



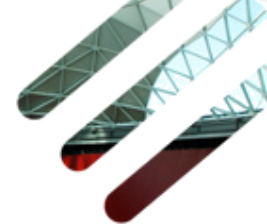
FIERA MILANO

FY2018 Consolidated Results

FIERA MILANO GROUP

CONFERENCE CALL – 12 March 2019

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Highlights



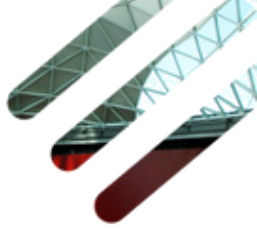
Financial Results



Business outlook

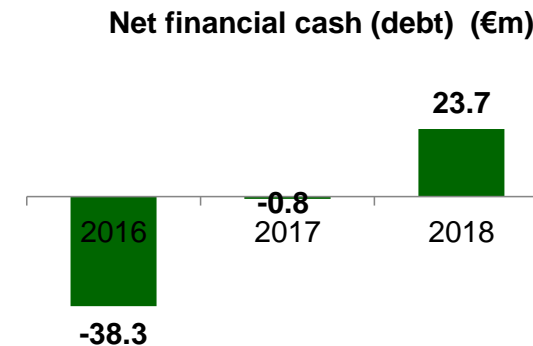
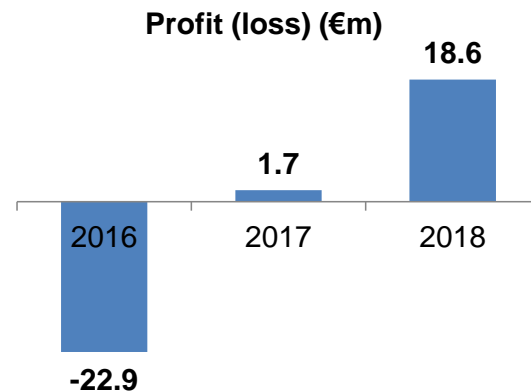
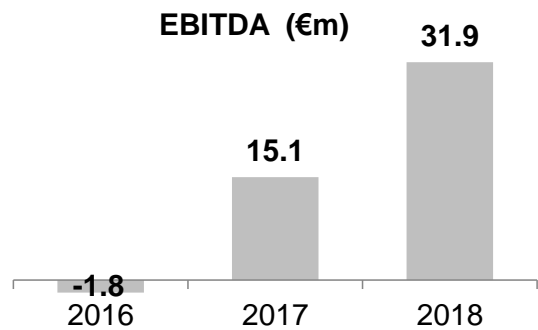


2018 HIGHLIGHTS



In 2018 **strong improvement of consolidated economic and financial results despite a less favourable exhibition calendar**

- **Revenues:** Euro 247.2 million (Euro 256.3 million in 2017)
- **EBITDA:** Euro 31.9 million, more than doubled compared to 2017, and higher than the target of Euro 28-30 million
- **Profit:** Euro 18.6 million (Euro 1.7 million in 2017)
- **Net cash** of Euro 23.7 million (net debt of Euro 0.8 million as at 31 December 2017), higher than expected (Euro 15-20 million)
- Proposal to the Shareholders' Meeting of a **dividend distribution of Euro 0.13 per share**



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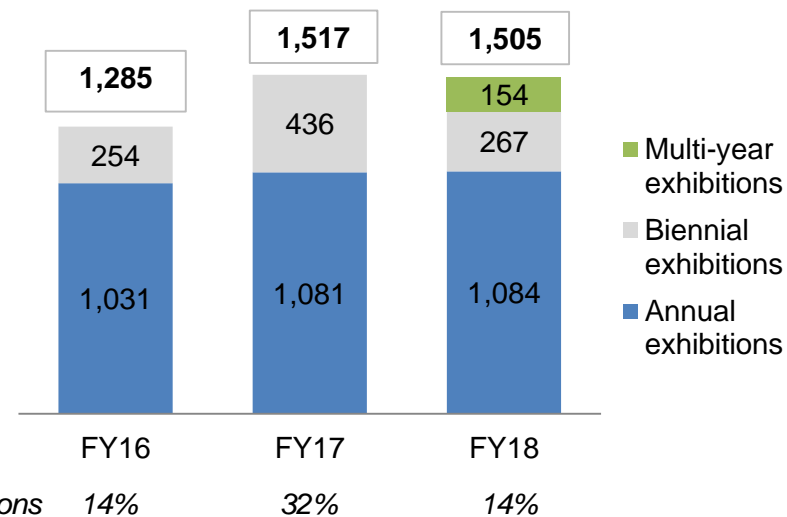
 **Financial Results**

 Business outlook

ITALIAN EXHIBITION BUSINESS



Exhibition space rented out
(^{'000} net sq.m.)



- **Annual exhibitions:** general positive performance
- **Biennial exhibitions:** presence of Mostra Convegno Expocomfort and absence of Host and Tuttofood
- **Multi-year exhibitions:** presence of Innovation Alliance, an event that for the first time brought together five exhibitions covering the entire processing and packaging supply chain

ITALIAN EXHIBITION BUSINESS



Italian Exhibition Business	FY18	FY17 restated*
Revenues (€m)	200.3	206.4
EBITDA (€m)	23.8	11.5
% on revenues	11.9%	5.6%
EBIT (€m)	20.0	5.3
% on revenues	10.0%	2.6%

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

- The 2018 trend in revenues mainly reflected the absence of the directly organized exhibitions Host and Tuttofood, partially offset by the presence of The Innovation Alliance
- 2018 results benefited from the cost control measures

Gross of adjustments for inter-segment transactions

FOREIGN EXHIBITION BUSINESS



Foreign Exhibition Business	FY18	FY17
Revenues (€m)	7.8	5.1
EBITDA (€m)	3.7	0.1
% on revenues	47.2%	1.6%
EBIT (€m)	3.3	(0.4)
% on revenues	42.1%	-8.6%

- 466,795 net square meter (+9.4% vs 2017)
- The 2018 increase in revenues mainly reflected the presence of the biennial exhibition Fisp in Brazil
- 2018 margins benefited from the restructuring actions put in place in Brazil and South Africa

Gross of adjustments for inter-segment transactions

MEDIA



Media	FY18	FY17
Revenues (€m)	11.3	10.8
EBITDA (€m)	0.6	0.4
% on revenues	4.9%	3.8%
EBIT (€m)	(0.6)	(1.2)
% on revenues	-5.5%	-11.0%

- The 2018 increase in revenues and results were due to higher billboard advertising for the presence of Mostra Convegno Expocomfort, sponsorship revenues and digital services
- 2018 EBIT was affected by a write-down of the technical publications “Food & Beverage” (€0.5 million) and “Technology” (€0.5 million)

Gross of adjustments for inter-segment transactions

CONGRESSES



Congresses	FY18	FY17 restated*
Revenues (€m)	37.7	46.2
EBITDA (€m)	3.8	3.0
% on revenues	10.2%	6.5%
EBIT (€m)	2.5	1.7
% on revenues	6.5%	3.7%

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

- The 2018 trend in revenues reflected the absence of destination management services for the ERS congress
- EBITDA rose mainly thanks to the presence of the summit of the Organization for Security and Cooperation in Europe

Gross of adjustments for inter-segment transactions

NET FINANCIAL POSITION

Consolidated Net Financial Position (€m)	31/12/18	31/12/17
Cash & cash equivalents	28.4	17.9
Current financial assets	0.0	2.8
Current bank borrowings	0.0	0.7
Current portion of non-current debt	3.5	16.6
Other current financial liabilities	1.3	0.7
Current financial debt	4.8	18.0
Net current financial debt (cash)	(23.6)	(2.8)
Non-current financial assets	(0.1)	0.0
Non-current bank borrowings	0.0	3.5
Other non-current payables	0.0	0.0
Non-current net financial debt	(0.1)	3.5
Net financial debt (cash)	(23.7)	0.8

The improvement in the net financial position was due to the operating cash flow

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BUSINESS OUTLOOK

- The business trend and management efficiencies have led to an **upgrade of the target for full-year 2019 EBITDA** of Euro 31-33 million of the 2018-2022 Strategic Plan: this is now expected to be in the range of **Euro 36-40 million**
- The Group has adopted the new IFRS 16 “Leasing” applicable to financial period beginning 1 January 2019: **the EBITDA target for 2019 restated to reflect the new IFRS is in the range of Euro 84-88 million**
- The recognition of the leases as of 1 January 2019 will result in an **impact of around Euro 523 million on the net financial position**, and a **reclassification of lease expenses** from operating expenses to amortization and financial expenses which **is estimated to be around Euro 48 million**

FORWARD-LOOKING STATEMENT

Data and information herewith set forth are extracted from the press release relating to Fiera Milano Consolidated Results to 31 December 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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BACK-UP

FINANCIAL OVERVIEW – INCOME STATEMENT

Consolidated Income Statement (€m)	FY18	FY17 restated*
Revenues	247.2	256.3
Cost of materials	2.4	3.2
Cost of services	114.1	133.3
Costs for use of 3rd-party assets	50.3	49.9
Personnel expenses	47.0	48.9
Other operating expenses	4.5	5.4
Total operating costs	218.4	240.7
Other income	2.8	2.6
Results of equity-accounted companies	5.2	2.6
Allowance for doubtful accounts and other provisions	5.0	5.8
EBITDA	31.9	15.1
Depreciation and amortisation	5.9	6.8
Adjustments to asset values	0.9	2.9
EBIT	25.1	5.4
Financial income/(expenses)	(0.1)	(0.8)
Valuation of financial assets	(0.0)	0.0
Profit/loss before income tax	24.9	4.6
Income tax	6.4	2.9
Profit/loss	18.6	1.7
<i>of which attributable to Shareholders of the controlling entity</i>	18.8	1.6

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

FINANCIAL OVERVIEW – STATEMENT OF FINANCIAL POSITION

Consolidated Statement of Financial Position (€m)	31/12/18	31/12/17
Non-current assets	148.4	151.5
Net working capital	(73.1)	(74.3)
Gross capital employed	75.3	77.3
Non-current liabilities	16.9	13.4
Total net capital employed	58.4	63.8
Equity	82.1	63.0
Net financial position	(23.7)	0.8
Equity and net financial position	58.4	63.8