

Fiera Milano Group

Mid & small in London

London, 11 April 2019



FIERA MILANO

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1.0

Group overview

Fiera Milano is the market leader in Italy and one of the world's leading operators across the entire value chain of the exhibition industry



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1.1

An integrated business model

Italian Exhibitions

Fiera Milano organises proprietary exhibitions providing exhibition space and services directly to exhibitors; it also uses exhibition sites to host exhibitions for third parties

Congresses

Management of one of most modern convention centre in Europe and the only one capable of hosting up to 18,000 delegates

Hospitality

Assisting its customers travel arrangements through accommodation services, site location, flight tickets, Visa procedures, transfers, train tickets

Stand fitting services

Concept design & engineering, exhibitions & booths, including shell scheme area, lounges, public space and outdoor structures

Media

Online and offline content and publishing services, management courses, event organisation

Foreign Exhibitions

Outside domestic market, organiser of exhibitions in Brazil, South Africa and China



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1.2

Fiera Milano highlights

399,000 sqm

**Gross Exhibition
Capacity**

345,000 sqm **fieramilano**
54,000 sqm **fieramilanocity**

1,972,175 sqm

**Net Exhibition
Space Occupied**

of which 466,795 sqm
abroad

79

Exhibitions

of which 27
abroad

35,615

Exhibitors

of which 7,750
abroad

169

Congresses

271,246
participants

360,000 sqm

**Stand fitted and
furnished**

10 (570,000 copies)

**Number of technical
publications**

12

**Number of
publishing portal**

127

**Number of
training events**

696

**Group permanent
employees**

of which 97 abroad

247 million

**Consolidated
revenues**

31.9 million

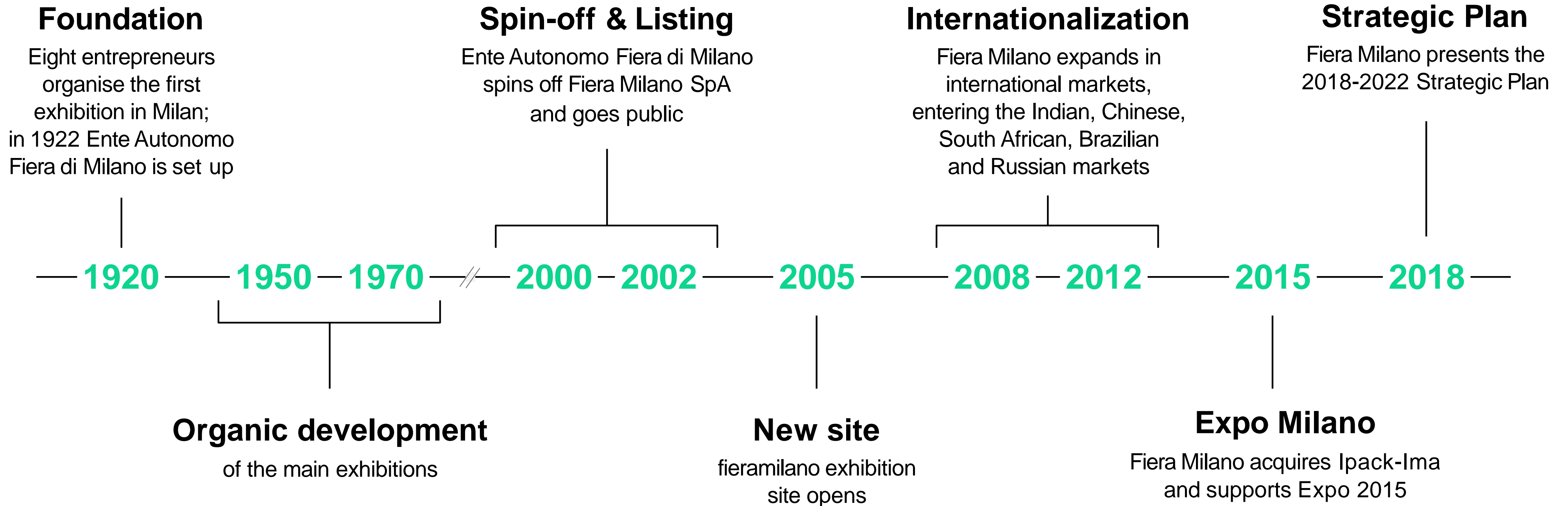
Consolidated EBITDA

Figures refer to FY2018



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Key milestones of Fiera Milano Group to date



1.4

Strong position worldwide

The number one exhibition entity in Italy and one of the main exhibition entities worldwide in terms of gross indoor exhibition space



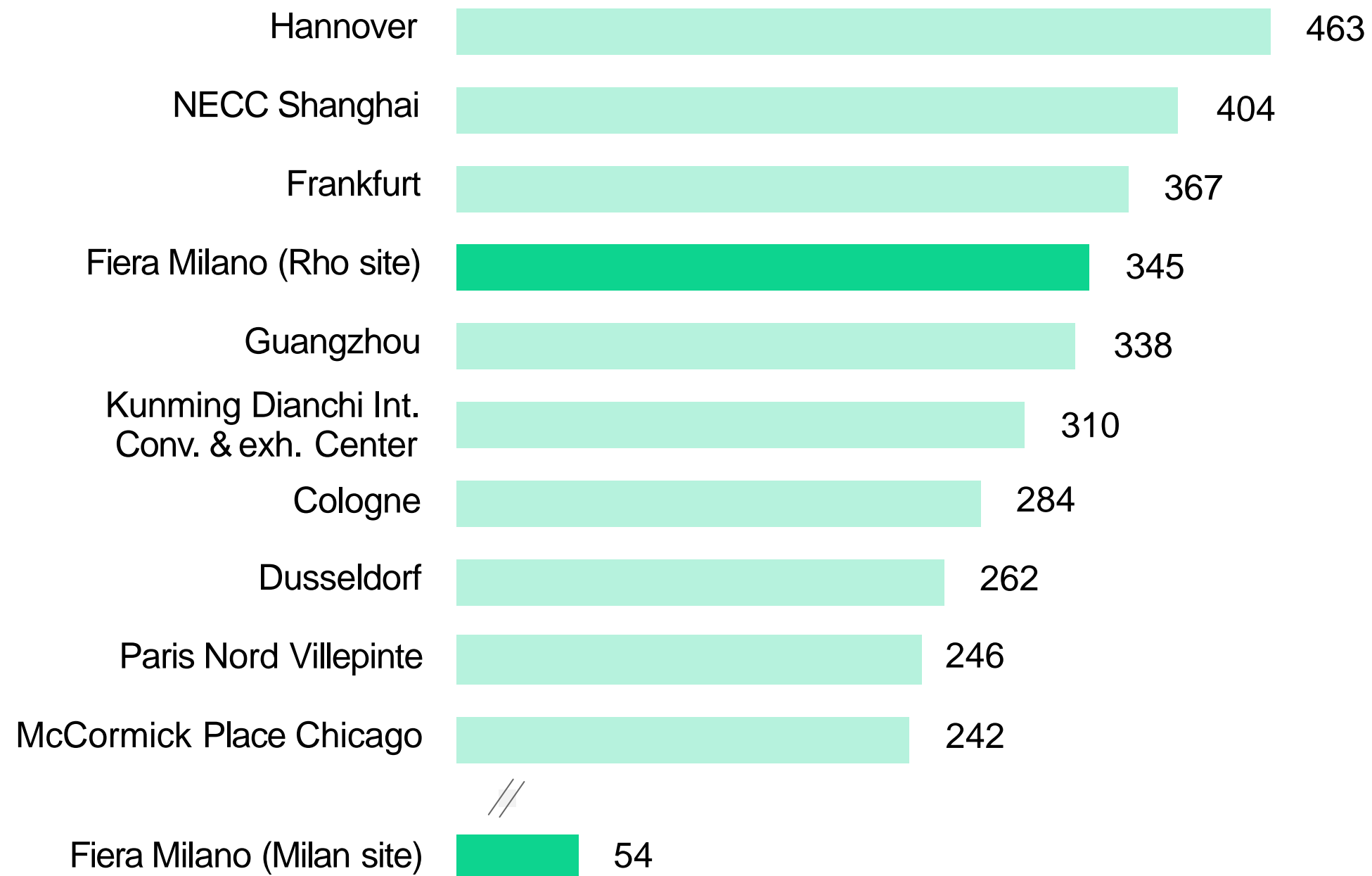
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1.4

Strong position worldwide

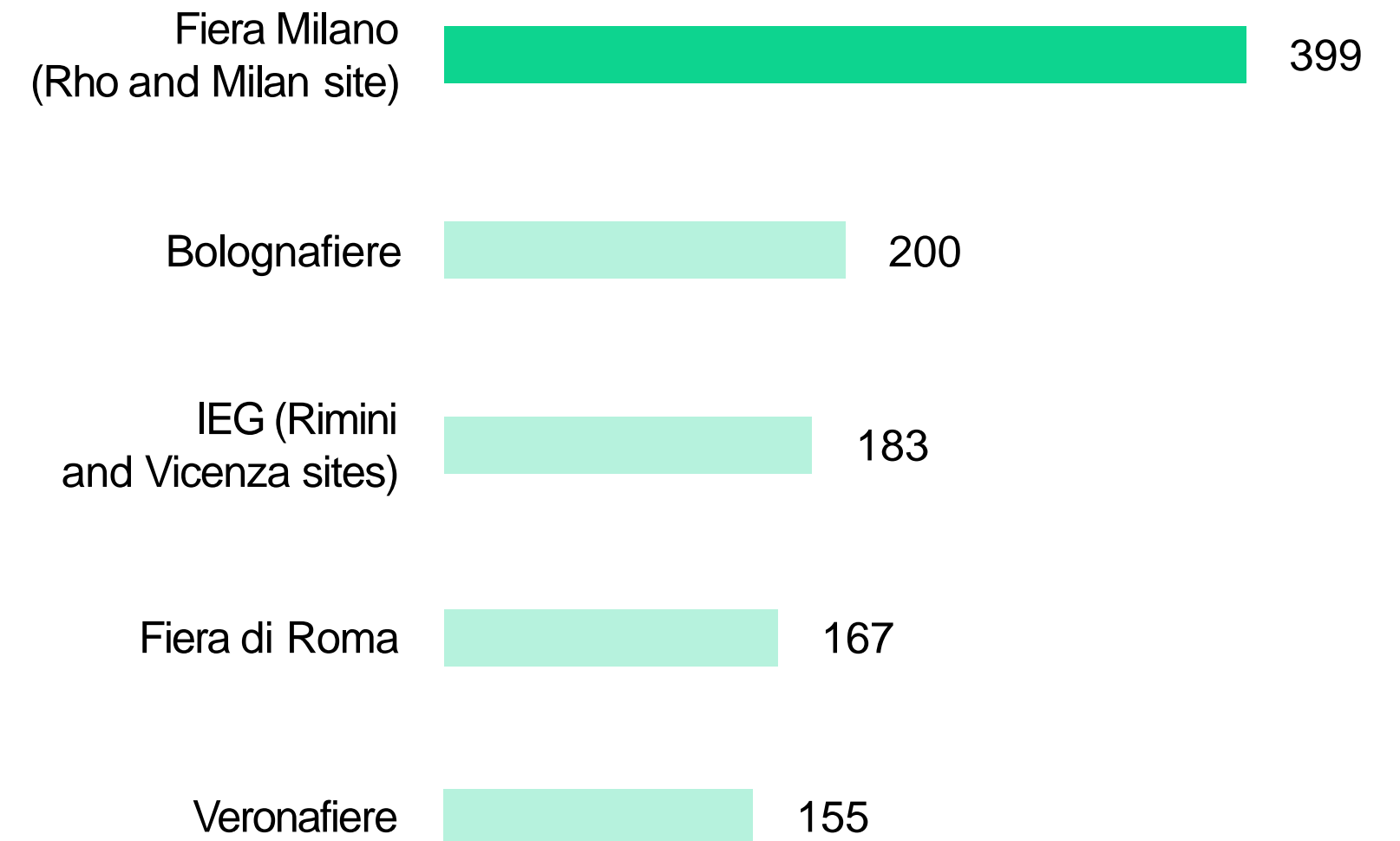
Top exhibition sites worldwide*

('000 sqm)



Top exhibition

companies in Italy** ('000 sqm)



* Source: UFI – December 2018

** Source: AMR International Globex Report 2018



1.5

Italian exhibitions portfolio: main events

Exhibition	Industry	Frequency	Sq. Meters	Number of exhibitors
Salone del Mobile / Eurocucina / Salone del Bagno	Furniture and furnishing	Annual/Biennial	220,440	1,360
HOST	Horeca	Biennial	137,005	2,060
The Innovation Alliance	Processing and packaging machinery	Multi-year	136,435	2,515
The MICAM (Spring and Autumn)	Textile, clothing & accessories	Biannual	125,895	2,635
HOMI (I and II semester)	Homeware and gift	Biannual	121,165	2,445
EMO	Industrial machinery	Multi-year	116,995	1,540
Mostra Convegno Expocomfort	Building and related furniture	Biennial	115,400	1,570
ITMA	Textile machinery	Multi-year	109,570	1,690
Eicma Moto	Vehicles and related equipment	Annual	101,770	560
Lineapelle (I and II semester)	Leather	Biannual	98,245	2,260
Tuttofood	Food	Biennial	64,770	1,235
Artigiano in fiera	Art and crafted products	Annual	59,170	1,540

* Data based on most recent exhibitions hosted prior to 31 December 2018



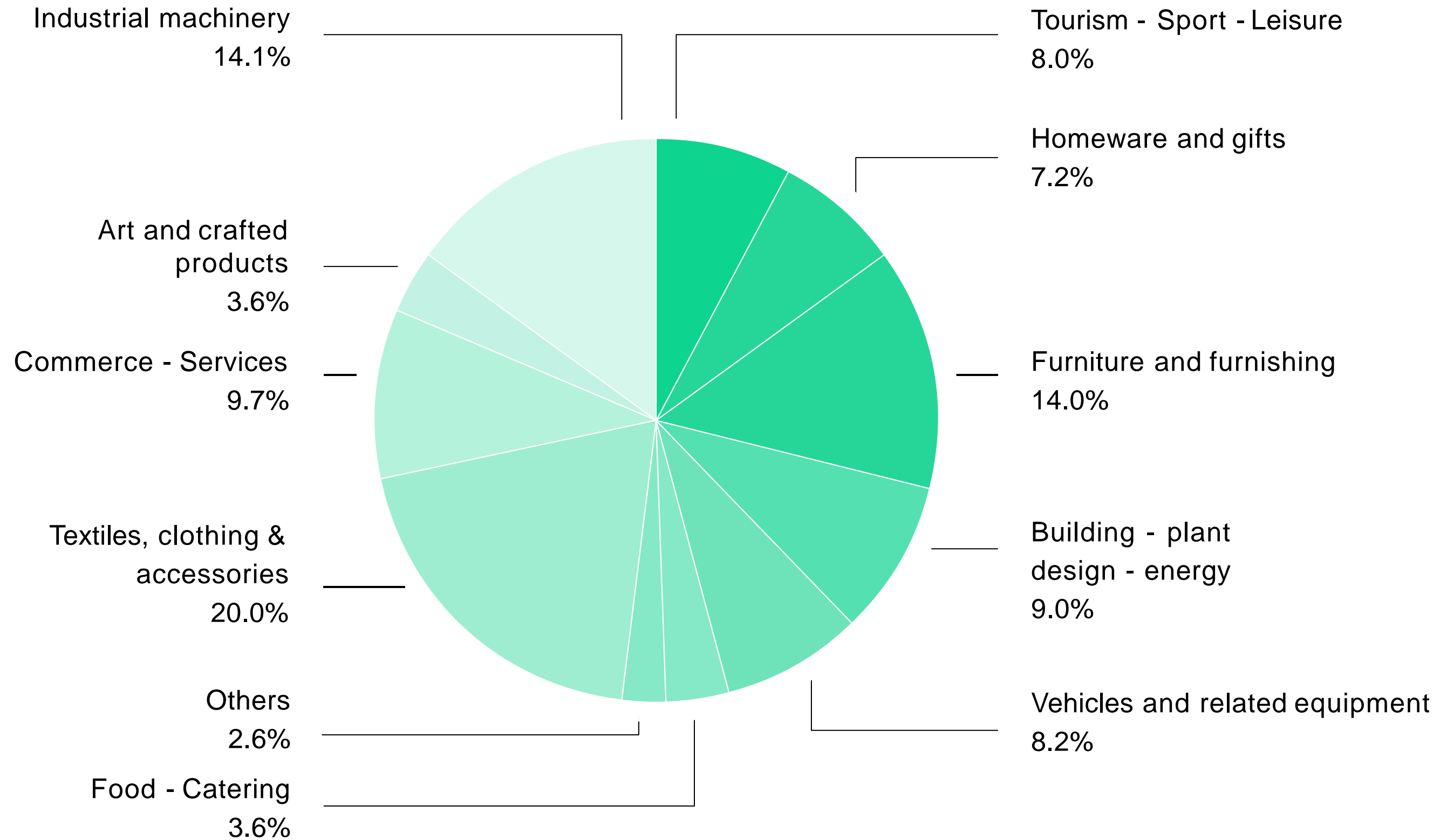
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1.6

Exhibition portfolio

A well diversified
PORTFOLIO OF EXHIBITIONS,
almost entirely B2B

The Group is strong in
DYNAMIC MARKETS (with sound
growth expectations and where
the “Made in Italy” label has appeal)



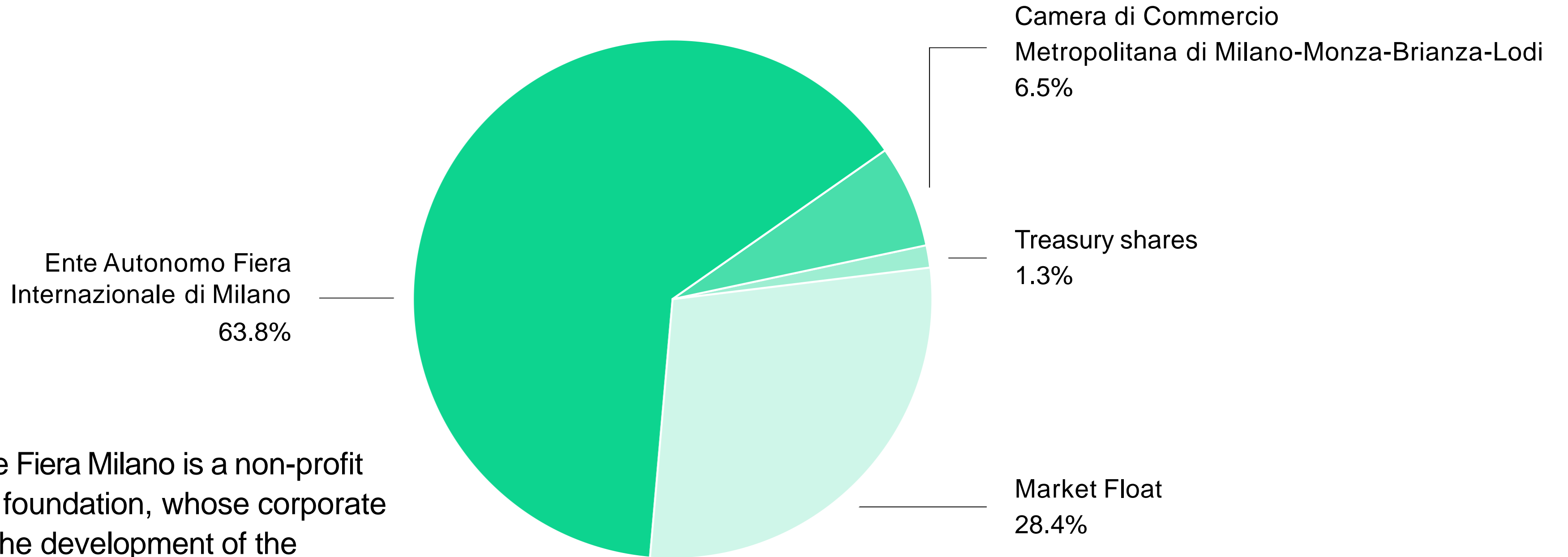
Figures refer to net exhibition space rented out in Italy (average 2016-2018)



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1.7

Shareholder structure



Fondazione Fiera Milano is a non-profit private law foundation, whose corporate mission is the development of the exhibition sector in Italy and abroad

1.8

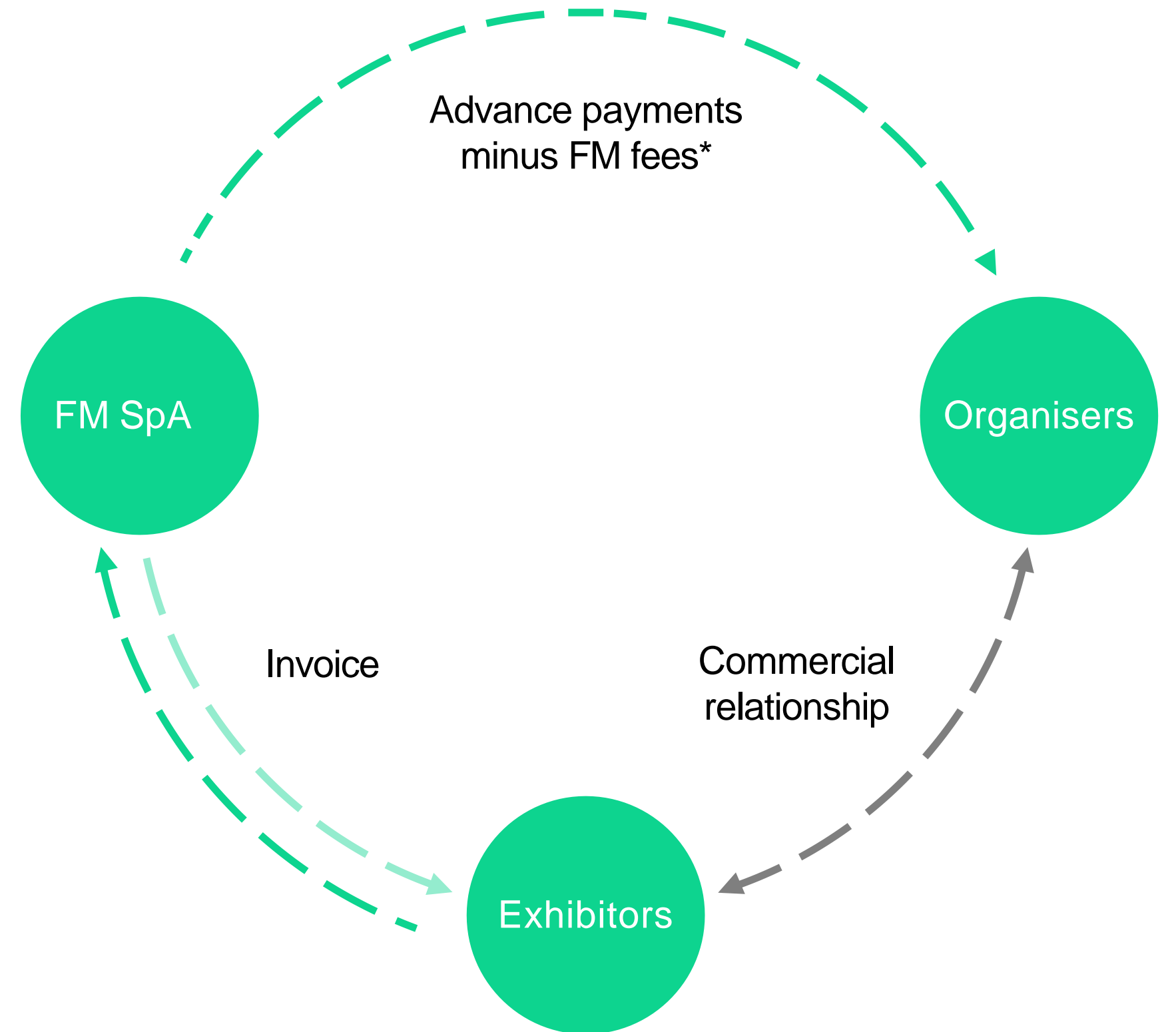
Long Term Visibility and Favourable Payment Cycle

High visibility on revenues due to long-term contracts with organisers

Main financial clauses in the contractual agreements with organisers:

- standard contract guarantee (minimum guaranteed)
- significant advance payments
- treasury management services on behalf of organisers

The Group has structural negative NWC



* Advance payments (on average 6 months ahead for annual and 12 months ahead for biennial events)



1.9

A big impact in the Italian economy

€ 8.1 billion

Total impact of Fiera Milano

of which in Lombardy

€ 4.3 billion



Effect generated by Fiera Milano: € 6.6 billion

This is the effect associated to suppliers, investments, payments of salaries and the expenses of the exhibitors and the visitors/delegates associated with the exhibitions

Contribution to public budget: € 1.5 billion

This is direct, indirect and induced contribution to the public budget through different taxes: VAT, Income tax, tax on profits and other taxes

Source: "Study of the socio-economic impact, Fiera Milano" - March 2019 KPMG, on 2017 data



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1.10

Our CSR commitment



CEO and board level responsibility



Individual performance plan of top management linked to at least one CSR goal



Promote change management



Continuous promotion of culture and dissemination of ethics, legality and anti-corruption



Group environmental policy



Maximisation of energy efficiency in the management of venues



Reduction of environmental impacts of the Group



Raising security and control levels in order to protect the safety, health and integrity of the exhibition sites users



2.0

Strategic Plan 2018–2022

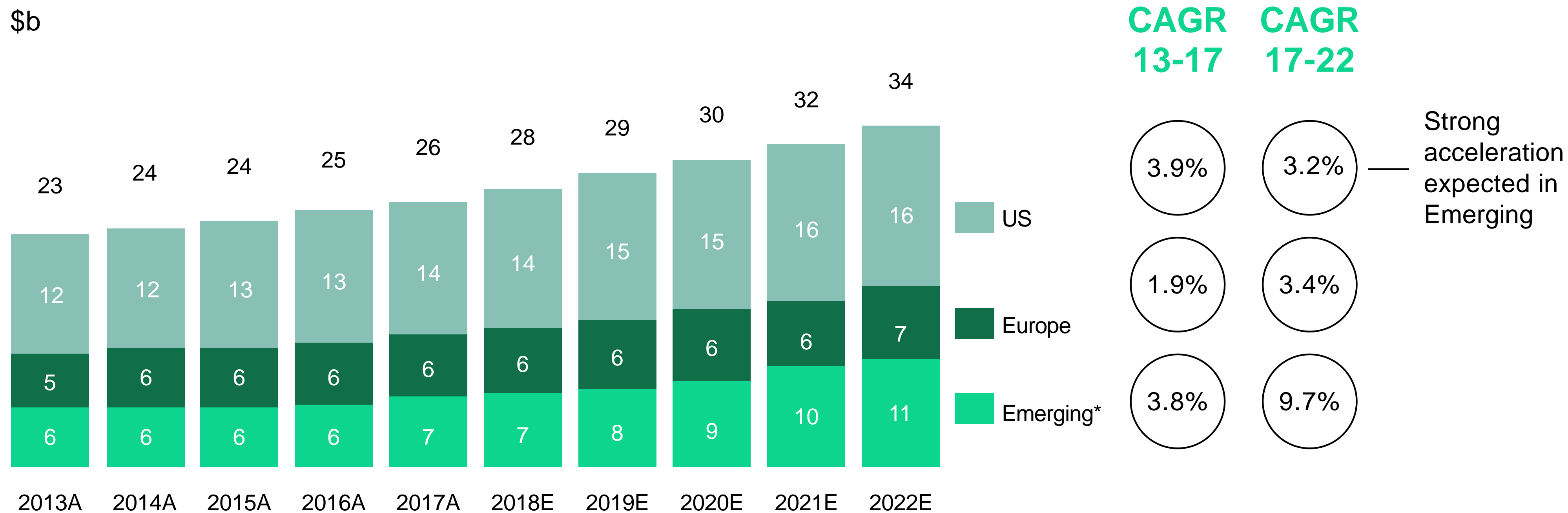


2.1

Global exhibition market 2013-2022

Exhibition market expected to grow at 5% CAGR

\$b



* Emerging include: Brazil, China, Gulf Cooperation Council, India, Indonesia, Mexico, Russia, Turkey, Hong Kong
 Note: Totals exclude SEA countries (Singapore, Malaysia, Thailand, Philippines, Vietnam, Macau)
 Source: AMR International Globex report 2018

2.2

Three emerging macro-trends in the exhibition market

Leadership in industry sector at regional level is a key success factor

- Exhibitors and visitors increasingly tend to attend only tier 1 exhibitions
- As a consequence, consolidation trend accelerating among key market players

Increased use of digital products to complete exhibition offer

- Driving customer understanding
- Only secondary source of revenue

Growing share of business for key players from events outside domestic market

- Leveraging on geo-cloning of successful domestic exhibitions



2.3

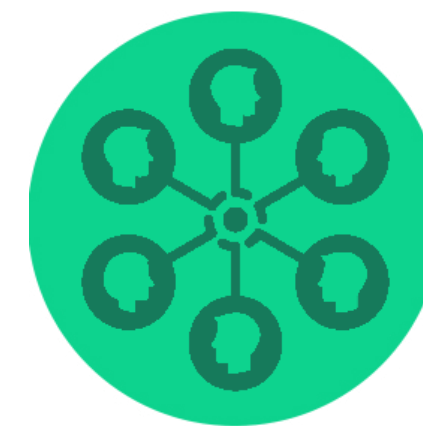
Three principles inspired definition of Strategic Plan



Maximize
venue potential



Invest on core
industry sectors



Build on
human capital



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2.4

Fiera Milano Group strategy

Enrich portfolio of hosted exhibitions & congresses

- Attract new leading/high potential exhibitions
- Support organizers to expand their exhibitions
- Optimize saturation with new activities
- Attract leading congresses

Capture full potential of services

- Boost stand fitting
- Push Destination management
- Expand media services

Create a smarter venue

- Full service, eco-compatible and innovative infrastructure

Grow portfolio of leading owned exhibition

- Foster Host & Tuttofood
- Strengthen HOMI
- Leverage organic growth
- Develop attractive niches

Expand international exhibitions

- Develop geo-clones of top owned brands leveraging partnerships (Focus on China)

Step up organization

- Enhanced organization, empowered governance and integrated systems



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2.5

Key ambition enabler

~€100m investment plan by the controlling shareholder **FONDAZIONE FIERA MILANO** to enhance the venue

Safe & Smart Distric

- Highest safety standards
- Data-rich venue

Environmental Sustainability & Innovation

- Best-in-class sustainable venue (eg. solar roof coverings)

Operational Excellence

- Maximum accessibility for suppliers, exhibitors & visitors

Enhanced Customer Experience

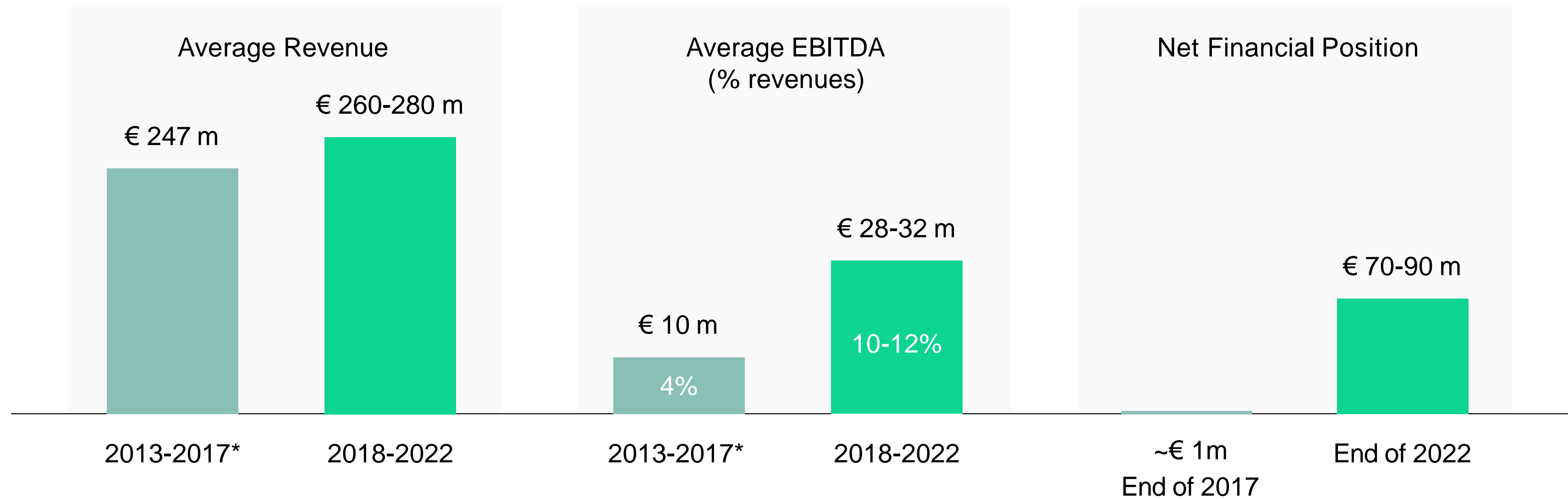
- Shortest time to customer
- Seamless customer experience



2.6

FMG Strategic Plan vs. recent trend

Strategic Plan target € 260-280m average revenue and € 28-32m average EBITDA for next 5 yers



Strategic targets do not reflect and/or include any effect from M&A activity

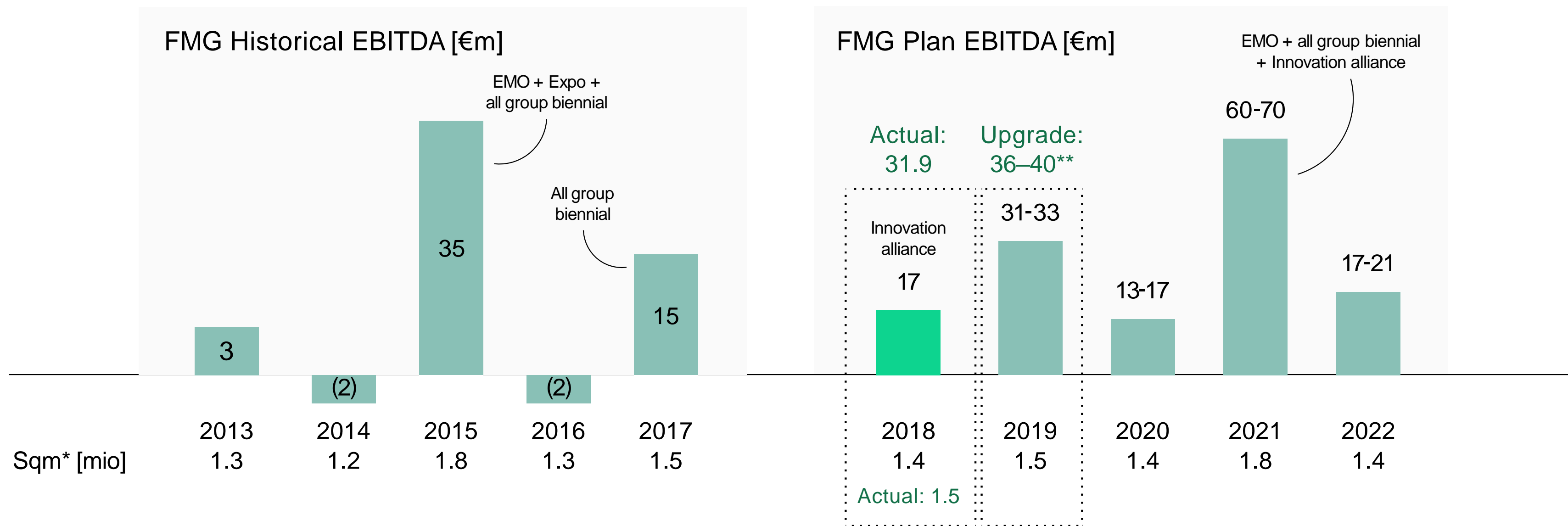
* Restated



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2.7

Strategic Plan will evolve in line with FMG seasonality



Yearly Net Profit expected positive throughout period of Strategic Plan

* Net of International sqm

** € 84-88 million following the application of IFRS 16 as of 1 January 2019



2.8

2018 achievements



New guidance and organization

Guiding Principles

- One group
- People engagement
- Execution excellence
- Market focus



Growth in economic and financial results

Profit: 0.7% to 7.5% ('17 vs. '18)

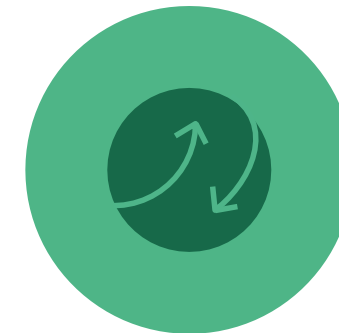
Recurring costs addressed

+5pp profitability through efficiencies

Net cash 23.7 million as at 31 December 2018

Return to dividend: € 0.13 per share

proposed to the Shareholders' meeting



International footprint rationalized

Restructuring plan launched in Brazil

Recovery in profitability in South Africa

Strengthening of the Chinese portfolio through the acquisition of new exhibitions

Launch of the new E-PACK TECH event, dedicated to e-commerce packaging in China



Successful track record of key recent events

In 2018 successful first edition of The Innovation Alliance (150,000 visitors of which 27% international)

CPHI in Milan in 2020

Return to the STAR segment on 30 April 2018

FMG Stock performance +162%* vs. end 2017

* As of market close 15 March 2019



3.1

Income statement

Consolidated Income Statement (€m)	FY18	F17 restated*
Revenues	247.2	256.3
Cost of materials	2.4	3.2
Cost of service	114.1	133.3
Cost 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>	<i>18.8</i>	<i>1.6</i>

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



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3.2

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



4.0

Closing remarks



4.1

Closing remarks

We have a strong leadership trust

- We have a clear definition of the ingredients for our success

We are ahead in the execution of our strategic plan

- We have completed the turnaround process, started our investments and are strengthening our portfolio of exhibitions

We will not be caged by our venue

- We'll seek most promising opportunities where they are

We take our social responsibility seriously

- We will actively ensure our business will have a sustainable impact



Forward-looking statement

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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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