

FIERA MILANO GROUP

1st Half 2020 Consolidated Results

CONFERENCE CALL – 29 July 2020



FIERA MILANO

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Highlights

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Highlights

1H20 results 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 864,315 square metres in 1H19
- 1H20 consolidated **revenues** of Euro 56.0 million (Euro 153.9 million in 1H19)
- 1H20 consolidated **EBITDA:** Euro 10.6 million (Euro 62.4 million in 1H19)
- 1H20 consolidated **EBIT:** Euro -11.9 million (Euro 39.6 million in 1H19)
- 1H20 **net result:** Euro -12.6 million (Euro 24.1 million in 1H19)
- Consolidated **net cash** (pre-IFRS 16) Euro 20.2 million at 30 June 2020 (Euro 68.3 million at 31 December 2019)

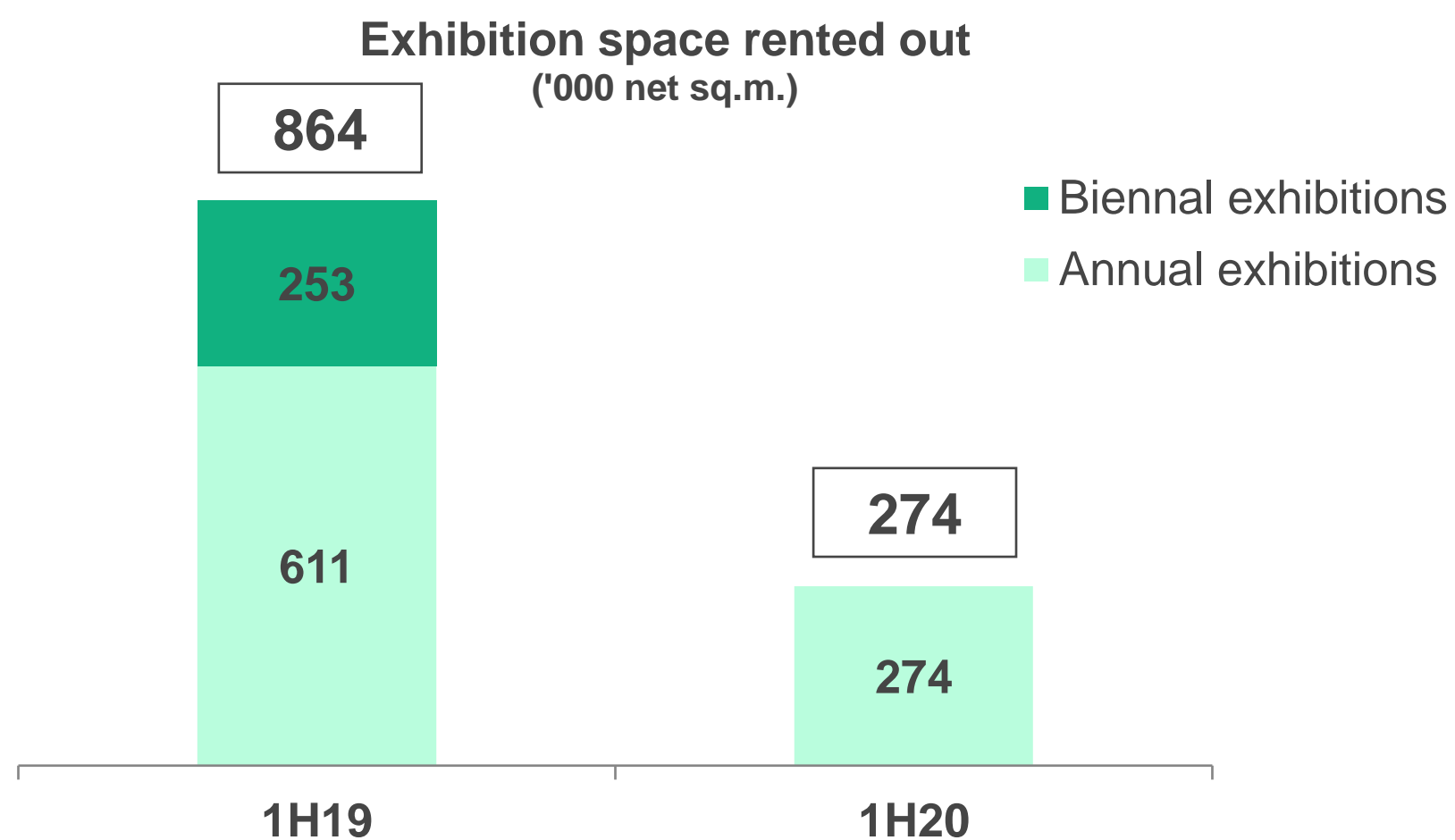
2.0

Financial results



2.1

Italian exhibitions



- Positive performance of exhibitions in the first two months, in line with expectations
- After the Covid-19 emergency, cancellation of Il Salone del Mobile, Mostra Convegno Expocomfort, Mido
- Compared to 1H19, absence of biennial exhibitions Tuttofood, Made and Transpotec Logitec

Italian exhibition business

Italian Exhibition Business	1H20	1H19
Revenues (€m)	49.4	129.2
EBITDA (€m)	11.9	52.3
% on revenues	24.0%	40.5%
EBIT (€m)	(7.9)	32.2
% on revenues	-16.0%	24.9%

- The year-on-year trend in **revenues** reflected the suspension of the exhibition activity
- 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	1H20	1H19
Revenues (€m)	1.1	3.1
EBITDA (€m)	(1.0)	2.5
% on revenues	-90.8%	80.7%
EBIT (€m)	(1.2)	2.3
% on revenues	-105.2%	73.2%

- The year-on-year trend in **revenues** mainly reflected the effect of Covid-19 on the Brazilian exhibition calendar
- The **EBITDA** was affected by lower results from the joint venture activities in China mainly because of the cancellation and postponement of some exhibitions until the second half of the year

Media

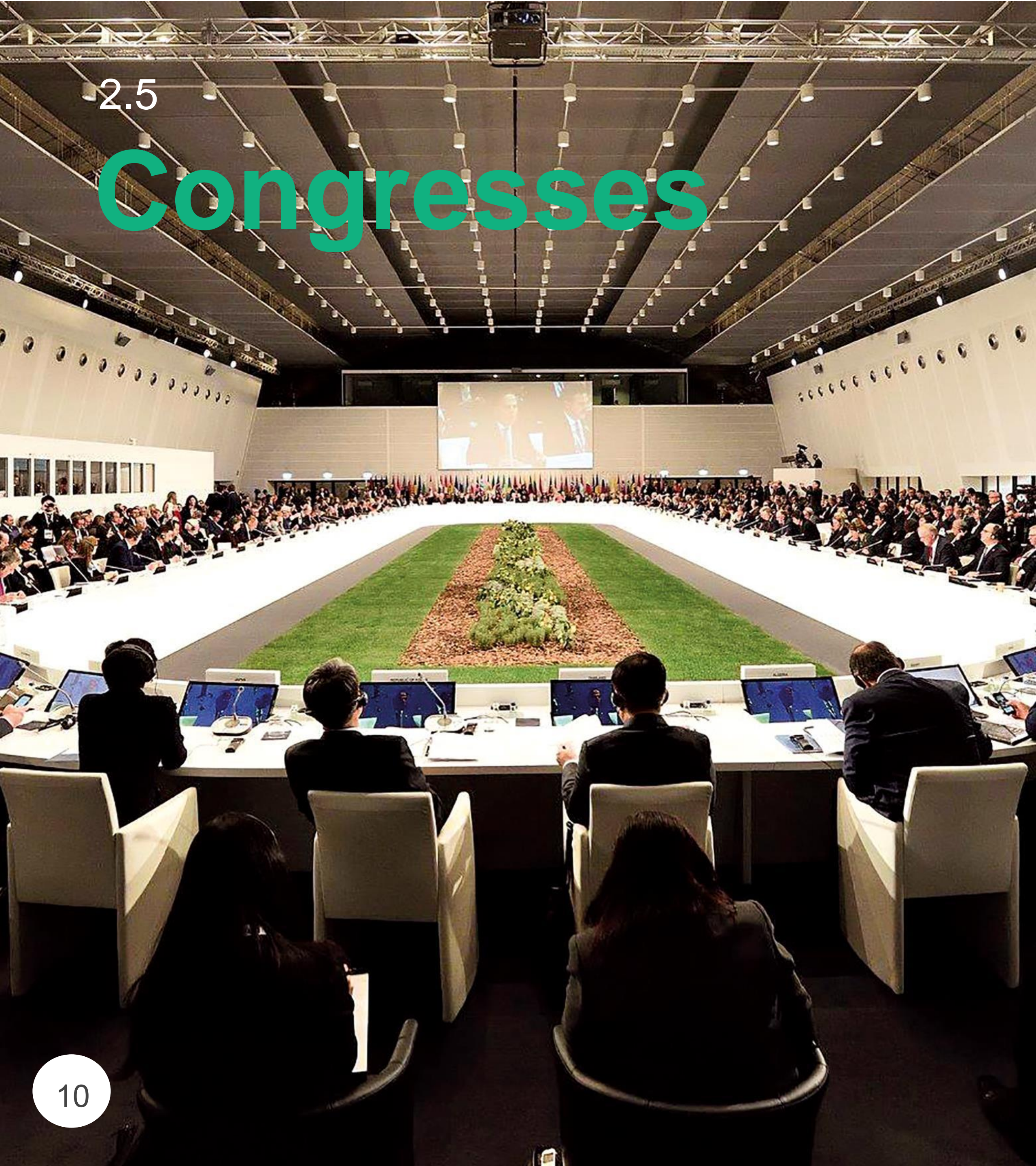


Media	1H20	1H19
Revenues (€m)	3.4	5.8
EBITDA (€m)	0.2	0.8
% on revenues	5.4%	14.1%
EBIT (€m)	0.1	0.7
% on revenues	4.0%	12.1%

- The change in **revenues** was mainly related to lower billboard and technical publications revenue
- The change in **EBITDA** primarily reflected the trend of revenues

2.5

Congresses



Congresses	1H20	1H19
Revenues (€m)	4.2	21.2
EBITDA (€m)	(0.4)	6.8
% on revenues	-10.0%	32.0%
EBIT (€m)	(2.9)	4.4
% on revenues	-69.9%	20.8%

- The year-on-year trend in revenues and EBITDA reflected the change in the congress calendar following the Covid-19 emergency

2.6

Net financial position

Consolidated Net Financial Position (€m)	30/06/2020	31/12/2019
Cash & cash equivalents	39.2	68.0
Current financial assets	1.7	1.3
Current bank borrowings	0.0	0.0
Current portion of non-current debt	24.9	0.0
Other current financial liabilities	0.4	1.1
Current financial debt	25.4	1.1
Net current financial debt (cash)	(15.5)	(68.3)
Non-current financial assets	4.7	0.1
Other non-current payables	0.0	0.0
Non-current financial debt	(4.7)	(0.1)
Net financial debt (cash) before IFRS 16 effects	(20.2)	(68.3)
IFRS 16 financial effects	469.8	473.4
Net financial debt/(cash) after IFRS 16 effects	449.6	405.1

The change in net financial position was mainly due to the suspension of exhibition activities and subsequent lower advances, besides to the dividend distribution

3.0

Business outlook





3.1

Business outlook

- The results for the first half of the year were higher than expected after the health emergency, thanks to significant cost containment measures. Nevertheless, the extent and duration of the epidemiological emergency has led to the cancellation of important international exhibitions
- The scenario changes are such as to determine, on the basis of currently available information, an estimate of **net exhibition area in Italy in the last part of the current year of about 150 thousand square metres**, as compared to the previous forecast of 700 thousand square metres and a 2020 **EBITDA target at break-even**, as compared to the previous range of Euro 38-43 million
- The updated target does not include any reductions in the rent for the exhibition site at the end of the ongoing negotiations with Fondazione Fiera Milano in relation to the suspension of activities due to force majeure

Forward-looking statement

Data and information herewith set forth are extracted from the Fiera Milano Press Release relating to Fiera Milano Consolidated Half-Year Financial Report to 30 June 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)	1H20	1H19
Revenues	56.0	153.9
Cost of materials	1.3	1.4
Cost of services	29.3	66.6
Costs for use of 3rd-party assets	0.3	0.3
Personnel expenses	17.3	24.2
Other operating expenses	1.2	2.5
Total operating costs	49.4	95.0
Other income	1.2	1.3
Results of equity-accounted companies	(0.7)	2.4
Allowance for doubtful accounts and other provisions	(3.5)	0.2
EBITDA	10.6	62.4
Depreciation and amortisation	22.4	22.8
Adjustments to asset values	0.0	0.0
EBIT	(11.9)	39.6
Financial income/(expenses)	(6.8)	(6.8)
Valuation of financial assets	0.0	0.0
Profit/loss before income tax	(18.7)	32.7
Income tax	(6.1)	8.6
Profit	(12.6)	24.1
<i>of which attributable to the shareholders of the controlling entity</i>	(12.5)	24.1

Financial overview – Reclassified Statement of Financial Position

Reclassified Consolidated Statement of Financial Position (€m)	30/06/2020	31/12/2019
Non-current assets	604.0	622.5
Net working capital	(52.9)	(87.7)
Gross capital employed	551.2	534.8
Non current liabilities	16.4	21.9
Total net capital employed	534.8	512.9
Equity	85.2	107.9
Net financial position	449.6	405.1
Equity and net financial position	534.8	512.9