

As part of the share buy-back announced to the market on 24 June 2016 and approved by the Shareholders' Meeting of 28 April 2016, in the period under review the Parent Company purchased 200,090 treasury shares at an average price of ca. Euro 1.58 per share for a total value of Euro 315,406. At 30 September 2016, the Company held, directly and indirectly, 851,098 treasury shares, equivalent to 1.18% of the share capital.

Other information

On 6 July 2016, the Milan Tax Squad notified the subsidiary Nolostand SpA of an Administration Order issued by the Milan Tribunal on 23 June 2016, under Article 34, paragraph 2 of Legislative Decree 159/2011 (anti-mafia laws and prevention measures, including new provisions covering anti-mafia documentation in accordance with Articles 1 and 2 of Legislative Decree of 13 August 2010 no. 136). Under the law, the order aims to protect the assets of Nolostand SpA from any potential infiltration and/or collusion. The measure, which is a preventive measure, has been put in place for a period of six months.

Under the provisions of the tribunal decree, the Court-appointed Administrator will ensure his/her presence in the company and maintain regular contact with the directors of the company, with management and with the head of internal audit, monitoring and approving any changes in personnel, issuing authorisations for contractual terminations and stipulating new contracts with suppliers, overseeing payments to suppliers and verifying the service supplied by contractors while supporting the Sole Director of the company to implement initiatives aimed at combating any potential infiltration.

The measure is effective for a given maximum amount of time which, in the case in question, is six months; it may be extended for a further six months but no more under Legislative Decree 159/2011.

The subsidiary Nolostand SpA, will continue to operate normally and carry on its regular business activities under the control and supervision of the Court-appointed Administrator and, at the same time, the management body will continue with the same powers. This also means that Fiera Milano SpA will maintain control of the company and that it will be consolidated under the appropriate accounting standards.

The Administration Order issued to Nolostand SpA aims to ascertain the existence and true extent of indications of organised crime in the contractual relationships with a supplier and some of the latter's associates.

The Fiera Milano Group will collaborate fully with the Court-appointed Administrator of Nolostand SpA also in order to continue, as part of the strategic guidelines of the Group, its ongoing business.

At this moment in time, on the basis of information available, the potential impact of this provision on the equity and financial position of the Group and on the ongoing activities of Fiera Milano and the Group as a whole has been judged to be insignificant.

A detailed analysis of the results for the third quarter 2016 and for the nine-month period at 30 September 2016 reveals the following trends:

- **Revenues from sales and services** totalled Euro 41.253 million, a decrease of 12% compared to the same quarter of the preceding financial year (Euro 46.848 million). The decrease was mainly due to the presence in the same period of 2015 of revenues from contracts linked to Expo 2015. In the first nine months of 2016, revenues from sales and services were Euro

179.908 million, a decrease of 21% compared to the same period of 2015 (Euro 228.380 million). The decline in revenues reflects the less favourable exhibition calendar which, in the previous year, included the directly organised biennial exhibition Tuttofood and the hosted exhibition Made Expo, the triennial exhibitions Ipack-Ima and Plast and also higher revenues from stand-fitting and from congresses that were linked to Expo 2015. However, the decline was, in part, compensated by the important biennial exhibition Mostra Convegno Expocomfort held this year.

The main changes in terms of exhibition space occupied in the quarter under review were as follows:

- **Annual exhibitions organised by the Group in Italy** (-8,115 square metres): the decrease was mainly due to the lower amount of exhibition space occupied by HOMI II semester (-5,535 square metres) and the absence of Milano Prêt-à-Porter Autumn (-2,580 square metres) which, together with Mifur, will become part of the exhibition THE ONE MILANO, an important focal point for top quality prêt-à-porter that will be held biannually starting in February 2017.
- **Annual exhibitions organised by third parties in Italy** (+8,420 square metres): the increase was mainly due to the increase in exhibition space occupied by Milano Unica Autumn (+6,340 square metres) and Lineapelle II semester (+3,430 square metres);
- **Biennial exhibitions organised by third parties in Italy** (-1,130 square metres): the drop in exhibition space occupied was caused by the absence of the biennial exhibition Chem Med held in uneven-numbered years;
- **Congresses with related exhibition space**: these had an increase of 3,540 square metres;
- **Annual exhibitions organised by the Group abroad** (-7,280 square metres): the decline in exhibition space occupied was mainly from the absence of the Industrial Automation Shenzen exhibition (-7,985 square metres) that was held in June 2016;
- **Biennial exhibitions organised by the Group abroad** (+9,820 square metres): the increase was mainly due to the exhibition Fesqua (+ 10,285 square metres) held in Brazil.

The table on the following page gives a summary of the net square metres of exhibition space occupied by the various Fiera Milano Group exhibitions and by congresses with related exhibition space.

Fiera Milano Group Summary operating figures	3rd Quarter at 30/09/16		3rd Quarter at 30/09/15		Change	
	Total	of which organised by the Group	Total	of which organised by the Group	Total	of which organised by the Group
Number of exhibitions:	13	8	17	10	(4)	(2)
Italy	6	1	9	2	(3)	(1)
. annual	6	1	8	2	(2)	(1)
. biennial	-	-	1	-	(1)	-
. multi-annual	-	-	-	-	-	-
Foreign countries	7	7	8	8	(1)	(1)
. annual	5	5	7	7	(2)	(2)
. biennial	2	2	1	1	1	1
. multi-annual	-	-	-	-	-	-
Number of congresses with related exhibition space	6	-	7	-	(1)	-
Net sq.metres of exhibition space:	314,795	158,410	309,540	163,985	5,255	(5,575)
Italy	214,695	58,310	211,980	66,425	2,715	(8,115)
. annual (a)	214,695	58,310	210,850	66,425	3,845	(8,115)
. biennial	-	-	1,130	-	(1,130)	-
. multi-annual	-	-	-	-	-	-
(a) of which congresses with related exhibition space:	8,835	-	5,295	-	3,540	-
Foreign countries	100,100	100,100	97,560	97,560	2,540	2,540
. annual	88,770	88,770	96,050	96,050	(7,280)	(7,280)
. biennial	11,330	11,330	1,510	1,510	9,820	9,820
. multi-annual	-	-	-	-	-	-
Number of exhibitors:	6,555	2,395	6,635	2,765	(80)	(370)
Italy	5,380	1,220	5,255	1,385	125	(165)
. annual (b)	5,380	1,220	5,205	1,385	175	(165)
. biennial	-	-	50	-	(50)	-
. multi-annual	-	-	-	-	-	-
(b) of which congresses with related exhibition space:	575	-	415	-	160	-
Foreign countries	1,175	1,175	1,380	1,380	(205)	(205)
. annual	955	955	1,325	1,325	(370)	(370)
. biennial	220	220	55	55	165	165
. multi-annual	-	-	-	-	-	-

- The **Gross operating loss** in the third quarter 2016 was Euro 6.366 million, Euro 2.498 million less than the figure for the same period of the previous financial year. This was mainly attributable to a fall in operating costs following the rationalisation measures implemented in the previous financial year and to the higher costs in the Parent Company in the same quarter of 2015 for the variable component of employee remuneration and the variable component of the rent for the **fieramilano** exhibition site that was payable only for 2015.

The gross operating profit for the first nine months of 2016 was Euro 14.316 million, Euro 5.318 million lower than in the corresponding period of the preceding financial year. The year-on-year decline in the gross operating profit for the first nine months mainly reflects the trend in revenues. It was, in part, compensated by lower operating costs: in particular, the lower rental cost for the **fieramilano** exhibition site due to the absence of the variable component of the rent that was payable only for 2015 because of the presence of Expo 2015; lower personnel costs following the restructuring implemented at the end of 2015; and lower redundancy incentives and a lower variable component of employee remuneration in the Parent Company.

- The **Net operating loss** was Euro 8.884 million compared to a loss of Euro 12.217 million in third quarter 2015. The improvement of Euro 3.333 million mainly reflected the improvement in the gross operating loss.

In the first nine months of 2016, the net operating profit was Euro 4.859 million (Euro 0.557 million at 30 September 2015). This reflected the lower gross operating profit compensated by lower depreciation and amortisation and lower impairment charges following impairment

tests. In particular, the first six months of 2016 included impairment charges of Euro 1.391 million for the trademark of the South African subsidiary and Euro 0.508 million for the Food & Beverage publication of the subsidiary Fiera Milano Media. The circumstances surrounding these businesses were particularly negative causing forecasts for their results and growth expectations to be downgraded. In the same period of 2015 there were impairment charges for goodwill and trademarks totalling Euro 7.714 million.

- The **Loss before income tax** was Euro 9.193 million compared to a pre-tax loss of Euro 14.059 million in third quarter 2015. The **loss before income tax attributable to the controlling shareholder** was Euro 9.215 million (a pre-tax loss of Euro 14.080 million in the third quarter 2015) and that **attributable to non-controlling interests** was Euro 0.022 million (a pre-tax loss of Euro 0.021 million in third quarter 2015).
- **Cash flow** in the quarter (calculated as the pre-tax result plus depreciation, amortisation, provisions and adjustments to asset values) was negative for Euro 6.675 million compared to a negative figure of Euro 10.706 million in the same quarter of the previous financial year.

Net financial position

The Group net financial position and its breakdown are shown in the following table.

<u>31/12/15</u>	Group Net Financial Position (Amounts in € '000)	<u>30/09/16</u>	<u>30/06/16</u>	<u>Change</u>
56,092	A. Cash (including bank balances)	16,937	14,870	2,067
-	B. Other cash equivalents	-	-	-
-	C. Securities held for trading	-	-	-
56,092	D. Cash and cash equivalents (A+B+C)	16,937	14,870	2,067
-	E. Current financial assets	2,433	5,147	(2,714)
-	- E.1 of which Current financial assets from other related parties	2,313	5,147	(2,834)
23,481	F. Current bank borrowings	16,279	280	15,999
15,985	G. Current portion of non-current debt	24,378	22,851	1,527
16,036	H. Other current financial liabilities	2,543	5,190	(2,647)
15,225	- H.1 of which Other current financial liabilities to the controlling shareholder	1,613	4,256	(2,643)
55,502	I. Current financial debt (F+G+H)	43,200	28,321	14,879
(590)	J. Current net financial debt (cash) (I-E-D)	23,830	8,304	15,526
10,922	K. Non-current bank borrowings	18,313	23,394	(5,081)
-	L. Debt securities in issue	-	-	-
2,094	M. Other non-current liabilities	2,119	2,119	-
1,851	- M.1 of which Other non current liabilities to other related parties	1,927	1,927	-
13,016	N. Non-current financial debt (K+L+M)	20,432	25,513	(5,081)
12,426	Net financial debt/(cash) from continuing operations (J+N)	44,262	33,817	10,445
-	Net financial debt/(cash) from discontinued operations	-	-	-
12,426	O. Net financial debt/(cash)	44,262	33,817	10,445

Net debt at 30 September 2016 was Euro 44.262 million compared to Euro 33.817 million at 30 June 2016.

The increase in net debt of Euro 10.445 million was due to the negative cash flow caused by the absence of activity in the months of July and August and the decrease in cash flows from working capital, mainly attributable to the advance payment of the six-monthly rental charge to Fondazione Fiera Milano. This was, in part, offset by the cash-in for exhibitions held in the quarter under review or due to be held in subsequent months.

Business performance by operating segment and by geographic area

The key Group figures by operating segment and by geographic area are given in the following table.

Summary of data by operating segment and by geographic area (Amounts in € '000)	3rd Quarter to 30/09/16		3rd Quarter to 30/09/15 restated		9 Months to 30/09/16		9 Months to 30/09/15 restated	
		%		%		%		%
Revenues from sales and services								
- By operating segment:								
Italian Exhibitions	31,733	63.6	35,866	64.8	146,076	68.2	184,589	68.7
Foreign Exhibitions	2,606	5.2	1,746	3.1	4,733	2.2	5,743	2.1
Stand-fitting Services	7,687	15.4	7,943	14.3	33,970	15.9	43,159	16.1
Media	2,384	4.8	2,591	4.7	8,292	3.9	9,337	3.5
Congresses	5,464	11.0	7,285	13.1	20,859	9.8	25,694	9.6
Total revenues gross of adjustments for inter-segment transactions	49,874	100.0	55,431	100.0	213,930	100.0	268,522	100.0
Adjustments for inter-segment transactions	(8,621)		(8,583)		(34,022)		(40,142)	
Total revenues net of adjustments for inter-segment transactions	41,253		46,848		179,908		228,380	
- By geographic area:								
Italy	38,773	94.0	45,290	96.7	175,334	97.5	223,158	97.7
Foreign countries	2,480	6.0	1,558	3.3	4,574	2.5	5,222	2.3
Total	41,253	100.0	46,848	100.0	179,908	100.0	228,380	100.0
Gross operating result								
- By operating segment:		on revenues		on revenues		on revenues		on revenues
Italian Exhibitions	(6,575)	-20.7	(8,556)	-23.9	9,048	6.2	12,381	6.7
Foreign Exhibitions	213	8.2	(835)	-47.8	(168)	-3.5	(1,836)	-32.0
Stand-fitting Services	670	8.7	273	3.4	4,487	13.2	5,956	13.8
Media	(56)	-2.3	(181)	-7.0	211	2.5	202	2.2
Congresses	(619)	-11.3	425	5.8	737	3.5	2,929	11.4
Adjustments for inter-segment transactions	1		10		1		2	
Total	(6,366)	-15.4	(8,864)	-18.9	14,316	8.0	19,634	8.6
- By geographic area:								
Italy	(6,677)	-17.2	(7,867)	-17.4	14,462	8.2	21,890	9.8
Foreign countries	311	12.5	(997)	-64.0	(146)	-3.2	(2,256)	-43.2
Total	(6,366)	-15.4	(8,864)	-18.9	14,316	8.0	19,634	8.6
Net operating result (EBIT)								
- By operating segment:		on revenues		on revenues		on revenues		on revenues
Italian Exhibitions	(7,983)	-25.2	(10,539)	-29.4	4,770	3.3	4,682	2.5
Foreign Exhibitions	6	0.2	(888)	-50.9	(2,234)	-47.2	(9,271)	-161.4
Stand-fitting Services	121	1.6	(175)	-2.2	3,193	9.4	4,654	10.8
Media	(137)	-5.7	(329)	-12.7	(787)	-9.5	(249)	-2.7
Congresses	(878)	-16.1	(282)	-3.9	(43)	-0.2	807	3.1
Adjustments for inter-segment transactions	(13)		(4)		(40)		(66)	
Total	(8,884)	-21.5	(12,217)	-26.1	4,859	2.7	557	0.2
- By geographic area:								
Italy	(8,972)	-23.1	(11,153)	-24.6	7,113	4.1	10,315	4.6
Foreign countries	88	3.5	(1,064)	-68.3	(2,254)	-49.3	(9,758)	-186.9
Total	(8,884)	-21.5	(12,217)	-26.1	4,859	2.7	557	0.2
Employees (no. of permanent employees at the end of the period)								
- By operating segment:								
Italian Exhibitions	421	58.3	458	57.5	421	58.3	458	57.5
Foreign Exhibitions	140	19.4	159	19.9	140	19.4	159	19.9
Stand-fitting Services	55	7.6	54	6.8	55	7.6	54	6.8
Media	68	9.4	90	11.3	68	9.4	90	11.3
Congresses	38	5.3	36	4.5	38	5.3	36	4.5
Total	722	100.0	797	100.0	722	100.0	797	100.0
- By geographic area:								
Italy	582	80.6	638	80.1	582	80.6	638	80.1
Foreign countries	140	19.4	159	19.9	140	19.4	159	19.9
Total	722	100.0	797	100.0	722	100.0	797	100.0

Some figures in the consolidated financial statements at 30 September 2015 have been restated to reflect the different classification of the use of risk provisions.

Revenues from sales and services before elimination of transactions among the five business segments of the Group were Euro 49.874 million, a decrease of Euro 5.557 million compared to the figure of the third quarter 2015.

- Revenues from **Italian Exhibitions** totalled Euro 31.733 million in the third quarter 2016, a decrease of approximately 12% compared to the figure for the same period of the previous financial year (Euro 35.866 million). The decrease in the quarter under review mainly reflected the absence of revenues from contracts linked to Expo 2015 that were present in the comparative period. Revenues from sales and services in the first nine months of 2016 totalled Euro 146.076 million, a decrease of 21% compared to the same period of 2015 (Euro 184.589 million). The decline in revenues reflected a less favourable exhibition calendar that in the comparative period of 2015 included the directly organised biennial exhibition Tuttofood and the hosted exhibition Made Expo, the triennial exhibitions Ipack-Ima and Plast,

as well as the revenues generated by the contracts linked to Expo 2015. The decrease was in part compensated by the presence in 2016 of the important biennial exhibition Mostra Convegno Expocomfort.

- Revenues from **Foreign Exhibitions** totalled Euro 2.606 million in the quarter under review, an increase of approximately 49% compared to the figure for the same quarter of the preceding financial year (Euro 1.746 million). This was mainly due to the more favourable exhibition calendar in Brazil, which included the biennial exhibition Fesqua held in even-numbered years. There was a year-on-year decline in the figure for the first nine months due to the performance of some exhibitions in South Africa and Brazil.
- Revenues from **Stand-fitting Services** were Euro 7.687 million in the first quarter 2016, approximately 3% lower than the figure for the same period of 2015 (Euro 7.943 million). The slight decrease was primarily due to the absence of revenues linked to Expo 2015 present in the same period of the previous financial year. However, this was, in part, compensated by higher stand-fitting volumes from the edition of the biannual exhibition Milano Unica held in September 2016. The year-on-year decrease in revenues for the first nine months of 2016 was for the same reasons as the quarterly year-on-year decrease; it also reflected the less favourable exhibition calendar with the absence of the biennial exhibitions held in uneven-numbered years, Tuttofood and Host, and the triennial exhibition Ipack-Ima. The presence of the biennial exhibition Mostra Convegno Expocomfort held in even-numbered years in part compensated for the decrease.
- Revenues in the **Media** segment totalled Euro 2.384 million in the quarter, a decrease of 8% compared to the figure in the third quarter 2015 (Euro 2.591 million). The year-on-year decrease in the figure for the quarter and in that for the first nine months was due to lower sponsorship revenues, lower print advertising and lower revenues from digital services.
- Revenues from **Congresses** totalled Euro 5.464 million in the quarter compared to Euro 7.285 million in the same quarter of 2015. The decrease reflected the absence of the revenues of the third quarter 2015 generated by the management of the Expo 2015 Congress and Auditorium. The year-on-year decrease in the figure for the first nine months of 2016 reflected a less favourable performance from international congresses and conventions caused by the absence of *Cisco Live 2015* and also the revenues from managing the Expo 2015 Congress Centre and Auditorium that were present in the same period of 2015.

The Group **Gross operating loss** in the third quarter 2016 was Euro 6.366 million and was higher than the figure for the third quarter 2015 (a loss of Euro 8.864 million). The breakdown was as follows:

- **Italian Exhibitions** had a gross operating loss of Euro 6.575 million in the third quarter 2016 compared to a loss of Euro 8.556 million in the same quarter of 2015. The improvement reflected lower costs in the Parent Company compared to the same period of the previous financial year, which included a higher variable component for employee remuneration and the variable component of the rent for the **fieramilano** exhibition site that was payable only for 2015 and was dependent on a certain level of revenues being reached.

The gross operating profit for the first nine months of 2016 was Euro 9.048 million, a decrease of Euro 3.333 million compared to the same period of the preceding financial year. The decrease in this figure was primarily due to the aforementioned trend in exhibition space occupied and to the performance in the quarter under review. This was compensated by lower operating costs: the decrease in the rental cost of the **fieramilano** exhibition site due to the absence of the variable component of the rent payable only for 2015 because of the presence of Expo 2015, a decrease in personnel costs following the restructuring implemented at the end of 2015, lower redundancy incentives and a lower variable component of remuneration in the Parent Company.

- **Foreign exhibitions** generated a gross operating profit of Euro 0.213 million compared to a gross operating loss of Euro 0.835 million in the same period of 2015. The year-on-year performance in the quarter and also in the first nine months of 2016 reflects the aforementioned trend in exhibition space occupied compensated by a decrease in operating

costs following the restructuring implemented in Brazil in the previous financial year.

- **Stand-fitting services** had a gross operating profit of Euro 0.670 million compared to Euro 0.273 million in the same quarter of 2015. The performance in the quarter reflected the trend in revenues and the absence of costs for contract personnel employed for work linked to Expo 2015. The year-on-year decrease in the gross operating profit for the first nine months of the financial year reflected the aforementioned trend in revenues.
- **Media** had a gross operating loss of Euro 0.056 million, an improvement on the gross operating loss of Euro 0.181 million in the same quarter of 2015. The year-on-year improvement in the quarter and in the figure for the first nine months was due to lower personnel costs resulting from the corporate restructuring implemented in December 2015.
- **Congresses** had a gross operating loss of Euro 0.619 million compared with a gross operating profit of Euro 0.425 million in the same quarter of 2015. The year-on-year decrease in the quarter was due to the aforementioned trend in revenues whilst that of the figure for the first nine months reflected the trend in the third quarter but was, in part, compensated by other income that was mainly from the payment of insurance claims.

The **Net operating loss** of the five operating segments totalled Euro 8.884 million in the third quarter 2016 compared to a net operating loss of Euro 12.217 million for the same quarter of 2015 and reflected the various gross operating results of the segments. The cumulative net operating figure for the first nine months of 2016 reflected the gross operating results of the segments but also lower impairment charges following impairment tests. The lower depreciation and amortisation charge was due to the depreciation and amortisation of certain asset groups in the Parent Company being completed and the lengthening of the period over which improvements made to the MiCo Congress Centre by Fiera Milano Congressi are depreciated; this followed the extension of the rental contract for the Centre to 2023. Impairment charges recognised in the first half of 2016 were Euro 1.391 million for the trademark of the South African subsidiary and Euro 0.508 million for the Food & Beverage publication of the subsidiary Fiera Milano Media.

The **breakdown by geographic area** in the third quarter shows revenues from foreign activities of Euro 2.480 million, an increase of Euro 0.922 million compared to the same period of the previous financial year. The increase was mainly attributable to the favourable exhibition calendar in Brazil with the presence of the biennial exhibition Fesqua that falls in even-numbered years. The gross operating profit was Euro 0.311 million, an increase of Euro 1.308 million compared to the same period of 2015. This improvement was the result of increased exhibition space occupied and a decrease in operating costs following the restructuring implemented in Brazil in the 2015 financial year.

The net operating profit of foreign activities was Euro 0.088 million in third quarter 2016 compared to a net operating loss of Euro 1.064 million in third quarter 2015.

During the quarter under review, six exhibitions and six congresses with related exhibition space were held in the two sites of **fieramilano** and **fieramilanocity**. Net exhibition space occupied totalled 214,695 square metres compared to 211,980 square metres in the same period of the previous financial year and the number of exhibitors rose from 5,255 in the third quarter 2015 to 5,380 in the third quarter 2016.

Exhibitions directly organised by the Group in Italy and abroad occupied total net exhibition space of 158,410 square metres, which equated to 50% of the total exhibition space occupied.

Details of exhibitions held in Italy are given in the table on the following page.

Italian exhibition portfolio						
	Net sq. metres of exhibition space			Number of exhibitors		
	Quarter to 30/09/16	Quarter to 30/09/15	Quarter to 30/09/14	Quarter to 30/09/16	Quarter to 30/09/15	Quarter to 30/09/14
Annual Exhibitions:						
Directly organised						
- HOMI II Semester	58,310	63,845	57,840	1,220	1,265	1,055
- Milano Pret-à-Porter (Autumn)	a)	2,580	2,605	a)	120	150
Total annual exhibitions directly organised	58,310	66,425	60,445	1,220	1,385	1,205
Hosted						
- LINEAPELLE II Semester	46,875	43,445	41,665	1,240	1,170	1,125
- Milano Unica (Autumn)	25,540	19,200	18,915	605	410	420
- Mipel (September)	8,065	8,390	10,640	235	235	290
- Prima MU	3,710	2,385	-	120	55	-
- Super (Autumn)	a)	1,360	1,660	a)	155	200
- The Micam (Autumn)	63,360	64,350	68,080	1,385	1,380	1,480
Total annual exhibitions hosted	147,550	139,130	140,960	3,585	3,405	3,515
Total annual Exhibitions	205,860	205,555	201,405	4,805	4,790	4,720
Biennial Exhibitions:						
Hosted						
- Chem Med	-	1,130	-	-	50	-
Total biennial exhibitions hosted	-	1,130	-	-	50	-
Total biennial exhibitions	-	1,130	-	-	50	-
TOTAL EXHIBITIONS	205,860	206,685	201,405	4,805	4,840	4,720
- Congresses with related exhibition space	8,835	5,295	5,370	575	415	380
TOTAL	214,695	211,980	206,775	5,380	5,255	5,100
a) The exhibition did not take place						

During the third quarter 2016, seven exhibitions were held in exhibition sites abroad and the net exhibition space occupied totalled 100,100 square metres (in the third quarter 2015 the figure was 97,560 square metres). The number of exhibitors was 1,175 (1,380 in third quarter 2015).

Details of the exhibitions organised abroad are given in the following table.

Foreign Exhibition portfolio						
	Net sq. metres of exhibition space			Number of exhibitors		
	Quarter to 30/09/16	Quarter to 30/09/15	Quarter to 30/09/14	Quarter to 30/09/16	Quarter to 30/09/15	Quarter to 30/09/14
Annual exhibitions:						
Annual exhibitions directly organised in China						
- Food Hospitality World Guangzhou	4,590	3,140	c)	510	345	c)
- Motor Show Chengdu	76,600	77,160	76,665	90	95	95
- Industrial Automation Shenzhen	c)	7,985	c)	c)	400	c)
- The Micam Shanghai 2 ^o semester	a)	a)	2,600	a)	a)	125
Total annual exhibitions directly organised in China	81,190	88,285	79,265	600	840	220
Annual exhibitions directly organised in India						
- Food Hospitality World Goa	1,340	c)	-	80	c)	-
Total annual exhibitions directly organised in India	1,340	-	-	80	-	-
Annual exhibitions directly organised in South Africa						
- Good Food & Wine Show Gauteng	3,490	3,360	3,300	165	200	180
Total annual exhibitions directly organised in South Africa	3,490	3,360	3,300	165	200	180
Annual exhibitions directly organised in Thailand						
- The China Products Show Bangkok	2,750	2,500	c)	110	195	c)
Total annual exhibitions directly organised in Thailand	2,750	2,500	-	110	195	-
Annual exhibitions directly organised in Brazil						
- Enersolar	c)	1,505	995	c)	50	35
- The China Products Show Brasil	a)	400	c)	a)	40	c)
- Fippa-pet show	a)	a)	3,150	-	a)	110
- Gospel	a)	a)	950	-	a)	30
Total annual exhibitions directly organised in Brazil	-	1,905	5,095	-	90	175
Annual exhibitions directly organised in Turkey						
- Art International Istanbul	b)	b)	3,830	b)	b)	75
- Promoturk	b)	b)	4,115	b)	b)	70
Total annual exhibitions directly organised in Turkey	-	-	7,945	-	-	145
Total annual exhibitions	88,770	96,050	95,605	955	1,325	720
Biennial exhibitions:						
Biennial exhibitions directly organised in Brazil						
- Feitintas *	1,045	-	-	25	-	-
- Fesqua	10,285	-	13,845	195	-	285
- Braseg	-	1,510	-	-	55	-
Total biennial exhibitions directly organised in Brazil	11,330	1,510	13,845	220	55	285
Total biennial Exhibitions	11,330	1,510	13,845	220	55	285
TOTAL EXHIBITIONS	100,100	97,560	109,450	1,175	1,380	1,005

* La manifestazione è alla sua prima edizione.
a) The exhibition did not take place.
b) The Turkish subsidiary and related exhibitions were sold in the second semester 2015.
c) The exhibition was held/will be held in the subsequent quarter.

Group personnel

At 30 September 2016, Group employees totalled 722 and the breakdown compared to 30 June 2016 was as follows:

31/12/15			Permanent employees at end of period (units)	30/09/16			30/06/16		
Total	Italy	Foreign countries		Total	Italy	Foreign countries	Total	Italy	Foreign countries
			Fully consolidated companies:						
			Executives						
38	35	3	33	30	3	33	30	3	
			Managers and White collar workers (including Journalists)						
687	594	93	628	543	85	620	536	84	
725	629	96	661	573	88	653	566	87	
			Equity-accounted companies (a):						
			Executives						
2	-	2	4	1	3	4	1	3	
			White collar workers						
56	-	56	57	8	49	57	9	48	
58	-	58	61	9	52	61	10	51	
783	629	154	722	582	140	714	576	138	

(a) the indicated data corresponds to the pro-quota of total employees

Compared to the figure at 30 June 2016, there was a net increase of eight permanent employees. This was mainly to strengthen the commercial and marketing department.

Significant events after the end of the reporting period

Share buy-back

On 4 November 2016, Fiera Milano SpA closed the share buy-back programme ("the Programme") announced to the market on 24 June 2016 and approved by the Shareholders' Meeting of 28 April 2016. As part of the Programme 294,010 treasury shares were purchased at an average price of ca. Euro 1.58 per share for a total value of Euro 464,383. Therefore, as of today, Fiera Milano SpA holds, directly and indirectly, 939,018 treasury shares equivalent to 1.31% of the share capital.

Other information

On 11 October 2016, the Milan Tax Squad communicated that an Administration Order had been issued to Fiera Milano SpA relating only to its business activities with Nolostand SpA, which itself was given an Administration Order on 6 July 2016. The asset protection order issued by the Milan Tribunal on 28 September 2016 under Article 34, paragraph 2 of Legislative Decree 159/2011 (anti-mafia laws and prevention measures, including new provisions covering anti-mafia documentation in accordance with Articles 1 and 2 of Legislative Decree of 13 August 2010 no. 136) only covers the supply of stand-fittings to the Company. The order aims to protect the assets of Fiera Milano SpA from any potential infiltration and/or collusion. The measure, which is a preventive measure, has been put in place for a period of six months.

Under the provisions of the tribunal decree, the Court-appointed Administrator will ensure his/her presence in the company and maintain regular contact with the directors of the company, with management and with the head of internal audit, monitoring and approving any changes in personnel, issuing authorisations for contractual terminations and stipulating new contracts with suppliers, overseeing payments to suppliers and verifying the service supplied by contractors while supporting the Company Board of Directors to implement initiatives aimed at combating any potential infiltration.

The measure is effective for a given maximum amount of time which, in the case in question, is six months that may be extended for a further six months but no more under Legislative Decree 159/2011.

With regard to the sector in which Nolostand SpA operates, Fiera Milano SpA will continue to operate normally and carry on its regular business activities under the control and supervision of the Court-appointed Administrator and, at the same time, the management body will continue with the same powers.

At this moment in time, on the basis of information available, the potential impact of this measure on the equity and financial position and on the ongoing activities of Fiera Milano Group has been judged to be insignificant.

Business outlook

The Group remains focused on its main strategy of increasing the share of directly organised exhibitions by strengthening its leadership in directly organised exhibitions that offer strong growth potential, increasing its penetration of sectors where it is already strong and growing the presence of international exhibitors and buyers. Fiera Milano also intends to attract new exhibitions to Milan that are leaders in their sector and represent a reference point for the market. It also wants to increase its presence in stand-fitting services through product innovation, to develop digital services for exhibitions with an aim to increasing the visibility of the exhibitions and the opportunity of visitor-exhibitor contacts, as well as growing sponsorship through enhancing potential synergies between clients and suppliers. The strategy in the congress sector is to increase market share of large scale congresses and those relating to corporate events. Lastly, the Group also intends to enhance its offer of visitor services through destination management and an increase in catering services.

Outside Italy, the Group intends to consolidate its exhibition portfolio through a selective focus on exhibitions in countries and industrial sectors offering high growth potential, repositioning and enhancing its presence in other countries also through partnerships with leading international exhibition operators.

Nevertheless, we expect that the current financial year will close, in line with expectations, with a loss as it is heavily affected by the unfavourable exhibition calendar compared to the previous one. The current financial year envisages the absence of important directly organised biennial exhibitions and multi-annual exhibitions although this is in part, offset by benefits deriving from the restructuring measures implemented.

With reference to the medium-term forecast, barring unforeseen events, the Group expects a significant increase in gross operating profit already in 2017 as a result of the more favourable exhibition calendar and the measures implemented aimed at taking advantage of the development potential of the business and any opportunities arising from the improvement in the economic environment.

The strength of the capital and financial position following the Company's share capital increase at the end of 2015 should underpin the Group investment and development plan.

Accounting criteria

The 2016 Third Quarter Consolidated Interim Management Report of the Fiera Milano Group has been prepared in accordance with Article 154-*ter* of Legislative Decree 58/1998 and with the Listing Rules issued by Consob rule no. 11971 of 14 May 1999 and subsequent amendments and integrations.

The financial, economic and capital data have been prepared in compliance with the disclosure and valuation requirements of the International Accounting Standards IAS/IFRS issued by the International Accounting Standards Board (IASB) and endorsed by the European Union.

The measurement and recognition criteria used to prepare the Financial Statements for the Third Quarter 2016 are the same as those used for the Consolidated Financial Statements for the financial year at 31 December 2015, with the addition of the accounting standards endorsed by the European Union and applicable from 1 January 2016, to which reference should be made.

The 2016 Third Quarter Consolidated Financial Statements have been prepared on the basis of the accounting situation at 30 September 2016 as approved by the Boards of Directors of the companies included in the area of consolidation and prepared by Group companies within the area of consolidation. As regards comparable data, it should be noted that in preparing the Consolidated Interim Management Report at 30 September 2016 the tax charge has not been calculated, as permitted by the relevant Consob Rules.

It should also be noted that the methodologies used for estimates in the preparation of the Consolidated Interim Management Report at 30 September 2016 are the same as those normally used to prepare the Annual Consolidated Financial Statements.

The list of companies included in the area of consolidation at 30 September 2016 is given in Attachment 1.

The present 2016 Third Quarter Consolidated Interim Management Report has not been subject to legal audit.

Financial Statements

Full year to 31/12/15	Consolidated Income Statement (Amounts in €'000)		3rd Quarter to 30/09/16		3rd Quarter to 30/09/15 restated		9 months to 30/09/16		9 months to 30/09/15 restated	
				%		%		%		%
337,339	100		41,253	100	46,848	100	179,908	100	228,380	100
4,859	1.4	Revenues from sales and services	612	1.5	472	1.0	1,901	1.1	4,404	1.9
165,870	49.2	Cost of materials	24,283	58.9	27,332	58.3	92,386	51.4	114,770	50.3
61,419	18.2	Cost of services	12,489	30.3	15,132	32.3	37,417	20.8	46,166	20.2
61,675	18.3	Costs for use of third party assets	10,075	24.4	12,991	27.7	33,230	18.5	43,509	19.1
5,753	1.7	Personnel expenses	1,332	3.2	1,214	2.6	3,819	2.1	3,932	1.7
299,576	88.8	Other operating expenses	48,791	118.3	57,141	122.0	168,753	93.8	212,781	93.2
3,003	0.9	Total operating costs	784	1.9	766	1.6	2,415	1.3	2,200	1.0
2,828	0.8	Other income	388	0.9	663	1.4	746	0.4	1,835	0.8
43,594	12.9	Results of equity-accounted companies	(6,366)	-15.4	(8,864)	-18.9	14,316	8.0	19,634	8.6
12,315	3.7	Gross operating result	2,162	5.2	3,135	6.7	6,237	3.5	9,603	4.2
8,179	2.4	Depreciation and amortisation	313	0.8	501	1.1	1,278	0.7	1,760	0.8
11,142	3.3	Allowance for doubtful accounts and other provisions	43	0.1	(283)	-0.6	1,942	1.1	7,714	3.4
11,958	3.5	Adjustments to asset values	(8,884)	-21.5	(12,217)	-26.1	4,859	2.7	557	0.2
(3,520)	-1.0	Net operating result (EBIT)	(309)	-0.7	(1,851)	-4.0	(395)	-0.2	(4,001)	-1.8
8,438	2.5	Financial income/(expenses)	(9,193)	-22.3	(14,068)	-30.0	4,464	2.5	(3,444)	-1.5
(1,988)	-0.6	Profit/(loss) before income tax from continuing operations	-	-	9	0.0	-	-	(1,988)	-0.9
6,450	1.9	Profit/(loss) before income tax from discontinued operations	(9,193)	-22.3	(14,059)	-30.0	4,464	2.5	(5,432)	-2.4
7,012	2.1	Profit/(loss) before income tax:	(9,215)	-22.3	(14,080)	-30.1	4,625	2.6	(4,654)	-2.0
(562)	-0.2	- attributable to the shareholders of the controlling entity	22	0.1	21	0.0	(161)	-0.1	(778)	-0.3
38,086	11.3	- attributable to non-controlling interests	(6,675)	-16.2	(10,706)	-22.9	13,921	7.7	13,645	6.0
		Cash flow before income tax for the Group and non-controlling interests								

Some figures in the consolidated financial statements at 30 September 2015 have been restated to reflect the different classification of the use of risk provisions.

Full year at 31/12/15	Reclassified Consolidated Statement of Financial Position (Amounts in €'000)	3rd Quarter at 30/09/16	1st Half at 30/06/16	Change
104,945	Goodwill and intangible assets with an indefinite useful life	101,543	101,607	(64)
29,408	Intangible assets with a finite useful life	28,078	28,359	(281)
14,755	Tangible fixed assets	15,067	14,286	781
33,194	Other non-current assets	32,884	30,326	2,558
182,302	A Non-current assets	177,572	174,578	2,994
1,884	Inventories and works in progress	4,346	3,861	485
63,932	Trade and other receivables	62,652	58,834	3,818
65,816	B Current assets	66,998	62,695	4,303
49,267	Trade payables	39,306	41,521	(2,215)
34,880	Pre-payments	28,454	27,658	796
5,168	Tax liabilities	972	3,483	(2,511)
41,385	Provisions for risks and charges and other current liabilities	25,738	19,518	6,220
130,700	C Current liabilities	94,470	92,180	2,290
(64,884)	D Net working capital (B - C)	(27,472)	(29,485)	2,013
117,418	E Gross capital employed (A + D)	150,100	145,093	5,007
10,672	Employee benefit provisions	9,440	9,299	141
9,052	Provisions for risks and charges and other non-current liabilities	8,322	9,427	(1,105)
19,724	F Non-current liabilities	17,762	18,726	(964)
97,694	G NET CAPITAL EMPLOYED continuing operations (E - F)	132,338	126,367	5,971
-	H NET CAPITAL EMPLOYED assets held for sale	-	-	-
97,694	TOTAL NET CAPITAL EMPLOYED (G + H)	132,338	126,367	5,971
	covered by:			
84,572	Equity attributable to the Group	87,681 *	92,199	(4,518)
696	Equity attributable to non-controlling interests	395 *	351	44
85,268	I Total equity	88,076	92,550	(4,474)
(56,092)	Cash & cash equivalents	(16,937)	(14,870)	(2,067)
55,502	Current financial (assets)/liabilities	40,767	23,174	17,593
13,016	Non-current financial (assets)/liabilities	20,432	25,513	(5,081)
12,426	Net financial position (continuing operations)	44,262	33,817	10,445
-	Net financial position (assets held for sale)	-	-	-
12,426	L Net financial position (TOTAL)	44,262	33,817	10,445
97,694	EQUITY AND NET FINANCIAL POSITION (I + L)	132,338	126,367	5,971
	* includes pre-tax result for the period			

Comments on the capital and financial position

Non-current assets totalled Euro 177.572 million at 30 September 2016, compared to Euro 174.578 million at 30 June 2016. The Euro 2.994 million increase was due to the net effect of investments of Euro 2.612 million, depreciation and amortisation of Euro 2.162 million, a negative foreign exchange translation effect of Euro 0.017 million, changes in equity accounted investments of Euro 0.388 million, an increase in tax assets of Euro 2.308 million for deferred tax assets, and a negative figure for other movements totalling Euro 0.135 million.

Net working capital moved from a negative figure of Euro 29.485 million at 30 June 2016 to a negative figure of Euro 27.472 million at 30 September 2016.

The improvement of Euro 2.013 million was due to the following:

- (a) a Euro 4.303 million increase in **current assets** that was mainly from a Euro 3.818 million increase in Trade and other receivables. This increase in receivables was due to pre-paid expenses in the Parent Company for the early payment in July of the rent for the two exhibition sites. This was, in part, offset by lower receivables caused by the reduced levels of activity in the summer months and the cash-in from exhibition organisers for events held in the quarter under review or to be held in coming months.
- (b) a Euro 2.290 million increase in **current liabilities** from the net effect of:
 - a reduction in Trade payables of Euro 2.215 million that reflected the lower business activity in the summer period;
 - an increase in pre-payments of Euro 0.796 million, which was the net of increases for pre-payments invoiced to clients for exhibitions to be held in future quarters (in particular, Host, Eicma Moto, Salone del Mobile, and Bimu) and a decrease in pre-payments for exhibitions held in the third quarter 2016 (in particular for HOMI II semester, the Autumn edition of Micam and the exhibition Lineapelle II semester);
 - a Euro 2.511 million decrease in Tax liabilities as the figure shown in the Financial Statements at 30 June 2016 included tax provisions that are not shown in the current financial statements as these are prepared gross of tax;
 - a Euro 6.220 million increase in Provisions for risks and charges and other current liabilities due to higher payables to exhibition organisers.

At 30 September 2016, **non-current liabilities** totalled Euro 17.762 million compared to Euro 18.726 million at 30 June 2016.

Group equity at 30 September 2016 was Euro 87.681 million compared to Euro 92.199 million at 30 June 2016, a decrease of Euro 4.518 million that reflected the effect of the following:

- a Euro 9.215 million decrease in the pre-tax profit for the period;
- Euro 5.276 million for the inclusion of tax payables in the Financial Statements at 30 June 2016 that are not included in the present Financial Statements as these are prepared gross of tax;
- a Euro 0.316 million decrease following the purchase of treasury shares;
- a Euro 0.138 million decrease for the re-measurement of defined benefit plans;
- a Euro 0.125 million decrease in the translation reserve.

Equity attributable to non-controlling interests was Euro 0.395 million at 30 September 2016 compared to Euro 0.351 million at 30 June 2016. The Euro 0.044 million increase reflects:

- a Euro 0.022 million increase in the result for the period;
- Euro 0.059 million for the share of capital and reserves attributable to non-controlling interests in the newly constituted company La Fabbrica del Libro SpA;

- a Euro 0.016 million decrease for the inclusion of tax payables in the Financial Statements at 30 June 2016 that are not included in the present Financial Statements as these are prepared gross of tax;
- a Euro 0.021 decrease in the translation reserve.

Information on the change in financial assets and liabilities is given in the section on the financial position.

Declaration of the Manager responsible for preparing the Company's financial statements

The Manager responsible for preparing the Company's financial statements, Sebastiano Carbone, in accordance with paragraph 2 of Article 154-*bis* of the Consolidated Finance Act, herewith declares that the accounting information in the present Interim Management Report is consistent with the Company's official documents, books and accounting records.

List of companies included in the consolidation area and other investments at 30 September 2016

Company name and registered office	Main activity	Share capital (000) (*)	Shareholding %			Shareholding of Group companies %
			Group total	Directly held by Fiera Milano	Indirectly held through other Group companies	
A) List of companies included in the area of consolidation						
Parent Company						
Fiera Milano SpA						
Milan, p.le Carlo Magno 1	Organisation and hosting of exhibitions in Italy	42,445				
Fully consolidated companies						
Fiera Milano Media SpA						
Milan, p.le Carlo Magno 1	Media services	2,803	100	100		100 Fiera Milano SpA
Fiera Milano Congressi SpA						
Milan, p.le Carlo Magno 1	Management of congresses	2,000	100	100		100 Fiera Milano SpA
Mico DMC S.r.l.						
Milan, p.le Carlo Magno 1	Management of congresses	10	51		51	51 Fiera Milano Congressi SpA
La Fabbrica del Libro SpA						
Milan, p.le Carlo Magno 1	Organisation of exhibitions in Italy	120	51	51		51 Fiera Milano SpA
Nolostand SpA						
Milan, p.le Carlo Magno 1	Stand fitting services	7,500	100	100		100 Fiera Milano SpA
Ipack-Ima SpA						
Rho, S.S. del Sempione km 28	Organisation of exhibitions in Italy	200	100	100		100 Fiera Milano SpA
Eurofairs International Consultoria e Participações Ltda						
São Paulo Brasil, na Avenida Angélica, nº 2350, Sala B, Consolação,	Organisation of exhibitions outside of Italy	R \$ 47,032	100	99.98	0.02	99.98 Fiera Milano SpA 0.02 Nolostand SpA
CIPA Fiera Milano Publicações e Eventos Ltda						
São Paulo Brasil, Av. Angelica	Organisation of exhibitions outside of Italy	R \$ 7,003	100	1	99	99 Eurofairs International Consultoria e Participações Ltda 1 Fiera Milano SpA
Fiera Milano India Pvt Ltd						
New Delhi, Barakhamba Road, Connaught Place	Organisation of exhibitions outside of Italy	INR 20,000	99.99	99.99		99.99 Fiera Milano SpA
Limited Liability Company "Fiera Milano"						
Moscow, 24 A/1 ul. B. Cherkizovskaya	Organisation of exhibitions outside of Italy	RUB 10,000	100	100		100 Fiera Milano SpA
Fiera Milano Exhibitions Africa Pty Ltd						
Cape Town, The Terraces, Steenberg Office Park, Tokai	Organisation of exhibitions outside of Italy	ZAR 0.3	100	100		100 Fiera Milano SpA
Worldex (China) Exhibition & Promotion Ltd						
Guangzhou, 538 Dezheng Bei Road, Yuexiu District	Organisation of exhibitions outside of Italy	CNY 6,000	75	75		75 Fiera Milano SpA
Haikou Worldex Milan Exhibition Co. Ltd						
Haikou, 12 Lantian Road West	Organisation of exhibitions outside of Italy	CNY 200	74.25		99	99 Worldex Ltd
B) List of jointly controlled companies equity-accounted						
Hannover Milano Global Germany GmbH						
Hannover Germany, Messegaende	Organisation of exhibitions outside of Italy	25	49	49		49 Fiera Milano SpA
Hannover Milano Fairs Shanghai Co. Ltd						
Shanghai China, Pudong Office Tower	Organisation of exhibitions outside of Italy	USD 500	49		100	100 Hannover Milano Global Germany GmbH
Hannover Milano Fairs China Ltd						
Hong Kong China, Golden Gate Building	Organisation of exhibitions outside of Italy	HKD 10	49		100	100 Hannover Milano Global Germany GmbH
Hannover Milano Fairs India Pvt Ltd						
East Mumbai, Andheri	Organisation of exhibitions outside of Italy	INR 274,640	48.99		99.99	99.99 Hannover Milano Global Germany GmbH
Global Fairs & Media Private Ltd						
New Delhi, Bahadur Shah Zafar Marg 9-10	Organisation of exhibitions outside of Italy	INR 207,523	24.5		50	50 Hannover Milano Fairs India Pvt Ltd
Ipack-Ima Sri						
Rho, S.S. del Sempione km 28	Organisation of exhibitions in Italy	20	49		49	49 Ipack-Ima SpA
C) List of companies accounted at cost						
			Shareholding %			Shareholding of Group companies %
Company name and registered office		Share capital (000) (*)	Group total	Directly held by Fiera Milano	Indirectly held through other Group companies	
Esperia SpA						
Rose (Cosenza)	Other activities	1,403	2		2	2 Fiera Milano Media SpA

(*) Euro or other currencies as specifically indicated