



FIERA MILANO

FIERA MILANO: THE BOARD OF DIRECTORS APPROVES THE 2017 RESULTS

Strong growth in all financial figures and a return to net profit

- Revenues of Euro 271.3 million, an increase of 23% compared to the figure of Euro 221.0 million in 2016
- EBITDA¹ of Euro 15.1 million compared to a loss of Euro 1.8 million in 2016
- EBIT of Euro 5.4 million compared to negative EBIT of Euro 23.0 million in 2016
- Net profit of Euro 1.7 million, a strong increase compared to the net loss of Euro 22.9 million in 2016
- Net debt of Euro 0.8 million, a significant improvement on the net debt figure of Euro 38.3 million at 31 December 2016

Despite expectations of a less favourable exhibition calendar, 2018 EBITDA is forecast to increase and be in the range of Euro 15 million to Euro 17 million

Milan, 12 March 2018. The **Board of Directors of Fiera Milano SpA**, meeting under its Chairperson, Mr Lorenzo Caprio, approved the Preliminary Financial Statements for 2017, to be put to the Shareholders' Meeting for its approval, and the Consolidated Financial Statements for the financial year ended 31 December 2017.

The Chief Executive Officer and General Manager of Fiera Milano, Mr Fabrizio Curci, commented: "To our great satisfaction, we generated solid results in 2017 that demonstrated strong growth and a return to net profit. The 2017 exhibition calendar included some important proprietary biennial exhibitions and a business performance that was undoubtedly positive, also due to a general recovery in the economy. In 2017, the focus was on the adoption of new procedures at Group level, on a revised system for managing suppliers, and on reinforcement of the control structures. Certain cost efficiencies were implemented in the fourth quarter of 2017 and the effect of these were already visible in 2017. We have already implemented further rationalisation measures and this will continue in 2018. The characteristics of excellence of Fiera Milano, the improvement in the economic scenario and the available financial resources provide an optimal base on which to build the future of the Company."

¹ Starting with the Financial Statements at 31 December 2017, EBITDA will indicate operating profit. The consolidated figures at 31 December 2016, which showed the gross operating profit, have been restated to reflect this reclassification.



FIERA MILANO CONSOLIDATED FINANCIAL STATEMENTS

• ECONOMIC AND FINANCIAL PERFORMANCE IN THE YEAR UNDER REVIEW

With a background of an improving economy, Fiera Milano ended the 2017 financial year with a strong increase in its results and a return to net profit.

Fiera Milano had **revenues from sales and services** of Euro 271.3 million, an increase of 23% compared to the figure of Euro 221.0 million in 2016. This was primarily due to the proprietary biennial exhibitions, Host and Tuttofood, and the good performance of the congress segment, in particular, the success of the international congress ERS and the services linked to this event. This positive impact was partly offset by lower volumes of stand-fitting business that in 2016 included specific contracts that were unrelated to the exhibition business and one-off contracts linked to Expo 2015.

EBITDA was Euro 15.1 million, a significant improvement on the negative figure of Euro 1.8 million in 2016; this reflected the positive trend in revenues but was in part offset by the extraordinary costs to restructure the corporate processes (Euro 3.6 million), costs linked to launch new proprietary exhibitions and those for repositioning Bit.

EBIT was Euro 5.4 million compared to a negative figure of Euro 23.0 million in 2016. The improvement reflected the trend in EBITDA, as well as lower depreciation and amortisation and impairment losses – these were Euro 2.9 million in 2017 (Euro 12.8 million in 2016) and were mainly Euro 1.2 million for the Business International trademark of Fiera Milano Media and Euro 1.5 million for other trademarks of the Parent Company.

The **net result** was Euro 1.7 million, a strong improvement on the net loss of Euro 22.9 million in the previous financial year.

• PERFORMANCE BY OPERATING SEGMENT

In the 2017 financial year, 52 exhibitions were held in the **fieramilano** and **fieramilanocity** exhibition sites with two further exhibitions held elsewhere and there were 36 congresses with related exhibition space. These occupied **1,517,205 square metres of net exhibition space**, compared to 1,285,600 in 2016, while the number of exhibitors rose from 23,800 in 2016 to 27,785 in 2017. Exhibitions organised directly by the Group in Italy accounted for 32% of the total space (14% in the previous financial year).

Twenty-nine exhibitions covering 371,760 square metres of net exhibition space were organised abroad (357,460 square metres in 2016) with 8,600 exhibitors (7,150 in 2016).

Revenues from sales and services, before elimination of inter-segment transactions, totalled Euro 315.3 million compared to Euro 260.3 million in 2016. A breakdown by segment shows that 70% of revenues were generated by Italian Exhibitions, 2% by Foreign Exhibitions, 10% by Stand-fitting Services, 3% by Media and 15% by Congresses.

- **Italian Exhibitions** had revenues of Euro 220.0 million (+27% compared to 2016). EBITDA was Euro 13.3 million (a negative figure of Euro 7.9 million in 2016) and EBIT was Euro 8.8 million (a negative figure of Euro 15.2 million in 2016).
- **Foreign Exhibitions** generated revenues of Euro 5.1 million compared to Euro 6.8 million in 2016 reflecting the absence of some biennial exhibitions in Brazil.



FIERA MILANO

EBITDA was Euro 0.1 million (Euro 1.6 million in 2016) and benefited from improved results from the joint venture activities in China; there was a negative EBIT of Euro 0.4 million (a negative figure of Euro 4.5 million in 2016).

- **Stand-fitting Services** had revenues of Euro 33.0 million (Euro 38.3 million in 2016). EBITDA was negative for Euro 1.8 million (a positive figure of Euro 2.4 million in 2016). This reflected the aforementioned trend in the revenues of this segment and extraordinary costs. EBIT was negative for Euro 3.5 million (a positive figure of Euro 0.5 million in 2016).
- **Media** had revenues of Euro 10.8 million (Euro 11.1 million in 2016). EBITDA was Euro 0.4 million (Euro 0.6 million in 2016) and EBIT was negative for Euro 1.2 million (a negative figure of Euro 4.1 million in 2016).
- **Congresses** had revenues of Euro 46.3 million, a year-on-year increase of 51% that was, in part, due to the aforementioned ERS congress and the ancillary services linked to this event. EBITDA was Euro 3.0 million (Euro 2.1 million in 2016) and EBIT was Euro 1.7 million (Euro 1.1 million in 2016).

• **CONSOLIDATED NET FINANCIAL POSITION**

Net financial debt at 31 December 2017 was Euro 0.8 million, a material improvement on the figure of Euro 38.3 million at 31 December 2016. This was due to the positive cash flow generated from operations and to the trend in net working capital with higher payments and advance payments for exhibitions.

■ **THE PARENT COMPANY FIERA MILANO SPA**

The Parent Company Fiera Milano SpA had revenues of Euro 219.5 million (+27% year-on-year) and a loss of Euro 0.9 million, an improvement on the loss of Euro 25.2 million the previous financial year.

• **BUSINESS OUTLOOK**

This positive performance has been confirmed by the exhibitions held in Italy in the first part of the current financial year with positive signals in terms of both exhibitors and visitors.

Despite a less favourable exhibition calendar in Italy, the Group expects EBITDA in the range of Euro 15-17 million, an improvement on the previous financial year driven also by cost rationalization. The estimate for square metres of exhibition space occupied by directly organised exhibitions is 13% (compared to 32% in 2017) of a total of approximately 1.4 million square metres (1.5 million square metres in 2017).

The economic and financial performance in 2018 will be affected by the typical seasonality that characterises the exhibition business with a concentration of exhibitions in the first and second quarters of the year when exhibition space occupied is expected to be 500,000 and 440,000 net square metres respectively. The third quarter will suffer the usual dearth in activity in the summer months with a recovery in September and net square metres of exhibition space occupied in this quarter should total 200,000 square metres.



■ **SHAREHOLDERS' MEETING**

The Preliminary Financial Statements at 31 December 2017 will be presented to the Ordinary Shareholders' Meeting to be held on 23 April 2018. The Consolidated Financial Statements at 31 December 2017 will also be presented, as well as the Consolidated disclosure on non-financial Information, under Legislative Decree no. 254/2016, which was approved today.

The Shareholders' Meeting will also be asked to approve: i) the appointment of the Board of Statutory Auditors and its Chairperson for the financial years 2018-2020 and to decide their remuneration, ii) the Report on Remuneration, under Article 123-ter of Legislative Decree 58/98, iii) the incentive Plan under Article 114-bis of Legislative Decree 58/98, and iv) the authority to purchase and dispose of treasury shares under Articles 2357 and 2357-ter of the Italian Civil Code following prior cancellation of the existing authority given at the Shareholders' Meeting of 21 April 2017.

● **INCENTIVE SCHEME**

The Board of Directors, consistent with the remuneration policy adopted, decided to submit for the approval of the Shareholders' Meeting, in accordance with Article 114-bis of the Consolidated Finance Act, a medium/long-term incentive scheme called the "Performance Shares Plan 2018-2019" comprising both cash and performance shares. Given the management and corporate governance changes in Fiera Milano, the Performance Shares Plan 2018-2019 replaces the previous "2017-2023 Stock Option Plan. The new Plan aims, inter alia, to link the remuneration of the beneficiaries of the Plan to the effective growth and value creation of the Company whilst developing a retention policy for employees. The Plan is for executive directors, executives with strategic responsibilities and employees of the Company and Group in important positions and that make a significant contribution to the attainment of the corporate objectives, always with a view to value creation. The maximum number of shares underlying the Plan will be 1,000,000 (one million).

● **PURCHASE AND DISPOSAL OF TREASURY SHARES**

The Board of Directors has decided to propose to the Shareholders' Meeting that it grants the Board of Directors the authority to purchase treasury shares, following prior cancellation of the existing authority, for a period of 18 months from the date of approval of the Shareholders' Meeting. Under the proposal, the maximum number of shares that may be purchased must not exceed, including those shares already held by the Company and its subsidiaries, 20% of the shares that make up the share capital. The shares may be purchased at a share price that is 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 and the selling price must be no lower than that of the lowest purchase price. This price limit will not be applicable if the shares are disposed of as part of a stock incentive scheme.

The Board of Directors is requesting this authority as it is of the opinion 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 as it may facilitate future agreements involving an exchange of shareholdings. The authority is requested in order to carry out transactions, in accordance with enacted law and regulations, to stabilise share price



FIERA MILANO

movements linked to anomalies in the market and improve the liquidity of the shares. The authority is also requested so that treasury shares are available for use in stock option incentive schemes, in accordance with the provisions of law, or as part of any bond issue convertible into shares of the Company.

At today's date, Fiera Milano holds directly and indirectly no. 939,018 shares, equal to 1.31% of the total share capital.

The Manager responsible for preparing the Company's financial statements, Mr Sebastiano Carbone, 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 Company's official documents, books and accounting records.

CONFERENCE CALL

There will be a conference call at 17:00 hours (CET) today, Monday 12 March, during which the management of Fiera Milano will present the Parent Company and consolidated financial results for 2017. To take part in the conference call, please call:

+39 02 805 88 11 (Italy)

+44 1 212818003 (UK)

+ 1 718 7058794 (USA)

The presentation may be downloaded before the start of the conference call from the section *Investor Relations/Presentations* on the Fiera Milano website www.fieramilano.it

This press release 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.

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Attachments (not subject to legal audit):
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	31/12/17	31/12/16
ASSETS		
Non-current assets		
Property, plant and equipment	13,765	14,509
Leased property, plant & equipment	-	2
Investments in non-core property	-	-
Goodwill	94,216	94,216
Intangible assets with a finite useful life	12,493	17,777
Equity accounted investments	18,339	18,198
Other investments	61	29
Other financial assets	-	-
Trade and other receivables	11,687	12,473
<i>of which from related parties</i>	<i>11,598</i>	<i>11,862</i>
Deferred tax assets	976	3,678
Total	151,537	160,882
Current assets		
Trade and other receivables	46,277	52,227
<i>of which from related parties</i>	<i>7,172</i>	<i>8,372</i>
Inventories	3,485	5,480
Contracts in progress	-	-
Current financial assets	2,809	2,622
<i>of which from related parties</i>	<i>2,809</i>	<i>2,622</i>
Cash and cash equivalents	17,922	20,904
Total	70,493	81,233
Assets held for sale		
Assets held for sale	-	3,436
Total assets	222,030	245,551
EQUITY AND LIABILITIES		
Equity		
Share capital	41,645	41,645
Share premium reserve	10,299	35,668
Revaluation reserve	-	-
Other reserves	3,059	1,714
Retained earnings	5,831	4,773
Profit/(loss) for the year	1,637	(22,794)
Total Group equity	62,471	61,006
Equity attributable to non-controlling interests	564	673
Total equity	63,035	61,679
Non-current liabilities		
Bonds in issue	-	-
Bank borrowings	3,503	14,108
Other financial liabilities	42	42
Provision for risks and charges	834	3,584
Employee benefit provisions	9,379	9,302
Deferred tax liabilities	3,225	3,523
Other non-current liabilities	-	-
Total	16,983	30,559
Current liabilities		
Bonds in issue	-	-
Bank borrowings	17,252	45,542
Trade payables	48,437	41,114
Pre-payments	43,057	40,239
Other current financial liabilities	729	3,364
<i>of which to related parties</i>	<i>37</i>	<i>2,503</i>
Current provision for risks and charges	7,193	4,763
Current tax liabilities	2,010	1,605
Other current liabilities	23,334	16,513
<i>of which to related parties</i>	<i>1,496</i>	<i>3,552</i>
Total	142,012	153,140
Liabilities held for sale		
Liabilities held for sale	-	173
Total liabilities	222,030	245,551

	(€ '000)	
Consolidated Statement of Comprehensive Income	2017	2016 restated *
Revenues from sales and services	271,327	221,041
Total revenues	271,327	221,041
Cost of materials	3,228	2,281
Cost of services	148,279	121,423
<i>of which with related parties</i>	<i>1,905</i>	<i>1,350</i>
Cost of use of third-party assets	49,868	49,837
<i>of which with related parties</i>	<i>45,576</i>	<i>45,891</i>
Personnel expenses	48,860	44,101
Other operating expenses	5,398	4,222
Total operating expenses	255,633	221,864
Other income	2,604	3,216
<i>of which with related parties</i>	<i>807</i>	<i>1,380</i>
Results of equity accounted associates and joint ventures	2,603	1,259
Provisions for doubtful receivables and other provisions	5,841	5,477
EBITDA	15,060	(1,825)
Depreciation of property, plant and equipment	4,295	4,409
Depreciation of property investments	-	-
Amortisation of intangible assets	2,539	3,989
Adjustments to asset values	2,854	12,771
EBIT	5,372	(22,994)
Financial income and similar	429	576
Financial expenses and similar	1,203	1,561
Valuation of financial assets	-	-
Profit/(loss) before tax	4,598	(23,979)
Income tax	2,860	(5,305)
<i>of which with related parties</i>	<i>(536)</i>	<i>(3,340)</i>
Profit/(loss) from continuing operations	1,738	(18,674)
Profit/(loss) from discontinued operations	-	(4,176)
Profit/(loss) of the period	1,738	(22,850)
Profit/(loss) attributable to:		
The shareholders of the controlling entity	1,637	(22,794)
Non-controlling interests	101	(56)
Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss		
Revaluation of defined benefit schemes	59	(537)
Fair value stock option allocation	-	-
Profit/(loss) from hedging instruments	-	-
Tax effects	13	(128)
Other comprehensive income/(loss) that will be reclassified subsequently to profit or loss		
Currency translation differences of foreign subsidiaries	(164)	15
Other comprehensive income/(loss) of equity accounted joint ventures that will not be reclassified subsequently to profit or loss		
Revaluation of defined benefit schemes	1	35
Tax effects	-	8
Currency translation differences of foreign subsidiaries	(207)	(185)
Other comprehensive income/(loss) net of related tax effects	(324)	(552)
Total comprehensive income/(loss) for the year	1,414	(23,402)
Total comprehensive income/(loss) for the year attributable to:		
The shareholders of the controlling entity	1,314	(23,199)
Non-controlling interests	100	(203)
Earnings/(losses) per share (€)		
Basic	0.0231	(0.2611)
Diluted	0.0231	(0.2611)

* Starting with the Consolidated Financial Statements at 31 December 2017, operating profitability will be calculated as EBITDA. The figures in the Consolidated Financial Statements at 31 December 2016 that show a figure for gross operating profit have been restated to reflect this change. The difference between EBITDA and gross operating profit is that the latter does not include Provisions for doubtful receivables and other provisions.



FIERA MILANO

	(€ '000)	
Consolidated Statement of Cash Flows	2017	2016 restated *
Net cash at beginning of the year from continuing operations	20,904	54,415
Net cash at beginning of the year from assets held for sale	1,214	1,677
Cash flow from operating activities		
Net cash from operating activities	39,734	(23,878)
<i>of which from related parties</i>	(45,102)	(48,535)
Interest paid	(726)	(1,149)
Interest received	259	95
Income taxes paid	(2,492)	(126)
Total from continuing operations	36,775	(25,058)
Total from assets held for sale	(1,214)	(463)
Cash flow from investing activities		
Investments in tangible assets	(3,816)	(3,004)
Write-downs of tangible assets	-	107
Investments in intangible assets	(500)	(2,501)
Investments in subsidiaries	2,750	-
Investments in joint ventures	2,254	2,939
Other investments	(32)	-
Total from continuing operations	656	(2,459)
Total from assets held for sale	-	-
Cash flow from financing activities		
Equity	283	(318)
Non-current financial liabilities	(10,605)	2,985
Current financial assets	(187)	(2,622)
Current financial liabilities	(30,177)	(6,418)
<i>of which from related parties</i>	(2,653)	(17,153)
Total from continuing operations	(40,686)	(6,373)
Total from assets held for sale	-	-
Total translation differences	273	(1,298)
Net cash for the period from continuing operations	(3,255)	(33,890)
Net cash for the period from assets held for sale	(1,214)	(463)
Net cash at the end of the year from assets held for sale	-	1,214
Net cash at the end of the year from continuing operations	17,922	20,904

* Some figures in the 2016 Cash Flow Statement have been restated for comparative purposes following changes to IAS 7.

	(€ '000)	
Cash generated from operating activities	2017	2016 restated *
Result of continuing operations	1,738	(18,674)
<i>Adjustments for:</i>		
Profit from equity accounted investments	(2,603)	(1,259)
Depreciation and Amortisation	6,834	8,398
Provisions, write-downs and impairment	7,672	16,936
Capital gains and losses	200	-
Net change in employee provisions	137	(1,907)
Changes in deferred taxes	2,390	(2,561)
Inventories	1,912	(3,688)
Trade and other receivables	6,819	11,262
Trade payables	7,323	(10,136)
Pre-payments	2,818	5,354
Tax payables	2,897	(3,512)
Provisions for risks and charges and other liabilities (excluding payables to Organisers)	(3,550)	(12,883)
Payables to Organisers	5,147	(11,208)
Total	39,734	(23,878)

* Some figures in the 2016 Cash Flow Statement have been restated for comparative purposes following changes to IAS 7.



FIERA MILANO

	(euro)	
Fiera Milano SpA Statement of Financial Position	31/12/17	31/12/16
ASSETS		
Non-current assets		
Property, plant and equipment	3,652,712	3,677,920
Leased property, plant and equipment	-	-
Investments in non-core property	-	-
Goodwill	70,144,099	70,144,099
Intangible assets with a finite useful life	7,168,733	10,070,125
Investments	52,983,696	57,827,948
Other financial assets	-	-
Trade and other receivables	11,679,965	12,469,181
<i>of which from related parties</i>	<i>11,598,151</i>	<i>11,861,629</i>
Deferred tax assets	899,632	3,041,040
Total	146,528,837	157,230,313
Current assets		
Trade and other receivables	31,615,664	33,865,767
<i>of which from related parties</i>	<i>9,813,894</i>	<i>10,289,341</i>
Inventories	2,233,246	4,467,106
Contracts in progress	-	-
Current financial assets	6,773,043	6,084,518
<i>of which from related parties</i>	<i>6,773,043</i>	<i>6,084,518</i>
Cash and cash equivalents	7,690,696	11,982,917
Total	48,312,649	56,400,308
Assets held for sale		
Assets held for sale	-	2,750,000
Total	-	2,750,000
Total assets	194,841,486	216,380,621
EQUITY AND LIABILITIES		
Equity		
Share capital	41,644,917	41,644,917
Share premium reserve	10,298,693	35,667,706
Revaluation reserve	-	-
Other reserves	8,489,028	8,489,028
Retained earnings	2,724	(154,269)
Profit/(loss) for the year	(863,987)	(25,159,579)
Total	59,571,375	60,487,803
Non-current liabilities		
Bonds in issue	-	-
Bank borrowings	3,502,804	14,108,114
Other financial liabilities	-	-
Provision for risks and charges	528,443	1,998,103
Employee benefit provisions	4,967,181	5,003,497
Deferred tax liabilities	-	-
Other non-current liabilities	-	-
Total	8,998,428	21,109,714
Current liabilities		
Bonds in issue	-	-
Bank borrowings	16,605,237	44,068,430
Trade-payables	27,893,518	19,839,126
Pre-payments	38,880,471	34,669,952
Other financial liabilities	2,676,381	4,364,582
<i>of which to related parties</i>	<i>2,676,381</i>	<i>4,314,049</i>
Current provision for risks and charges	5,015,540	3,865,509
Current tax liabilities	1,282,171	904,991
Other current liabilities	33,918,365	27,070,514
<i>of which to related parties</i>	<i>15,091,062</i>	<i>16,178,763</i>
Total	126,271,683	134,783,104
Liabilities held for sale		
Liabilities held for sale	-	-
Total	-	-
Total liabilities	194,841,486	216,380,621



FIERA MILANO

	2017	2016 restated *
(euro)		
Fiera Milano SpA Statement of Comprehensive Income		
Revenues from sales and services	219,541,848	173,421,414
<i>of which with related parties</i>	<i>5,897,449</i>	<i>4,513,745</i>
Total revenues	219,541,848	173,421,414
Cost of materials	870,580	505,784
Cost of services	120,381,635	100,613,172
<i>of which with related parties</i>	<i>38,683,323</i>	<i>33,122,787</i>
Cost of use of third-party assets	43,511,410	43,551,434
<i>of which with related parties</i>	<i>42,132,045</i>	<i>42,483,200</i>
Personnel expenses	35,692,264	32,245,498
Other operating expenses	4,991,265	3,518,878
Total operating expenses	205,447,154	180,434,766
Other income	5,697,926	5,229,661
<i>of which with related parties</i>	<i>4,564,464</i>	<i>3,985,416</i>
Provisions for doubtful receivables and other provisions	4,901,286	5,241,292
EBITDA	14,891,334	(7,024,983)
Depreciation of property, plant and equipment	1,136,047	1,312,148
Depreciation of property investments	-	-
Amortisation of intangible assets	1,815,359	2,721,043
Adjustments to asset values	1,534,436	3,332,862
EBIT	10,405,492	(14,391,036)
Financial income and similar	2,680,849	6,363,579
<i>of which with related parties</i>	<i>2,437,158</i>	<i>6,288,250</i>
Financial expenses and similar	851,668	1,190,596
Valuation of financial assets	(9,776,721)	(19,520,867)
Profit/(loss) before tax	2,457,952	(28,738,920)
Income tax	3,321,939	(3,579,341)
<i>of which with related parties</i>	<i>479,881</i>	<i>(3,236,626)</i>
Profit/(loss) from continuing operations	(863,987)	(25,159,579)
Profit/(loss) from discontinued operations	-	-
Profit/(loss) for the year	(863,987)	(25,159,579)
Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss		
Revaluation of defined benefit schemes	3,584	(202,985)
Tax effects	860	(48,716)
Other comprehensive income/(loss) net of related tax effects	2,724	(154,269)
Total comprehensive income/(loss) for the year	(861,263)	(25,313,848)
<p>* Starting with the Consolidated Financial Statements at 31 December 2017, operating profitability will be calculated as EBITDA. The figures in the Consolidated Financial Statements at 31 December 2016 that show a figure for gross operating profit have been restated to reflect this change. The difference between EBITDA and gross operating profit is that the latter does not include Provisions for doubtful receivables and other provisions.</p>		



FIERA MILANO

	(euro)	
Fiera Milano SpA Statement of Cash Flows	2017	2016 restated *
Net cash at beginning of year	11,982,917	42,971,750
Cash flow from operating activities		
Net cash from operating activities	40,145,380	(22,167,606)
<i>of which with related parties</i>	<i>(68,288,369)</i>	<i>(62,299,887)</i>
Interest paid	(913,274)	(1,735,803)
Interest received	528,970	460,004
Income tax paid	(2,491,728)	-
Total	37,269,348	(23,443,405)
Cash flow from investing activities		
Investments in tangible assets	(1,140,956)	(881,168)
Write-downs of tangible assets	17,083	2,659
Investments in intangible assets	(448,404)	(2,374,587)
Acquisition of other investments	(31,669)	(63,290)
Subsidiary company share capital transactions	(4,822,050)	(3,599,345)
Dividends received	2,254,103	6,006,359
Assets held for sale	2,750,000	-
Total	(1,421,893)	(909,372)
Cash flow from financing activities		
Equity	-	(464,382)
Non-current financial liabilities	(10,605,310)	3,135,378
Current financial assets	(767,275)	(5,135,005)
Current financial liabilities	(28,767,090)	(4,172,047)
<i>of which with related parties</i>	<i>(2,326,193)</i>	<i>(12,960,039)</i>
Total	(40,139,675)	(6,636,056)
Cash flow for the period	(4,292,221)	(30,988,833)
Net cash from assets held for sale	-	-
Net cash at the end of year	7,690,696	11,982,917

* Some figures in the Cash Flow Statement have been restated for comparative purposes following changes to IAS 7.

	(euro)	
Cash generated from operating activities	2017	2016 restated *
Result including non-operating activities	(863,987)	(25,159,579)
Adjustments for:		
Depreciation and Amortisation	2,951,406	4,033,191
Provisions, write-downs and impairment	6,435,722	8,574,154
Valuation of financial activities	9,776,721	19,520,867
Capital gains and losses	(12,088)	(2,505)
Net financial income/expenses	(2,254,103)	(6,006,359)
Net change in employee provisions	(32,732)	(991,827)
Changes in deferred taxes	2,085,383	28,460
Inventories	2,233,860	(3,269,254)
Trade and other receivables	2,404,920	11,098,651
Trade payables	8,054,392	(7,015,838)
Pre-payments	4,210,519	3,125,034
Tax payables	2,868,908	(3,117,326)
Provisions for risks and charges and other liabilities (excluding payables to Organisers)	(2,798,385)	(17,983,118)
Payables to Organisers	5,084,844	(5,002,157)
Total	40,145,380	(22,167,606)

* Some figures in the Cash Flow Statement have been restated for comparative purposes following changes to IAS 7.