

FIERA MILANO GROUP

FY2019 Consolidated Results

CONFERENCE CALL – 10 March 2020



FIERA MILANO

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1. Highlights

1.1

Highlights

Best results since the establishment of Fiera Milano S.p.A.

2019 was the 2nd year that exceeded the targets of 2018-2022 Strategic Plan presented in May 2018

KEY FIGURES	FY2019	<i>of which IFRS16 impact</i>	FY2018	FY2017
Revenues	279.7		247.2	256.3
EBITDA	106.1	47.7	31.9	15.1
EBIT	59.6	7.8	25.1	5.4
Profit	34.3	(4.6)	18.6	1.7

KEY FIGURES	31/12/2019	31/12/2018	31/12/2017
Net cash (debt) pre IFRS16	68.3	23.7	(0.8)

- **EBITDA of Euro 106.1 million, improving on 2018 and the target of Euro 100 million updated in November 2019, thanks to a positive commercial performance and actions taken to control costs begun in 2018**
- **Proposal to the Shareholders' Meeting of a dividend distribution of Euro 0.13 per share**



1.2 Achievements

- Signature of a memorandum of understanding with Samsung SDS, partner in the **digital transformation process of the exhibition site**
- **Strengthening of directly organised exhibitions:**
 - acquisition of 60% of the company MADE Eventi S.r.l., organiser of **MADE expo**, the biennial international architecture and construction exhibition
 - acquisition of the **Cartoomics** exhibition trademark and of 62.5% of the **Milan Games Week** trademark, in the comics, gaming and entertainment sector
- **Commercial agreement with a leading company in the customised stand fitting sector**
- As part of the **plan to streamline the Group's corporate structure**,
 - merger of the Brazilian subsidiary Eurofairs International Consultoria e Participações Ltda
 - liquidation of Fabbrica del Libro

2.

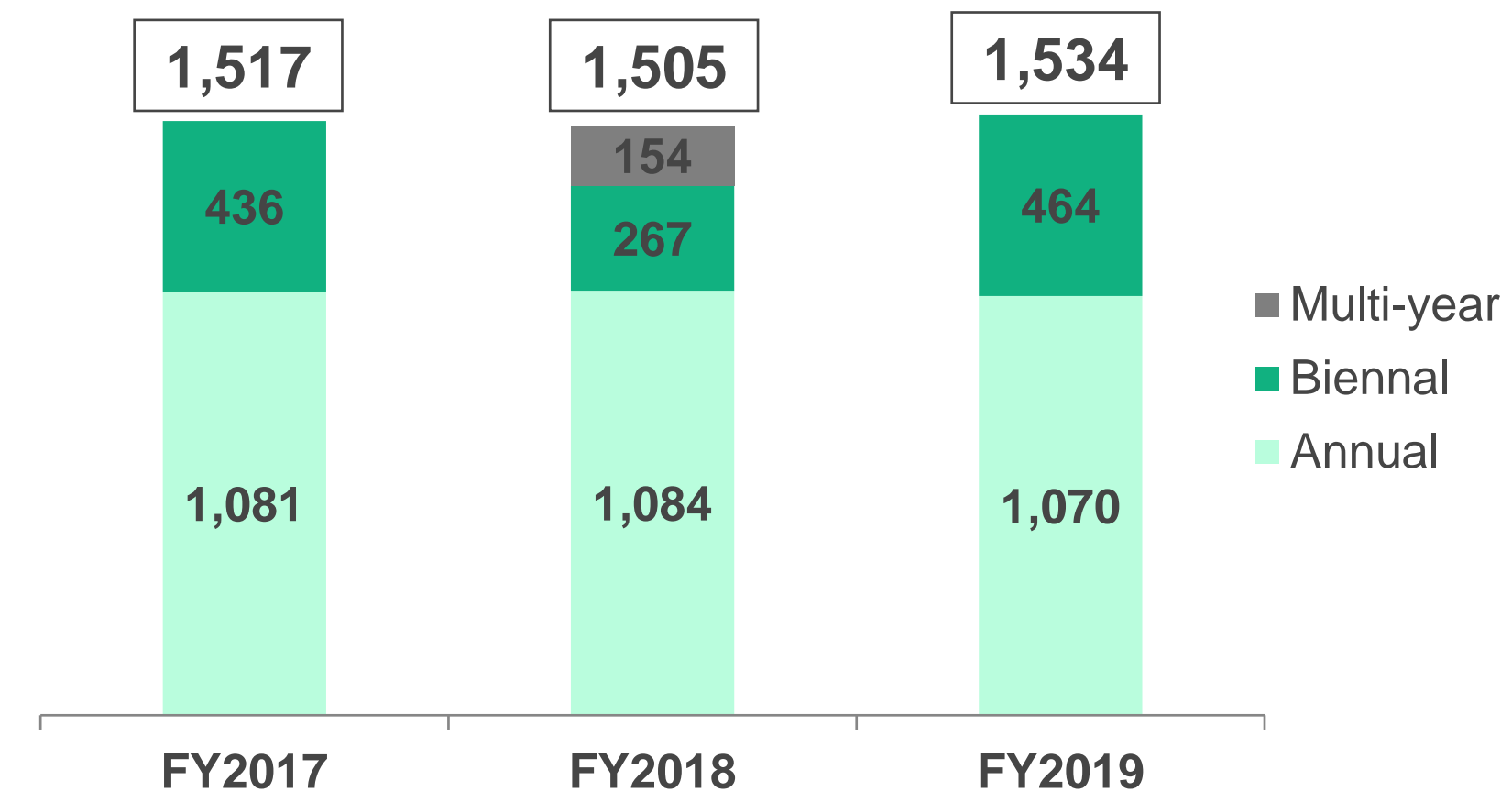
Financial Results



Italian Exhibitions



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



- **Annual exhibitions:** positive performance of Eicma moto
- **Biennial exhibitions:** new record of Host (140,900 sqm.) in the professional hospitality sector. Occurrence of Tuttofood and absence of Mostra Convegno Expocomfort
- **Multi-year exhibitions:** absence of The Innovation Alliance

Italian Exhibition Business



Italian Exhibition Business	FY2019	FY2018
Revenues (€m)	235.3	200.3
EBITDA (€m)	90.6	23.8
% on revenues	38.5%	11.9%
EBIT (€m)	50.7	20.0
% on revenues	21.6%	10.0%

- The increase in revenues of 2019 reflected the exhibition calendar and the good commercial performance
- The trend of EBITDA is primarily related to the IFRS 16 effect (Euro 43.7 million) and the rise of revenues

Foreign Exhibition Business

Foreign Exhibition Business	FY2019	FY2018
Revenues (€m)	4.3	7.8
EBITDA (€m)	3.3	3.7
% on revenues	78.1%	47.2%
EBIT (€m)	2.9	3.3
% on revenues	68.2%	42.1%

- The trend in revenues reflected the absence of the biennial exhibitions Fisp and Fesqua in Brazil
- The EBITDA reflected the trend of revenues, mostly offset by an improved performance in Brazil and better results from the joint venture activities in China

Media

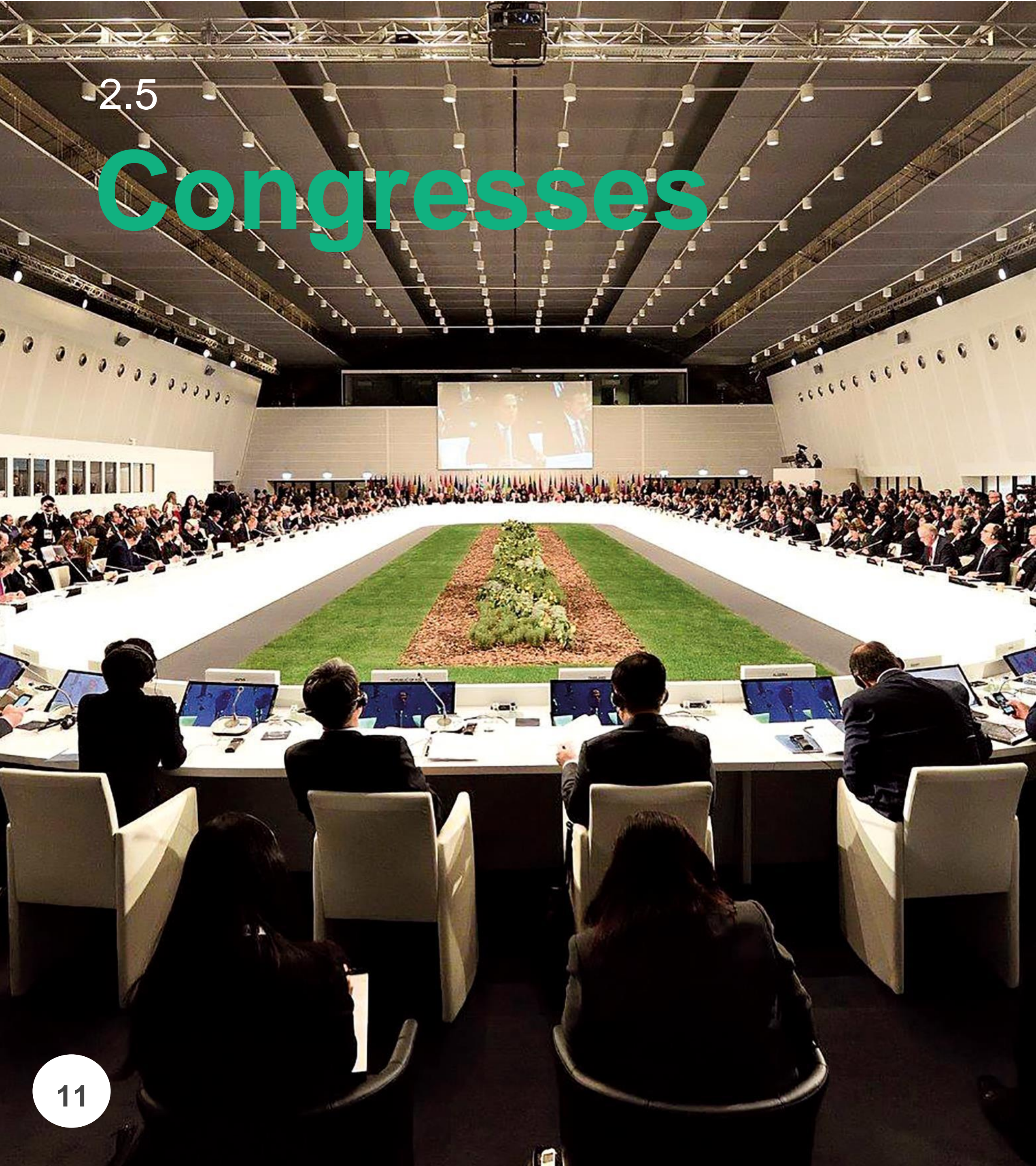


Media	FY2019	FY2018
Revenues (€m)	11.1	11.3
EBITDA (€m)	0.8	0.6
% on revenues	7.3%	4.9%
EBIT (€m)	(0.6)	(0.6)
% on revenues	-5.3%	-5.5%

- Revenues and EBITDA were almost unchanged compared to 2018
- EBIT was affected by the writedown of the technical publications 'Technology' (Euro 0.6 million) and the Business International trademark (Euro 0.6 million)

2.5

Congresses



Congresses	FY2019	FY2018
Revenues (€m)	39.7	37.7
EBITDA (€m)	11.3	3.8
% on revenues	28.6%	10.2%
EBIT (€m)	6.6	2.5
% on revenues	16.5%	6.5%

- 2019 record year
- The year-on-year increase in revenues reflected the holding of important international congresses and conventions (World Congress of Dermatology and Lions Club International Convention)
- EBITDA benefitted from the improvement in revenues and the IFRS 16 effect (Euro 3.9 million)

2.6

Net Financial Position

Consolidated Net Financial Position (€m)	31/12/2019	31/12/2018
Cash & cash equivalents	68.0	28.4
Current financial assets	1.3	0.0
Current bank borrowings	0.0	0.0
Current portion of non-current debt	0.0	3.5
Other current financial liabilities	1.1	1.3
Current financial debt	1.1	4.8
Net current financial debt (cash)	(68.3)	(23.6)
Non-current financial assets	0.1	0.1
Other non-current payables	0.0	0.0
Non-current financial debt	(0.1)	(0.1)
Net financial debt (cash) before IFRS 16 effects	(68.3)	(23.7)
IFRS 16 financial effects	473.4	0.0
Net financial debt/(cash) after IFRS 16 effects	405.1	(23.7)

The net financial position pre-IFRS16 improved compared to the end of 2018 mainly due to the positive operating cash flow

3.0

Business outlook





3.1

Business Outlook

- Due to the Covid-19 epidemiological emergency, first in China and then extended to other countries including Italy, **some exhibitions scheduled for the early months of the year have been postponed** to ensure that they can take place
- The Company will continue to monitor the evolution of the epidemiological situation and the ongoing booking of exhibition spaces
- Based on the current exhibition calendar, **the Company confirms the 2020 target of an EBITDA in the range of Euro 71-75 million**, implementing all possible measures to achieve the target

Forward-looking statement

Data and information herewith set forth are extracted from the press release relating to Fiera Milano Consolidated Results to 31 December 2019 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)	FY2019	FY2018
Revenues	279.7	247.2
Cost of materials	2.5	2.4
Cost of services	121.2	114.1
Costs for use of 3rd-party assets	0.5	50.3
Personnel expenses	47.4	47.0
Other operating expenses	4.8	4.5
Total operating costs	176.4	218.4
Other income	2.4	2.8
Results of equity-accounted companies	3.8	5.2
Allowance for doubtful accounts and other provisions	3.5	5.0
EBITDA	106.1	31.9
Depreciation and amortisation	45.2	5.9
Adjustments to asset values	1.3	0.9
EBIT	59.6	25.1
Financial income/(expenses)	(13.4)	(0.1)
Valuation of financial assets	0.0	0.0
Profit/loss before income tax	46.2	24.9
Income tax	11.9	6.4
Profit/loss before income tax	34.3	18.6
<i>of which attributable to Shareholders of the controlling</i>	34.4	18.8

Financial overview – Statement of Financial Position

Consolidated Statemen of Financial Position (€m)	31/12/2019	31/12/2018
Non-current assets	622.5	148.4
Net working capital	(87.7)	(73.1)
Gross capital employed	534.8	75.3
Non current liabilities	21.9	16.9
Total net capital employed	512.9	58.4
Equity	107.9	82.1
Net financial position	405.1	(23.7)
Equity and net financial position	512.9	58.4