



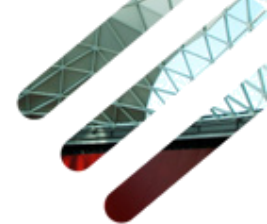
FIERA MILANO

3rd Quarter 2018 Consolidated Results

FIERA MILANO GROUP

CONFERENCE CALL – 29 October 2018

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HIGHLIGHTS



Strong improvement in the results for the first nine months of the year compared to the same period of 2017

- **Revenues of Euro 193.3 million** (Euro 177.4 million in the same period of 2017)
- **EBITDA of Euro 41.1 million** (Euro 0.7 million in the same period of 2017)
- **EBIT of Euro 36.6 million** (a loss of Euro 4.5 million in the same period of 2017)

The **3rd Quarter** covers a structurally weak period for Fiera Milano and the exhibition sector due to **the absence of activity in Italy in the summer months**

- Net exhibition space occupied in Italy: **209,225 square metres** (19% from directly organised events) compared to 175,850 square metres in 3Q17
- **Revenues of Euro 35.6 million** (Euro 43.5 million in 3Q17)
- **Negative EBITDA of Euro 5.0 million** (a loss of Euro 11.2 million in 3Q17)
- **Negative EBIT of Euro 6.5 million** (a loss of Euro 12.9 million in 3Q17)

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ITALIAN EXHIBITION BUSINESS



Net sq. metres of exhibition space

Exhibitions	3Q18	3Q17
Directly organised	40,145	55,485
Organised by 3rd parties	157,405	105,630
Total annual exhibitions	197,550	161,115
Total exhibitions	197,550	161,115
Congresses with related exhibition area	11,675	14,735
Total	209,225	175,850

- Traditional absence of activities in July and August
- Presence of Lineapelle in the 3Q; in 2017, it was held in the 4Q

ITALIAN EXHIBITION BUSINESS



NOTE: The Italian Exhibition Business now includes the previously separate Stand-fitting Services business segment; this is as a consequence of the new internal organisational structure and performance measurement systems that reflect the new strategic direction of the Group and the restructuring process to integrate further the commercial and operational activities

Italian Exhibition Business	3Q18	3Q17 restated*	9M18	9M17 restated*
Revenues (€m)	29.1	24.9	167.7	139.8
EBITDA (€m)	(5.7)	(11.4)	37.3	0.0
% on revenues	-19.5%	-45.9%	22.2%	0.0%
EBIT (€m)	(6.7)	(12.6)	34.4	(3.5)
% on revenues	-22.8%	-50.5%	20.5%	-2.5%

* The figures for 2017 reflect the application of the new standard IFRS 15 from 1 January 2018.

- The year-on-year increase in quarterly revenues and results mainly reflected the exhibition calendar; the results also benefitted from the cost control measures
- The year-on-year increase in revenues in the first nine months of 2018 primarily reflected the commercial growth in the exhibitions and consequent higher sales of ancillary services, the presence of Innovation Alliance and the impact of the cost control measures

FOREIGN EXHIBITION BUSINESS



Foreign Exhibition Business	3Q18	3Q17	9M18	9M17
Revenues (€m)	2.3	0.5	5.0	4.1
EBITDA (€m)	2.1	(0.6)	3.9	(0.4)
% on revenues	89.9%	-132.0%	78.4%	-9.8%
EBIT (€m)	2.0	(0.7)	3.6	(0.8)
% on revenues	86.0%	-156.1%	72.6%	-18.6%

- 155,925 net square metres of exhibition space occupied in 3Q18 (82,680 square metres in 3Q17)
 - presence of the biennial exhibition Fesqua in Brazil
 - presence of Industrial Automation Shanghai and Metalworking in China, which, in 2017, were held in the last quarter of the year
- The year-on-year increase in quarterly revenues mainly reflected the exhibition calendar in Brazil; margins benefitted from the higher results of the Chinese subsidiary
- In the first nine months of the year, the year-on-year increase in revenues was mainly due to the Brazilian business; EBITDA increased due also to the restructuring in Brazil and South Africa and results of the Chinese subsidiary

MEDIA



Media	3Q18	3Q17	9M18	9M17
Revenues (€m)	2.3	2.1	8.5	7.5
EBITDA (€m)	0.1	(0.1)	0.7	(0.2)
% on revenues	3.0%	-2.4%	8.7%	-2.4%
EBIT (€m)	0.0	(0.1)	0.5	(0.5)
% on revenues	0.2%	-6.8%	6.4%	-6.1%

- The year-on-year increase in revenues and results for the quarter were due to higher service revenues from the presence of Lineapelle in the 3Q
- In the first nine months of 2018, the growth in revenues and margins reflected a better performance from digital services and sponsorship

CONGRESSES



Congresses	3Q18	3Q17 restated*	9M18	9M17 restated*
Revenues (€m)	3.3	18.1	18.8	34.2
EBITDA (€m)	(1.5)	0.9	(0.9)	1.3
% on revenues	-45.2%	5.0%	-4.7%	3.8%
EBIT (€m)	(1.8)	0.6	(1.9)	0.3
% on revenues	-55.5%	3.1%	-10.2%	1.0%

* The figures for 2017 reflect the application of the new standard IFRS 15 from 1 January 2018.

- The year-on-year decrease in quarterly revenues and results reflected the absence of an important non-recurring international congress held in 3Q17
- The year-on-year trend in first nine month revenues and results reflected the year-on-year variation in the 3Q figures

NET FINANCIAL POSITION

31/12/17	Consolidated Net Financial Position (€m)	30/09/18	30/06/18
	17.9 Cash & cash equivalents	23.7	30.7
	2.8 Current financial assets	3.6	3.6
	0.7 Current bank borrowings	0.0	0.0
	16.6 Current portion of non-current debt	4.4	5.2
	0.7 Other current financial liabilities	0.6	1.2
	18.0 Current financial debt	5.0	6.4
	(2.8) Net current financial debt (cash)	(22.4)	(27.8)
	3.5 Non-current bank borrowings	0.8	1.5
	0.0 Other non-current payables	0.0	0.0
	3.5 Non-current net financial debt	0.8	1.5
	0.8 Net financial debt (cash)	(21.6)	(26.3)

The change in net cash is due to negative cash flow from operations caused by the lack of events in the summer months. The decrease was partially offset by the trend in net working capital that benefited from advances received for exhibitions to be held in subsequent months

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BUSINESS OUTLOOK

- The third quarter 2018 results and the forecasts for the last quarter of the current financial year have led to an upgrade of the forecast for **full-year 2018 EBITDA**: this is now expected to be in **the range of Euro 28-30 million, compared to** the previously published target of **Euro 24-26 million**
- At year-end 2018, **net cash is expected to be** in the range of **Euro 15-20 million**

FORWARD-LOOKING STATEMENT

Data and information herewith set forth are extracted from the press release relating to Fiera Milano Consolidated Interim Management Report to 30 September 2018 filed with the 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 Marco Pacini 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.

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FIERA MILANO

BACK-UP

FINANCIAL OVERVIEW – INCOME STATEMENT

FY17 restated*	Consolidated Income Statement (€m)	3Q18	3Q17 restated*	9M18	9M17 restated*
256.3	Revenues	35.6	43.5	193.3	177.4
3.2	Cost of materials	0.4	0.6	1.9	2.5
133.3	Cost of services	19.2	31.2	83.9	100.7
49.9	Costs for use of 3rd-party assets	12.4	12.2	37.8	37.4
48.9	Personnel expenses	10.4	10.3	33.6	33.8
5.4	Other operating expenses	0.6	1.1	3.0	3.8
240.7	Total operating costs	42.9	55.4	160.2	178.3
2.6	Other income	0.2	0.6	2.1	1.9
2.6	Results of equity-accounted companies	2.5	0.4	6.8	1.7
5.8	Allowance for doubtful accounts and other provisions	0.4	0.4	1.0	2.0
15.1	EBITDA	(5.0)	(11.2)	41.1	0.7
6.8	Depreciation and amortisation	1.5	1.7	4.5	5.1
2.9	Adjustments to asset values	0.0	0.0	0.0	0.0
5.4	EBIT	(6.5)	(12.9)	36.6	(4.5)
(0.8)	Financial income/(expenses)	(0.0)	(0.1)	(0.1)	(0.8)
4.6	Profit/loss before income tax	(6.5)	(13.0)	36.5	(5.3)
4.3	<i>of which attributable to Shareholders of the controlling entity</i>	(6.4)	(13.4)	36.8	(5.4)

* Starting with the Consolidated Financial Statements at 31 December 2017, operating profitability is calculated as EBITDA; therefore the 2017 figures, which showed the gross operating profit, have been restated to reflect this reclassification. The figures for 2017 also reflect the application of the new standard IFRS 15 from 1 January 2018.

FINANCIAL OVERVIEW – STATEMENT OF FINANCIAL POSITION

31/12/17	Consolidated Statement of Financial Position (€m)	30/09/18	30/06/18
151.5	Non-current assets	150.7	149.7
(74.3)	Net working capital	(59.3)	(67.9)
77.3	Gross capital employed	91.4	81.9
13.4	Non-current liabilities	13.3	13.3
63.8	Total net capital employed	78.1	68.5
63.0	Equity	99.7	94.8
0.8	Net financial position	(21.6)	(26.3)
63.8	Equity and net financial position	78.1	68.5