

# FIERA MILANO GROUP

1<sup>st</sup> Quarter 2020 Consolidated Results

CONFERENCE CALL – 12 May 2020



FIERA MILANO



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# 1.0 Highlights

1.1

## Highlights

1Q20 results confirmed the Group's balance sheet and financial solidity, even if they were affected by the suspension of exhibition activities from 23 February due to the Covid-19 pandemic

- **Net exhibition space occupied in Italy:** 273,785 square metres (35% from directly organised exhibitions), compared to 478,450 square metres in 1Q19
- 1Q20 consolidated **revenues** of Euro 47.6 million (Euro 71.0 million in 1Q19)
- 1Q20 consolidated **EBITDA:** Euro 15.0 million (Euro 29.0 million in 1Q19)
- 1Q20 consolidated **EBIT:** Euro 3.8 million (Euro 17.5 million in 1Q19)
- 1Q20 **result before tax attributable to the Shareholders of the Controlling Company** at break-even (Euro 14.1 million in 1Q19)
- Consolidated **net cash** (pre-IFRS 16) Euro 55.8 million at 31 March 2020 (Euro 68.3 million at 31 December 2019)



2.0

# Financial Results

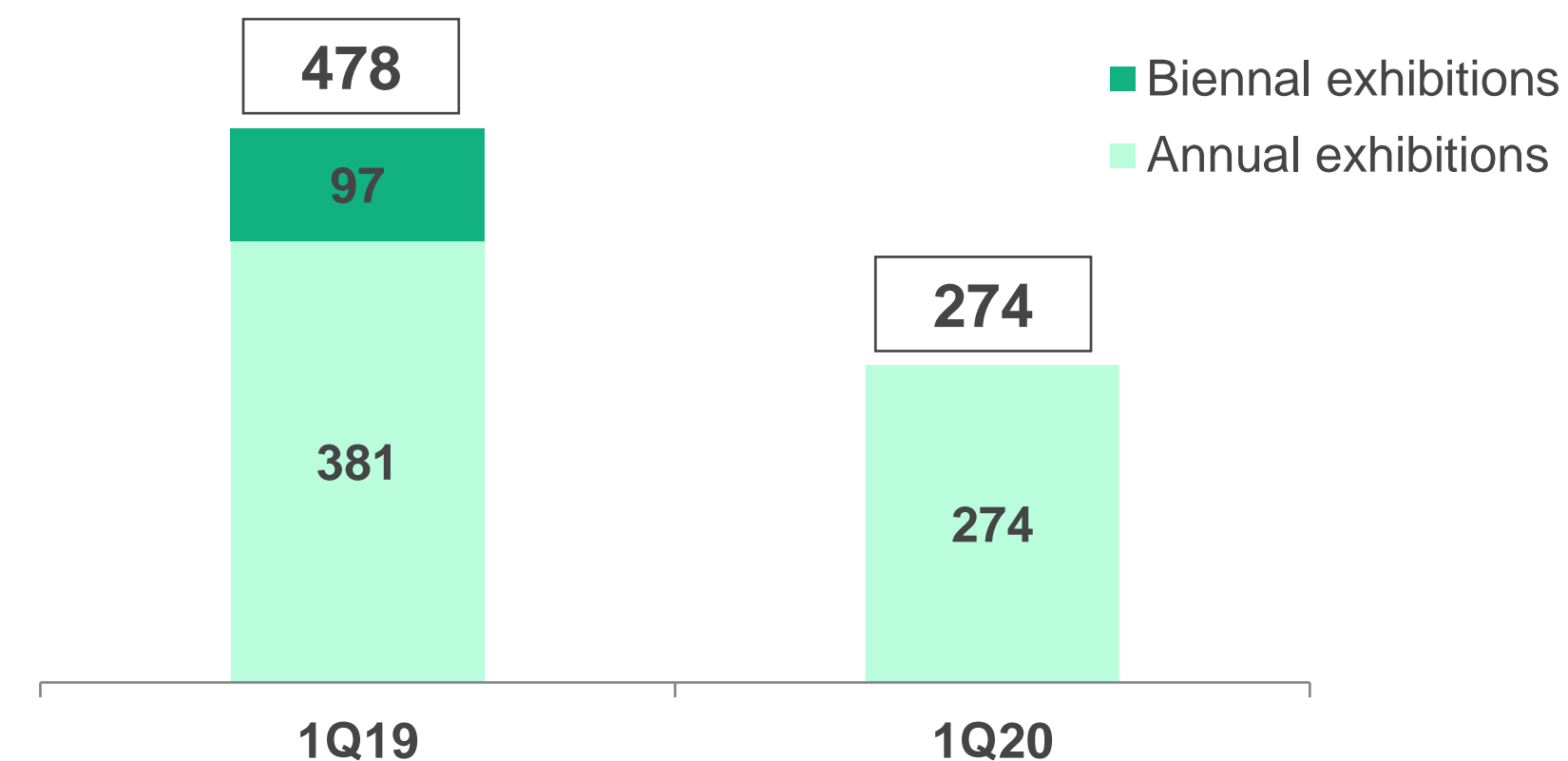




# Italian Exhibitions



Exhibition space rented out  
(<sup>'000</sup> net sq.m.)



- In the first two months positive performance of exhibitions, in line with expectations
- After the Covid-19 emergency, cancellation of Mido and postponement of exhibitions, mainly Mostra Convegno Expocomfort, until subsequent quarters of the year
- Compared to 1Q19, absence of biennial exhibitions Made and Transpotec Logitec



# Italian Exhibition Business

Italian Exhibition Business	1Q20	1Q19
Revenues (€m)	42.3	63.0
EBITDA (€m)	15.1	24.6
% on revenues	35.6%	39.1%
EBIT (€m)	5.2	14.5
% on revenues	12.2%	23.1%

- The year-on-year trend in **revenues** reflected the change in the exhibition calendar
- The change in **EBITDA** was primarily related to the trend of revenues, partially offset by actions taken to control operating costs



# Foreign Exhibition Business

Foreign Exhibition Business	1Q20	1Q19
Revenues (€m)	1.1	0.8
EBITDA (€m)	(0.1)	2.3
% on revenues	-11.4%	286.5%
EBIT (€m)	(0.2)	2.2
% on revenues	-19.8%	271.8%

- The rise in **revenues** reflected the good performance of Cape Town Art Fair
- The **EBITDA** was affected by lower results from the joint venture activities in China mainly because of the postponement of the Chinafloor Domotex Shanghai exhibition until subsequent quarters of the year



# Media



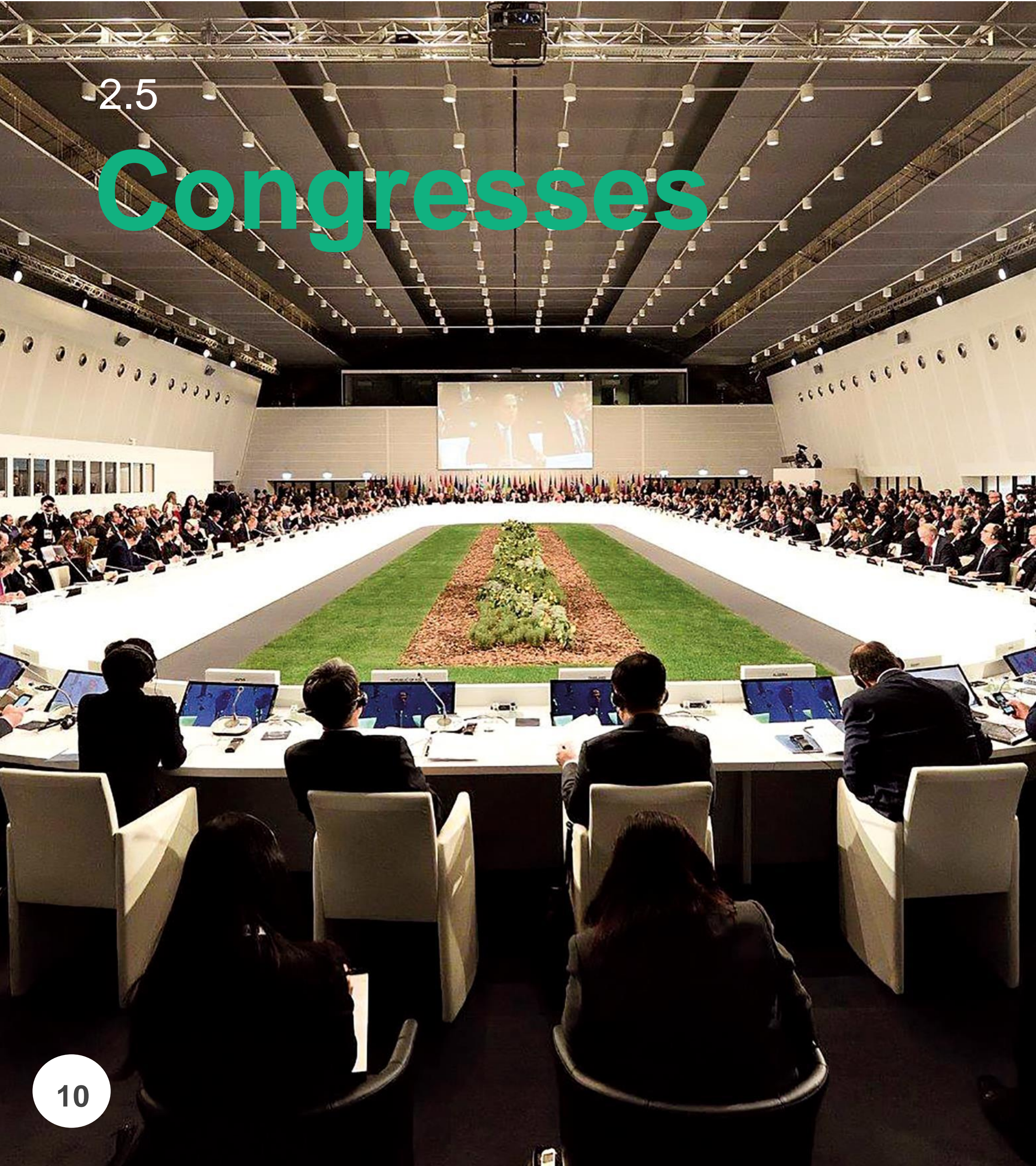
Media	1Q20	1Q19
Revenues (€m)	2.1	2.7
EBITDA (€m)	(0.2)	0.3
% on revenues	-11.0%	9.5%
EBIT (€m)	(0.3)	0.2
% on revenues	-12.1%	7.3%

- The change in **revenues** were mainly related to lower billboard revenue
- The change in **EBITDA** was primarily related to the trend of revenues



2.5

# Congresses



Congresses	1Q20	1Q19
Revenues (€m)	4.0	6.9
EBITDA (€m)	0.3	1.8
% on revenues	8.5%	25.7%
EBIT (€m)	(0.9)	0.6
% on revenues	-22.4%	8.7%

- The year-on-year trend in **revenues** reflected the change in the congress calendar following the Covid-19 emergency
- The change in **EBITDA** was primarily related to the trend of revenues



## 2.6

# Net Financial Position

Consolidated Net Financial Position (€m)	31/03/2020	31/12/2019
<b>Cash &amp; cash equivalents</b>	<b>50.1</b>	<b>68.0</b>
<b>Current financial assets</b>	<b>1.8</b>	<b>1.3</b>
Current bank borrowings	0.0	0.0
Current portion of non-current debt	0.0	0.0
Other current financial liabilities	0.5	1.1
<b>Current financial debt</b>	<b>0.5</b>	<b>1.1</b>
<b>Net current financial debt (cash)</b>	<b>(51.4)</b>	<b>(68.3)</b>
Non-current financial assets	4.4	0.1
Other non-current payables	0.0	0.0
<b>Non-current financial debt</b>	<b>(4.4)</b>	<b>(0.1)</b>
<b>Net financial debt (cash) before IFRS 16 effects</b>	<b>(55.8)</b>	<b>(68.3)</b>
IFRS 16 financial effects	466.6	473.4
<b>Net financial debt/(cash) after IFRS 16 effects</b>	<b>410.9</b>	<b>405.1</b>

The change in net financial position compared to the end of 2019 was mainly due to lower advances collected because of the postponement of exhibitions until subsequent quarters



3.0

# Business outlook







### 3.1

## Business Outlook

- Bearing in mind we are currently still in a period of extreme uncertainty, **the Company confirms the 2020 target of an EBITDA in the range of Euro 38-43 million**
- The target assumes that events will be resumed in **September 2020** and **an estimate of net exhibition space in Italy equal to around 700 thousand square metres in the coming months of the current year**
- The Group remains committed to a strong **focus on reducing costs**
- Fiera Milano is working closely with Italian and international exhibition associations to facilitate a return to normal business, including by drawing up **strict safety protocols**; the **digital transformation plan** will also provide an additional tool to ensure safety within exhibition sites and drive an expansion of innovative services, supporting the digital development of exhibitions and leading to better customer experience on-site



# Forward-looking statement

Data and information herewith set forth are extracted from the Fiera Milano Consolidated Interim Management report to 31 March 2020 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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# BACK-UP



FIERA MILANO



# Financial overview – Income Statement

Consolidated Income Statement (€m)	1Q20	1Q19
<b>Revenues</b>	47.6	71.0
Cost of materials	0.6	0.6
Cost of services	20.8	29.7
Costs for use of 3rd-party assets	0.2	0.2
Personnel expenses	10.8	12.8
Other operating expenses	0.7	1.3
<b>Total operating costs</b>	<b>33.1</b>	<b>44.7</b>
Other income	0.8	0.5
Results of equity-accounted companies	(0.1)	2.3
Allowance for doubtful accounts and other provisions	0.1	0.2
<b>EBITDA</b>	<b>15.0</b>	<b>29.0</b>
Depreciation and amortisation	11.3	11.5
Adjustments to asset values	0.0	0.0
<b>EBIT</b>	<b>3.8</b>	<b>17.5</b>
Financial income/(expenses)	(3.9)	(3.5)
Valuation of financial assets	0.0	0.0
<b>Profit/loss before income tax</b>	<b>(0.1)</b>	<b>14.1</b>
<i>of which attributable to the shareholders of the controlling entity</i>	0.0	14.1



# Financial overview – Reclassified Statement of Financial Position

Reclassified Consolidated Statement of Financial Position (€m)	31/03/2020	31/12/2019
Non-current assets	612.2	622.5
Net working capital	(72.4)	(87.7)
<b>Gross capital employed</b>	<b>539.8</b>	<b>534.8</b>
Non current liabilities	21.9	21.9
<b>Total net capital employed</b>	<b>518.0</b>	<b>512.9</b>
<b>Equity (*)</b>	<b>107.1</b>	<b>107.9</b>
<b>Net financial position</b>	<b>410.9</b>	<b>405.1</b>
<b>Equity and net financial position</b>	<b>518.0</b>	<b>512.9</b>

(\*) Equity at 31 March 2020 includes pre-tax result for the period