



FIERA MILANO

FIERA MILANO PRESENTS ITS 2018-2022 STRATEGIC PLAN: LONG-TERM SUSTAINABLE GROWTH

Strong growth in results and solid cash generation over the five-year period of the Plan

- **Focus on strengthening the portfolio of proprietary and third-party exhibitions, development of services and congresses**
- **Consolidated target 2018-2022:**
 - **Average annual EBITDA of Euro 28-32 million**
 - **Net profit expected in every year of the Plan notwithstanding the characteristic seasonality of the business**
 - **Net cash of Euro 70-90 million at the end of the five-year Plan**

Milan, 23 May 2018. Fiera Milano S.p.A., following the approval of the Board of Directors, presents the strategic guidelines and economic-financial targets of the **2018-2022 Group Plan**.

The Chief Executive Officer and General Manager of Fiera Milano, Mr Fabrizio Curci, commented, "Our five-year Plan is based on the solidity of our business model, the qualities of excellence of Fiera Milano, further reinforced by investment in the exhibition sites, and the attraction and international appeal of Milan. We shall focus on organic growth in exhibitions, on greater penetration of the services we offer and cost efficiencies. The other fundamental point of the Plan is the enhancement of our human resources, without which it would prove impossible to reach the targets we have set ourselves. Cash generation and consolidation of our financial position will allow us to evaluate any potential opportunities for further growth that the market may present."

■ **STRATEGIC GUIDELINES**

The 2018-2022 Plan focuses on four specific strategies:

- development of third-party exhibitions and the congress business;
- valorisation of services;
- strengthening directly organised exhibitions;
- expanding the international business.

Development of third-party exhibitions and the congress business: The Group's aim is to attract exhibitions that are leaders in their reference sectors and/or have strong potential, and similarly to attract large international congresses, while, at the same time, supporting the organisers in further developing the exhibitions. To support this strategy the Group will leverage on its increasingly functional exhibition site and congress centre and the recently implemented new organisational structure, which has seen the marketing areas strengthened and the requirements of clients brought into greater focus.



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Valorisation of services: The valorisation of services will involve greater penetration of stand-fitting services, the offer of Smart District services and the development of the businesses of the Media activities, to act as a content hub for the entire lifecycles of the events. Destination management services will be further extended to Italian and international exhibitors, as well as foreign buyers and visitors.

Strengthening directly organised exhibitions: The Group will strengthen the directly organised exhibitions: HOST, the international exhibition in the professional hospitality sector, TUTTOFOOD (food) and HOMI (lifestyle and interior design); these will increase penetration in their product sectors and/or will add to the product categories they cover whilst also increasing the number of participating international exhibitors and buyers.

Expanding the international business: The strategy is for the Group to develop the geo-cloning of its leading proprietary exhibitions also through agreements with leading local partners and with a particular focus on certain geographic areas: China and the USA.

The exhibition site and the MiCo Congress Centre will become even more attractive and competitive, also on an international level, with **an investment plan totalling Euro 70 million by Fondazione Fiera Milano**, the owner of these assets, for the 2018-2020 period.

Specifically, the investment plan will involve the following areas:

- Safe and Smart District to enhance the security and competitiveness of the exhibition site;
- Environmental sustainability and Innovation aimed at reducing energy costs and improving eco-sustainability, in particular, through the installation of solar panels on the roofs of the pavilions;
- Operational Excellence to improve accessibility for exhibitors/visitors and goods;
- Enhancing the Customer Experience by upgrading the visitor experience and participation in exhibitions.

■ **MAIN ECONOMIC-FINANCIAL TARGETS**

2018-2022 Consolidated targets:

- **Average annual revenues** in the period of the Plan of Euro 260-280 million, an increase compared to the annual average revenues of Euro 247 million in the five-year period 2013-2017.
- **Average annual EBITDA** of Euro 28-32 million expected, an increase compared to the annual average EBITDA of Euro 10 million in the five-year period 2013-2017, and achieved through the growth strategies outlined above and a reduction in fixed costs.
- **Net profit expected in each year of the Plan** notwithstanding the typical seasonality of the business.
- **Cash generation in the period should give Net Cash** of Euro 70-90 million **at the end of 2022** compared to Net Debt of Euro 0.8 million at 31 December 2017.

The annual economic and financial performance takes into account the seasonality that is typical of the exhibition business due to the presence of biennial and multi-annual exhibitions.

In particular, the exhibition calendar in 2019 will include the important directly organised biennial exhibitions - HOST and TUTTOFOOD – which will take place again in 2021 when there will also

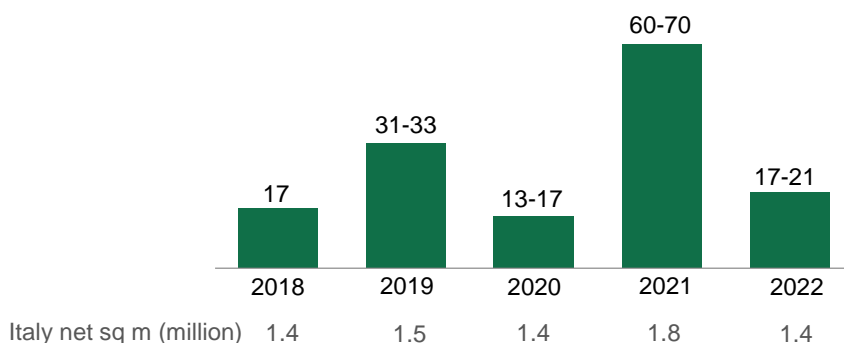


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be multi-annual exhibitions, including EMO, making the exhibition calendar that year singularly favourable.

The financial forecasts point to Fiera Milano generating consolidated net profit regardless of the exhibition calendar.

EBITDA target (€m)



The Manager responsible for preparing the Company's financial statements, Mr Marco Pacini, 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.

PRESENTATION AND WEBCAST

Presentation of the Strategic Plan will be held today at 11:00 am (CET) today, 23 May 2018, at Borsa Italiana – Palazzo Mezzanotte.

The presentation can be followed live via webcast at the following link <https://www.jkstreaming.com/businessplan/>

The presentation will also be available following the event in the website www.fieramilano.it – Investor Relations section.

The PowerPoint presentation may be downloaded from the Company website approximately 30 minutes prior to the start of the meeting.

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. The levels of Group activity reflect the frequency/seasonality of exhibitions. Therefore, the operating results and changes in the net financial position cannot be extrapolated to calculate a precise forecast of the results expected for the year.

For further information:

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