



FIERA MILANO

FIERA MILANO: 2013 ANNUAL REPORT APPROVED BY THE BOARD OF DIRECTORS

- *Consolidated revenues of Euro 258.1 million, a decline of 2% year-on-year, mainly due to the crisis in some industrial sectors in Italy and the knock-on effect on exhibitions*
- *Consolidated gross operating profit of Euro 3.3 million compared to Euro 17.9 million in the preceding financial year*
- *Consolidated net operating loss of Euro 16.0 million (Euro 2.1 million in 2012) penalised by impairment of the Group publications*
- *Consolidated net result negative for Euro 16.6 million (a net loss of Euro 1.5 million in the preceding financial year)*

The CEO of Fiera Milano SpA, Enrico Pazzali, commented: “The prolonged Italian economic recession had an impact on the exhibition sector. Despite the stable performance of exhibitions in the fashion and furniture sectors, good results from the proprietary exhibition trademarks TUTTOFOOD and HOST, and the launch of some significant events, Fiera Milano ended the year with a net loss mainly caused by the exhibitions in the household and building sectors. The impairment charge taken for some of the publications in the real estate sector also had a negative impact on the 2013 preliminary results. Moreover, the contribution from foreign operations, which remain a fundamental part of the Group strategy, whilst good in terms of volumes saw no increase in margins due to the costs associated with the necessary strengthening of the marketing areas, as well as to exchange rate movements and some socio-political difficulties. The complex market environment did not, however, impede the structural consolidation of Fiera Milano. This is demonstrated by the demanding restructuring of Macef, which resulted in the launch of HOMI; efforts were redoubled to reposition and relaunch our major exhibitions. The MICAM was taken to Shanghai and the Group presence in China extended to the province of Guangdong. HOMI will be launched in Russia in October and Food Hospitality World in Cape Town in May. The collaboration with EXPO 2015 has been intensified through the receipt of the first important contracts, which in all likelihood will be followed by others in the coming months. 2013 was a difficult year but today we are better able to meet the current challenges and are in a stronger and more competitive position for when the economy recovers.”

Milan, 14 March 2014. The Board of Directors of Fiera Milano SpA, meeting under the Chairman, Michele Perini, approved the Annual Report for the financial year to 31 December 2013. The preliminary results will be presented to the Shareholders’ Meeting convened once at the Auditorium of the Exhibition centre in Rho on 29 April 2014 at 14:00 hours.

The Shareholders’ Meeting will be asked to approve the following:

1. The Financial Statements at 31 December 2013, the Board of Directors’ Management Report, and the Report of the Board of Statutory Auditors; resolutions pertaining thereto and resulting therefrom.



FIERA MILANO

2. The Report on Remuneration pursuant to Article 123-ter of Legislative Decree 58/98; resolutions pertaining thereto and resulting therefrom.
3. The appointment of the auditors for the legal audit for the financial years 2014-2022; resolutions pertaining thereto and resulting therefrom.
4. The authorisation for the purchase and disposal of treasury shares; resolutions pertaining thereto and resulting therefrom.

The Board of Directors has also approved the annual Report on Corporate Governance and Ownership Structure prepared in accordance with Article 123-bis of Legislative Decree 58/98.

■ **FIERA MILANO CONSOLIDATED FINANCIAL STATEMENTS**

The 2013 financial year witnessed the ongoing critical situation in the Italian economy. However, the effects of the economic crisis were not the same for all exhibitions: those in the fashion and furniture sectors managed stable results whilst those in household products, building and mechanical engineering products were heavily penalised. Overall results were negative and were aggravated by the impairment charge taken on some of the real estate publications of the Group and by the exhibition calendar, which was less favourable compared to that of 2012 due to the absence of two important multi-annual exhibitions.

The consolidated gross operating profit suffered a significant fall and the net operating result was negative, leading to a loss also at the net level.

Demand for exhibition space in Italy fell by approximately 10% (from 1,476,050 net square metres in 2012 to 1,333,680 net square metres in 2013); this decline in demand was mainly attributable to the annual exhibitions and, in particular, Macef and Bit. Exhibition space occupied grew by approximately 15% abroad (from 353,525 net square metres in 2012 to 405,000 net square metres in 2013) but profitability was negatively impacted by expenses linked to the launch of new events and for the necessary strengthening of the marketing departments, as well as by exogenous factors like exchange rate movements and some socio-political problems in some countries where the Group operates.

Given the critical situation caused by the macroeconomic environment and the reference sectors of some of the exhibitions, Fiera Milano has initiated some development projects the effects of which will only become evident in the medium term.

In the financial period under review, Fiera Milano invested in its main trademarks: this led to TUTTOFOOD having its best results ever in 2013 and by 2015 it should be the reference trade exhibition in the agrifood business in Italy and one of the leading exhibitions in this sector in Europe. As a result of the investments, HOST also had a record edition confirming its international position worldwide in the sector of equipment and services for hotels, catering and restaurants. Part of this same strategy was the demanding restructuring of Macef, now called HOMI, which resulted in its relaunch and internationalisation. Amongst the exhibitions organised by third-parties, there were strong performances from the Salone del Mobile, the exhibitions in the fashion sector and from Eicma Moto, as well as from the debut of The Innovation Cloud (innovative energy technologies) and Made in Steel (in the steel sector).



FIERA MILANO

As regards EXPO 2015, Fiera Milano has already signed the first important contracts for the design of the nine pavilions collectively called the Cluster; for the design of the Padiglione Zero and Expo Centre and for the engineering of the exhibition fittings of the four themed areas: the Padiglione Zero, the Future Food District, the Children's Park and the Biodiversity Park. It is likely to receive further contracts in the current financial year. In 2013, Fiera Milano received recognition as an Official partner for Operations and has positioned itself to be able to offer an integrated platform of services to countries taking part in the Expo, through partnership agreements signed with several international leaders in the organisation and management of large events: Pico InCreative UK Ltd, Nussli Italia Srl, Gielissen's Bedrijven B.V., A&A Company Co Ltd, Viva Group Srl. The aim of these partnerships is to make available a full range of quality services: structure design and realisation, facility management, personnel management, catering and marketing, communication and event management, technical management of pavilions, logistics and customs facilitation.

As regards its business outside Italy, which remains a strategic priority for Fiera Milano, the acquisition of Worldex was completed in 2013, which extended the presence of Fiera Milano in China to include the dynamic province of Guangdong. Through Hannover Milano Fairs Shanghai Ltd., the business division of the exhibition "South China International Industrial Automation Exhibition & Water Expo" was acquired from Guangdong Convention & Exhibition Promotion Ltd.; the exhibition covers the industrial automation, mechatronic and electrical equipment sectors. The acquisition price for the business division was Renminbi 17.6 million (Euro 2.1 million¹), of which 80% paid within ten working days of the contract being signed. The remaining 20% is due to be paid within ten working days of the end of the exhibition scheduled for June 2014.

The global brand, Food Hospitality World, was also strengthened by debuts of this exhibition in São Paulo in Brazil and Guangzhou in China; Rehabtech Asia (services and products for people with disabilities) was launched in Singapore, Art for Me Cape Town in South Africa and Art Istanbul in Turkey; the presence of the MICAM Shanghai was consolidated with two editions of the exhibition held during the year.

The joint venture agreement with Deutsche Messe AG (the owner of the Hannover exhibition site) was renegotiated with effect from 29 October 2013: given the experience gained, the new agreement between the two companies includes, among other things, a more efficient governance model and the decision to focus the business in the Asian region and, in particular, in China and India. The agreement expires on 31 December 2016 but is automatically renewed every three years unless cancelled by one of the parties.

● *ECONOMIC AND FINANCIAL PERFORMANCE IN THE FINANCIAL YEAR UNDER REVIEW*

The key Group income and statement of financial position figures are given in the tables below. When reading these figures it should be remembered that the exhibition business is seasonal due to the existence of biennial and multi-annual exhibitions. This makes a comparison between financial years more difficult.

¹ Figures in Euro have been calculated using the exchange rate of 24 December 2013 (EUR/RMB = 8.308).



FIERA MILANO

Fiera Milano Group Summary of key figures (Amounts in € '000)	Full Year at 31/12/13	Full Year at 31/12/12	Full Year at 31/12/11
Revenues from sales and services	258,142	263,408	278,000
Gross operating result	3,333	17,933	30,917
Net operating result (EBIT)	-15,966	2,105	15,518
Net Profit/(loss) (continuing operations)	-16,625	-1,453	4,699
Net profit/(loss) (a)	-16,625	-1,453	4,699
- Attributable to the shareholders of the controlling entity	-16,498	-1,541	4,477
- Attributable to non-controlling interests	-127	88	222
Cash flow for the Group and non-controlling interests (b)	2,674	14,375	20,098
Net capital employed (c)	128,298	139,543	122,886
covered by:			
Equity attributable to the Group	34,650	56,002	68,210
Equity attributable to non-controlling interests	2,812	3,868	2,456
Net financial debt/(cash)	90,836	79,673	52,220
Investments (continuing operations and discontinued operations)	16,222	16,965	33,234
Employees (no. of permanent employees at year end)	826	751	697

(a) The figures for the 2012 and 2011 financial years have been restated following the application of the amendment to IAS 19. Compared to the previously published figures, the impact of the accounting of actuarial losses in other comprehensive income net of related tax effects is a reduction of Euro 0.483 million in the net loss for 2012 and a reduction of Euro 0.450 million in the net profit for 2011.

(b) Cash flow is the sum of the result for the financial year, depreciation and amortisation and provisions.

(c) Net capital employed is the sum of non-current assets, non-current liabilities and net working capital.

> **Revenues from sales and services** were Euro 258.1 million, a year-on-year decrease of Euro 5.3 million, which was mainly attributable to the performance of the directly organised exhibitions, Macef and Bit, and to the different exhibition calendar in Brazil. This was partly offset by the contributions of the Turkish company, Interteks, and the South African company, Cape Gourmet, which were acquired in the second half of 2012; to Worldex in China, which was acquired in May 2013; and to the strong results of Hannover Milano Global Germany GmbH, a joint venture with Deutsche Messe AG.

> The **gross operating profit** was Euro 3.3 million compared to Euro 17.9 million in 2012. The decline reflected the trend in revenues, higher costs associated with marketing the exhibitions directly organised both in Italy and abroad, and the increases in the rent for the two exhibition sites of fieramilano and fieramilanocity and for the congress centre MiCo - Milano Congressi.

> The **net operating result** was negative for Euro 16.0 million compared to a profit of Euro 2.1 million in 2012. The fall, which was greater than that registered by the gross operating profit, was mainly due to Fiera Milano Media SpA which took an impairment charge of Euro 6.6 million on



FIERA MILANO

some its real estate publications following an impairment test.

> The **pre-tax result** showed a loss of Euro 19.6 million compared to a loss of Euro 1.1 million in 2012.

> The **net result** at 31 December 2013 was a loss of Euro 16.6 million after a positive tax item of Euro 3.0 million, compared to a loss of Euro 1.5 million after taxes of Euro 0.355 million in 2012. The fall in the tax charge was mainly due to pre-paid taxes which more than covered the IRAP charge and the tax charges on the profits of foreign subsidiaries.

A negative figure of Euro 16.5 million of the net result was attributable to the controlling shareholder and a negative figure of Euro 0.127 million to non-controlling interests.

● **PERFORMANCE BY OPERATING SEGMENT AND BY GEOGRAPHIC AREA**

The Fiera Milano Group activities are divided into five operating segments: Italian Exhibitions, Foreign Exhibitions, Stand-fitting Services, Media, and Congresses.

Revenues from sales and services, before eliminations for inter-segment transactions, were Euro 293.2 million of which 66% was generated by Italian Exhibitions, 10% by Foreign Exhibitions, 12% by Stand-fitting Services, 4% by Media, and 8% by Congresses.

◆ Revenues from **Italian Exhibitions** were Euro 194.6 million; the decrease of Euro 3.5 million compared to 2012 was mainly due to the performance of the directly organised exhibitions, Macef and Bit.

◆ Revenues from **Foreign Exhibitions** were Euro 28.6 million, an increase of Euro 4.6 million compared to 2012, mainly due to the additions to the Group exhibition portfolio that came with the acquisitions made in 2012 in South Africa and Turkey and, in 2013, in China. The revenues were also boosted by the excellent results of Hannover Milano Global Germany GmbH for the exhibitions organised in China. This increase was in part eroded by the performance of the Brazilian exhibitions, which suffered from a less favourable exhibition calendar.

◆ Revenues from **Stand-fitting Services** were Euro 33.6 million (+ 5%). The increase reflects the increase in stand-fitting services supplied to events outside the exhibition site and to services supplied as part of the collaboration with EXPO 2015.

◆ Revenues from **Media** were Euro 12.0 million, 7% lower than in the preceding financial year, due to a reduction in advertising in trade publications and in bill board advertising caused by the different exhibition calendar.

◆ Revenues from **Congresses** were Euro 24.5 million, a decrease of ca. 6% compared to 2012 that may be attributed primarily to the trend in international congresses and to lower demand for the supplementary services linked to these events.

The **gross operating profit** was Euro 3.3 million, down from Euro 17.9 million in 2012 and was attributable to **Italian Exhibitions** for a loss of Euro 5.1 million (a profit of Euro 7.6 million in 2012); to **Foreign Exhibitions** for a profit of Euro 4.0 million (Euro 5.0 million in 2012); to



FIERA MILANO

Stand-fitting Services for Euro 1.6 million, compared to Euro 2.5 million in 2012, due to an increase in customised stand-fitting; to **Media** for Euro 0.277 million, compared to Euro 0.054 million in 2012, because of a decline in operating expenses; and to **Congresses** for Euro 2.5 million, a fall compared to the Euro 3 million generated in 2012 that reflected the trend in revenues in this segment and the rental increase for MiCo – Milano Congressi.

The **net operating result** was a loss of Euro 16.0 million (a profit of Euro 2.1 million in 2012) and the breakdown by operating segment was as follows: **Italian Exhibitions** had a negative operating result of Euro 11.8 million (negative for Euro 1.0 million in the preceding financial year); **Foreign Exhibitions** generated Euro 2.8 million of net operating profit compared to Euro 2.6 million in 2012 – the improvement was mainly due to lower risk provisions in Cipa; **Stand-fitting Services** had a net operating loss of Euro 0.215 million, a Euro 0.111 million improvement on the preceding financial year that reflected the trend in the gross operating profit in this segment and lower risk provisions and depreciation; **Media** had a net operating loss of Euro 7.3 million compared to a loss of Euro 0.739 million in 2012 that mainly reflected the impairment charge taken by the subsidiary Fiera Milano Media SpA for some of its real estate publications; **Congresses** had net operating profit of Euro 0.566 million, compared to Euro 1.7 million in 2012, which reflected the trend in the gross operating profit and provisions for doubtful receivables.

● **CONSOLIDATED NET FINANCIAL POSITION**

At 31 December 2013, the Group had net debt of Euro 90.8 million compared to Euro 79.7 million at 31 December 2012. The increase in debt reflected cash outflows for investments, mainly for the acquisition of Worldex and the payment of earn-outs for the acquisitions of Cipa FM and Fiera Milano Exhibitions Africa.

● **SIGNIFICANT POST BALANCE SHEET EVENTS**

Fiera Milano S.p.A. and its majority shareholder, Ente Autonomo Fiera Internazionale di Milano (“Fondazione Fiera Milano”), the owner of the exhibitions sites of Rho and Milan, have reached an agreement for the leases on the exhibition sites of Rho and Milan; the new lease agreements are effective from 1 July 2014 following early agreed termination of the current lease agreements (due to expire on 31 December 2014).

Compared to the current lease agreement, under the new lease agreement for the Rho exhibition site there will be a reduction in the rent of Euro 2 million in the second semester of 2014 and of Euro 14 million per annum in 2015 and subsequent years. Therefore, the rent is Euro 24.4 million for the second semester of 2014 and Euro 38.8 million in 2015 and in subsequent years, annually adjusted for 100% of the change in the ISTAT consumer price index. Because of EXPO 2015, which is expected to have a positive impact on the exhibition business of Fiera Milano, for 2015 alone Fondazione Fiera Milano will be paid an additional rent of 15% of any revenues generated in 2015 by Fiera Milano S.p.A. that exceed the average annual revenues of the three-year period 2012-2014. The additional rent that Fiera Milano will pay will not exceed Euro 10 million.



FIERA MILANO

As regards the Milan exhibition site, the parties agreed to maintain the current rent of Euro 2.850 million per annum, annually adjusted for 100% of the change in the ISTAT consumer price index.

The new lease agreements both have a duration of nine years effective from 1 July 2014 (following early agreed termination of the current lease agreements, which were due to expire on 31 December 2014) and are automatically renewable for a further nine years.

The rental agreements constitute a related-party transaction as Fondazione Fiera Milano has a controlling shareholding of 62.062% in the share capital of Fiera Milano.

The transaction is also a transaction of greater importance under Article 5 of Consob Regulation no. 17221 of 2010 on related-party transactions and of Article 10.2 of the Procedure regarding transactions with related parties adopted by Fiera Milano as it exceeds the value limits contained therein. As Fiera Milano qualifies as a “small and mid cap company”, as defined in Article 3, first paragraph, letter (f) of the Consob Regulation, the Company could have availed itself of the exemption permitted under Article 10, paragraph 1 of the same Regulation and applied to a transaction of greater importance (such as the one described above) the procedures for transactions of lesser importance. However, because of the highly sensitive nature of the transaction and its importance to the corporate activities of the Company, the Board of Directors of Fiera Milano, on the suggestion of the Control and Risk Committee, chose to employ for this transaction the more rigorous procedures required for transactions of greater importance.

The rental agreements were drawn up also taking account of a valuation done by an independent expert acting for Fiera Milano S.p.A. (Jones Lang LaSalle S.p.A.) and one acting for Fondazione Fiera Milano (the firm of Prof. L. Guatri).

The lease agreements are scheduled to be signed during March 2014.

● BUSINESS OUTLOOK

The first few months of the current financial year have shown no significant or reliable signs of a recovery in the exhibition sector. This, and the unfavourable exhibition calendar in 2014 due to the absence of important biennial and triennial exhibitions, leads the Company to maintain a cautious outlook even for the coming months.

The ongoing weakness in internal demand should in part be compensated by the stronger growth of the newly acquired companies abroad. EXPO 2015 should also provide a positive impact and further important contracts should be signed in the course of the current financial year, including those for the supply of services to Countries participating in EXPO 2015.

The reduction in the rent for the Rho exhibition site will free up resources that can be used for support activities and the relaunch of exhibitions – these should provide positive returns in the medium-term.



FIERA MILANO

■ **FINANCIAL STATEMENTS OF THE PARENT COMPANY FIERA MILANO SPA**

● ***ECONOMIC AND FINANCIAL PERFORMANCE IN THE FINANCIAL YEAR UNDER REVIEW***

- > **Revenues from sales and services** were Euro 194.5 million, a decrease of Euro 3.6 million compared to the figure in 2012; this was mainly due to the results of the directly organised exhibitions, Macef e Bit.
- > The **gross operating result** was negative for Euro 5.0 million compared to a gross operating profit of Euro 7.5 million in 2012. The decline in the gross operating result was due to the lower amount of exhibition space occupied, higher costs associated with the marketing of directly organised exhibitions, and to the rent payable for the exhibition sites.
- > The **net operating result** was negative for Euro 11.7 million compared to a negative result of Euro 1.1 million in the preceding financial year; the decrease was mainly due to the trend in the gross operating result. It should be noted that there was an impairment charge was taken for the trademark Transpotec & Logitec in 2012.
- > The **net result** was negative for Euro 12.7 million after a positive tax item of Euro 2.6 million compared to a 2012 result that was negative for Euro 1.4 million a positive tax item of Euro 1.3 million.
- > **Net debt** at 31 December 2013 was Euro 101.3 million compared to Euro 93.3 million at 31 December 2012. The increase in net debt mainly reflects the investments made in the financial year and primarily the acquisition of Worldex, the capital transaction of the Brazilian subsidiary Eurofairs, and the payment of the earn-out for the acquisition of Fiera Milano Exhibitions Africa.

■ **MANDATE FOR THE LEGAL AUDIT OF THE FINANCIAL STATEMENTS**

The Shareholders' Meeting will be asked to approve the proposal of the Board of Statutory Auditors that the mandate for the legal audit of the financial statements for the years 2014-2022 be given to the audit firm Reconta Ernst & Young SpA.

■ **PURCHASE AND DISPOSAL OF TREASURY SHARES**

The Board of Directors has resolved to request the Shareholders' Meeting for authority to purchase treasury shares for a period of eighteen months from the date of approval by the Shareholders' Meeting. The proposal is that the maximum number of shares acquired may not exceed a total nominal value, including the shares currently held by the Company and its subsidiaries, of 20% of the total share capital. The prices at which the shares may be acquired must be no higher or lower than 10% of the reference price recorded by Fiera Milano shares on the Italian stock exchange in the trading session preceding each individual transaction. The shares may be sold, even before the



purchase mandate has been exhausted, in one or more *tranches* and the selling price must be no lower than the lowest purchase price.

The authority is requested because it is the opinion of the Board of Directors that the purchase of treasury shares could represent an attractive investment opportunity and/or may be instrumental in improving the financial structure of the Company; it may also facilitate future agreements involving the exchange of shareholdings and may also constitute a means of reducing the share capital. The authority is also requested in order to carry out operations, in accordance with enacted law and regulations, to stabilise share price movements linked to anomalies in the market by improving the liquidity of the shares. The authority is also requested in order to make treasury shares available for any share incentive programme permissible in law or for any future issue of bonds convertible into equity of the Company.

Under the authority given it on 27 April 2012, which expired on 26 October 2013, the Company bought 309,360 treasury shares and sold 600,000 treasury shares to institutional investors. At today's date, Fiera Milano SpA holds 626,758 treasury shares, equal to 1.49% of the share capital.

The Manager appointed to prepare the Company accounts, Flaminio Oggioni, in accordance with paragraph 2 article 154-*bis* of the Consolidated Finance Law herewith declares that the accounting information contained in the present release is consistent with the official documents, books and accounting records.

This press release and, in particular, the paragraph "Business Outlook" contains forward-looking statements. These statements are based on the current expectations and assumptions of the Group regarding future events and by their very nature are subject to certain risks and uncertainties. The actual results could differ materially from those contained in these statements for a variety of factors that include changes in general economic and business conditions, continued volatility and a further deterioration in the capital and financial markets and many other factors, the majority of which are outside the control of the Group.



FIERA MILANO

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Attachments (unaudited):

Consolidated Statement of Financial Position

Consolidated Statement of Comprehensive Income

Consolidated Statement of Cash Flows

Fiera Milano SpA Statement of Financial Position

Fiera Milano SpA Statement of Comprehensive Income

Fiera Milano SpA Statement of Cash Flows



FIERA MILANO

	(€'000)	
Consolidated Statement of Financial Position	31/12/13	31/12/12
ASSETS		
Non-current assets		
Property, plant and equipment	18,618	24,258
Leased property, plant & equipment	10	-
Investments in non-core property	-	-
Goodwill and intangible assets with an indefinite useful life	120,289	113,829
Intangible assets with a finite useful life	49,941	60,015
Investments	40	43
Other financial assets	-	-
Trade and other receivables	14,228	14,364
<i>of which from related parties</i>	<i>12,784</i>	<i>12,784</i>
Deferred tax assets	2,055	192
Total	205,181	212,701
Current assets		
Trade and other receivables	54,763	52,017
<i>of which from related parties</i>	<i>2,695</i>	<i>2,240</i>
Inventories	4,163	4,143
Contracts in progress	-	-
Current financial assets	324	-
Cash and cash equivalents	19,754	19,400
Total	79,004	75,560
Assets held for sale		
<u>Assets held for sale</u>	-	50
Total assets	284,185	288,311
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	41,521	41,593
Share premium reserve	13,573	13,797
Revaluation reserve	-	-
Other reserves	1,475	5,905
* Retained profit/(losses)	-5,421	-3,752
* Profit/(loss) for the year	-16,498	-1,541
Total Group equity	34,650	56,002
Equity attributable to non-controlling interests	2,812	3,868
Total equity	37,462	59,870
Non-current liabilities		
Bonds in issue	-	-
Bank borrowings	34,506	27,226
Other financial liabilities	385	545
Provision for risks and charges	2,583	2,023
Employee benefit provisions	9,202	8,707
Deferred tax liabilities	7,949	12,581
Other non-current liabilities	4,301	3,163
<i>of which to related parties</i>	<i>2,773</i>	<i>1,513</i>
Total	58,926	54,245
Current liabilities		
Bonds in issue	-	-
Bank borrowings	55,451	70,982
Trade payables	45,863	41,493
Pre-payments	38,377	33,343
Other financial liabilities	20,572	320
<i>of which to related parties</i>	<i>20,410</i>	<i>161</i>
Current provision for risks and charges	2,044	3,546
Current tax liabilities	3,228	4,296
Other current liabilities	22,262	20,216
<i>of which to related parties</i>	<i>3,002</i>	<i>1,457</i>
Total	187,797	174,196
Liabilities held for sale		
<u>Liabilities held for sale</u>	-	-
Total liabilities	284,185	288,311
* The figures for the 2012 financial year have been restated following the application of the amendment to IAS 19. Compared to the previously published figures, the impact of the accounting of actuarial losses in other comprehensive income net of related tax effects is a reduction of Euro 0.483 million in the loss for the year and a change in the retained profit/(losses).		



FIERA MILANO

	(€'000)	
Consolidated Statement of Comprehensive Income	2013	2012
Revenues from sales and services	258,142	263,408
Total revenues	258,142	263,408
Cost of materials	3,680	2,352
Cost of services	135,306	129,204
<i>of which with related parties</i>	<i>2,493</i>	<i>2,092</i>
Cost of use of third-party assets	64,439	61,837
<i>of which with related parties</i>	<i>57,791</i>	<i>55,815</i>
Personnel expenses	48,862	49,121
Other operating expenses	7,712	6,986
Total operating expenses	259,999	249,500
Other income	5,190	4,025
Gross operating result	3,333	17,933
Depreciation of property, plant & equipment	7,509	8,373
Depreciation of property investments	-	-
Amortisation of intangible assets	6,689	5,841
Adjustments to asset values	6,591	2,541
Allowance for doubtful accounts and other provisions	-1,490	-927
Net operating result (EBIT)	-15,966	2,105
Financial income and similar	1,375	1,096
* Financial expenses and similar	5,043	4,299
Valuation of financial assets	-	-
Profit/(loss) of equity accounted companies	-	-
Profit/(loss) before tax	-19,634	-1,098
* Income tax	-3,009	355
Profit/(loss) from continuing operations	-16,625	-1,453
Profit/(loss) from assets held for sale	-	-
Profit/(loss) for the year	-16,625	-1,453
Profit/(loss) attributable to:		
the shareholders of the controlling entity	-16,498	-1,541
non-controlling interests	-127	88
Other comprehensive income that will not be reclassified subsequently to profit or loss		
* Revaluation of defined benefit schemes	-110	-666
* Tax effects	18	-183
Other comprehensive income that will be reclassified subsequently to profit or loss		
Currency translation differences of foreign subsidiaries	-3,441	-1,776
Other comprehensive income net of related tax effects	-3,569	-2,259
Total comprehensive income/loss for the year	-20,194	-3,712
Total comprehensive income/loss for the year attributable to:		
the shareholders of the controlling entity	-19,404	-3,432
non-controlling interests	-790	-280
Earnings/(losses) per share (€)		
Basic	-0.3973	-0.0374
Diluted	-0.3973	-0.0374

* The figures for the 2012 financial year have been restated following the application of the amendment to IAS 19. Compared to the previously published figures, the impact of the accounting of actuarial losses in other comprehensive income net of related tax effects is a reduction of Euro 0.483 million in the loss for the year.



FIERA MILANO

	(€'000)	
Consolidated Statement of Cash Flows	2013	2012
Net cash at beginning of the year	19,400	19,865
Cash flow from operating activities		
Net cash from operating activities	8,207	4,023
<i>of which from related parties</i>	-57,851	-54,573
Interest paid	-3,145	-2,589
Interest received	67	124
Income taxes paid	-396	-5,273
Total	4,733	-3,715
Cash flow from investing activities		
Investments in tangible assets	-1,912	-2,018
Write-downs of tangible assets	18	48
Investments in intangible assets	-229	-964
Write-downs of intangible assets	4	722
Investments in subsidiaries	-9,015	-7,336
Investments in joint ventures	-	-1,255
Other investments	3	-
Total	-11,131	-10,803
Cash flow from financing activities		
Group share capital and reserves	-296	-530
Non-controlling interests share capital and reserves	-2	-13
Non-current financial assets/liabilities	6,097	12,421
Current financial assets/liabilities	4,829	12,788
<i>of which from related parties</i>	20,249	3,417
Dividends paid	-264	-8,246
Total	10,364	16,420
Cash flow for the period	3,966	1,902
Currency translation differences	-3,612	-2,367
Net cash of discontinued operations	-	-
Net cash at the end of the year	19,754	19,400



FIERA MILANO

	(Euro)	
Fiera Milano SpA Statement of Financial Position	31/12/13	31/12/12
ASSETS		
Non-current assets		
Property, plant and equipment	6,894,360	10,062,644
Leased property, plant and equipment	-	-
Investments in non-core property	-	-
Goodwill and intangible assets with an indefinite useful life	70,144,099	70,144,099
Intangible assets with a finite useful life	21,306,730	19,409,153
Investments	94,887,199	86,569,021
Other financial assets	-	-
Trade and other receivables	13,857,107	13,843,536
<i>of which from related parties</i>	<i>12,783,813</i>	<i>12,783,813</i>
Deferred tax assets	2,172,434	-
Total	209,261,929	200,028,453
Current assets		
Trade and other receivables	40,818,268	37,864,247
<i>of which from related parties</i>	<i>6,696,740</i>	<i>6,106,622</i>
Inventories	2,754,441	3,276,824
Contracts in progress	-	-
Current financial assets	2,144,518	1,210,096
<i>of which from related parties</i>	<i>2,144,518</i>	<i>1,210,096</i>
Cash and cash equivalents	5,920,621	3,214,001
Total	51,637,848	45,565,168
Assets held for sale	-	-
Assets held for sale	-	-
Total	-	-
Total assets	260,899,777	245,593,621
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	41,520,679	41,592,662
Share premium reserve	14,446,759	14,671,212
Revaluation reserve	-	-
Other reserves	9,285,020	9,303,151
* Retained profit/(losses)	-12,053	1,372,408
* Profit/(loss) for the year	-12,663,683	-1,390,539
Total	52,576,722	65,548,894
Non-current liabilities		
Bonds in issue	-	-
Bank borrowings	34,052,066	26,326,458
Other financial liabilities	384,920	544,850
Provision for risks and charges	2,286,339	1,716,514
Employee benefit provisions	5,835,716	5,766,479
Deferred tax liabilities	-	718,346
Other non-current liabilities	924,556	333,639
Total	43,483,597	35,406,286
Current liabilities		
Bonds in issue	-	-
Bank borrowings	54,334,020	70,544,743
Trade-payables	26,064,601	24,334,268
Pre-payments	31,371,666	27,534,059
Other financial liabilities	20,572,354	319,708
<i>of which to related parties</i>	<i>20,409,675</i>	<i>160,966</i>
Current provision for risks and charges	1,734,917	3,494,066
Current tax liabilities	1,180,260	1,267,196
Other current liabilities	29,581,640	17,144,401
<i>of which to related parties</i>	<i>12,905,122</i>	<i>3,872,562</i>
Total	164,839,458	144,638,441
Liabilities held for sale	-	-
Liabilities held for sale	-	-
Total	-	-
Total liabilities	260,899,777	245,593,621

* The figures for the 2012 financial year have been restated following the application of the amendment to IAS 19. Compared to the previously published figures, the impact of the accounting of actuarial losses in other comprehensive income net of related tax effects is a reduction of Euro 431,380 in the loss for the year and a change in the retained profit/(losses).



FIERA MILANO

	(Euro)	
Fiera Milano SpA Statement of Comprehensive Income	2013	2012
Revenues from sales and services	194,522,546	198,099,574
<i>of which with related parties</i>	4,757,820	5,512,307
Total revenues	194,522,546	198,099,574
Cost of materials	1,005,390	986,694
Cost of services	107,032,076	98,820,207
<i>of which with related parties</i>	29,853,280	22,974,919
Cost of use of third-party assets	58,809,232	56,820,557
<i>of which with related parties</i>	55,755,710	54,345,702
Personnel expenses	34,180,257	34,199,788
Other operating expenses	5,811,622	4,916,740
<i>of which with related parties</i>	1,373,392	978,334
Total operating expenses	206,838,577	195,743,986
Other income	7,327,206	5,174,813
<i>of which with related parties</i>	4,794,088	3,216,616
Gross operating result	-4,988,825	7,530,401
Depreciation of property, plant and equipment	3,889,683	3,955,401
Depreciation of property investments	-	-
Amortisation of intangible assets	4,329,410	3,737,757
Adjustments to asset values	-	2,454,781
Allowance for doubtful accounts and other provisions	-1,531,690	-1,478,077
Net operating profit (EBIT)	-11,676,228	-1,139,461
Financial income and similar	2,837,061	1,857,255
<i>of which with related parties</i>	2,448,013	1,735,173
* Financial expenses and similar	4,235,303	3,287,813
Valuation of financial assets	-2,201,000	-108,000
Profit/(loss) of equity accounted companies	-	-
Profit/(loss) before tax	-15,275,470	-2,678,019
* Income tax	-2,611,787	-1,287,480
Profit/(loss) from continuing operations	-12,663,683	-1,390,539
Profit/(loss) from assets held for sale	-	-
Profit/(loss) for the year	-12,663,683	-1,390,539
Other comprehensive income that will not be reclassified subsequently to profit or loss		
* Revaluation of defined benefit schemes	-16,625	-595,007
* Tax effects	-4,572	-163,627
Other comprehensive income net of related tax effects	-12,053	-431,380
Total comprehensive income/loss for the year	-12,675,736	-1,821,919

* The figures for the 2012 financial year have been restated following the application of the amendment to IAS 19. Compared to the previously published figures, the impact of the accounting of actuarial losses in other comprehensive income net of related tax effects is a reduction of Euro 431,380 in the loss for the year.



FIERA MILANO

(Euro)

Fiera Milano SpA Statement of Cash Flows	2013	2012
Net cash at beginning of year	3,214,001	3,601,359
Cash flow from operating activities		
Net cash from operating activities	1,220,739	-12,799,839
<i>of which with related parties</i>	-68,407,697	-67,256,221
Interest paid	-3,993,096	-2,716,554
Interest received	403,353	459,398
Income taxes paid	-218,320	-2,776,003
Total	-2,587,323	-17,832,998
Cash flow from investing activities		
Investments in tangible assets	-732,636	-571,496
Write-downs of tangible assets	148	4,584
Investments in intangible assets	-4,226,987	-3,232,340
Write-downs of intangible assets	-	-
Investments in subsidiaries	-468,847	-
Investments in joint ventures	-	-520,000
Subsidiary company share capital transactions	-8,677,058	-8,562,993
Joint venture share capital transactions	-100,000	-195,000
Dividends received	2,067,298	1,332,809
Total	-12,138,082	-11,744,436
Cash flow from financing activities		
Share capital and reserves	-296,436	1,041,731
Non-current financial assets/liabilities	7,565,678	12,871,308
Current financial assets/liabilities	10,162,783	23,449,384
<i>of which with related parties</i>	19,314,287	5,336,432
Dividends paid	-	-8,246,008
Total	17,432,025	29,116,415
Cash flow for the period	2,706,620	-461,019
Cash injection from the merger	-	73,661
Net cash from assets held for sale	-	-
Net cash at the end of year	5,920,621	3,214,001