



1st Quarter 2016 Consolidated Results

Fiera Milano Group

Conference Call – 13 May 2016



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Financial results





1st Quarter 2016 highlights

- Positive quarterly results in line with expectations that reflect the presence of the biennial exhibition, Mostra Convegno Expocomfort, and lower operating costs due also to restructuring measures
- Net exhibition space occupied in Italy: 497,700 square metres (19% at directly organised exhibitions), +16% year-on-year
- 1Q16 consolidated quarterly revenues of Euro 77.0 million: +6% year-on-year
- 1Q16 consolidated gross operating profit: Euro 18.2 million (Euro 8.1 million in 1Q15)
- 1Q16 consolidated net operating profit: Euro 15.9 million (Euro 2.6 million in 1Q15)





Main events

- As part of the Group strategy to strengthen the portfolio of proprietary exhibitions,
 - On 23 March 2016 it acquired the trademark Promotion Trade Exhibition, an annual international exhibition of promotional items, corporate gifts and technologies for the personalisation of such items, for Euro 1.4 million
 - Tuttofood, the proprietary biennial exhibition, is strengthened through an agreement with Veronafiere, one of Italy's leading exhibition organisers; the agreement includes:
 - an annual international exhibition for fruit and vegetables, which will combine the two exhibitions Fruit Innovation in Milan and Fruit&Veg System in Verona; it will be held in Milan in uneven-numbered years and will focus on finished products (as part of Tuttofood from 2017) and in Verona in even-numbered years when it will focus on manufacturing and farming technologies
 - In 2017 Tuttofood will include a space dedicated to the wine sector and a new event called "Wine Discovery" that will be managed by Veronafiere
- → With reference to events organised by third parties, Lamiera, the leading biennial exhibition for metal sheet plant and equipment, will be held at Fiera Milano exhibition site from its next edition





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Italian exhibition calendar

	of exhibition	of exhibition space	
Exhibitions	1Q16	1Q15	
Annual exhibitions			
Directly organised	93,525	99,310	
Organised by 3rd parties	282,140	264,220	
Total annual exhibitions	375,665	363,530	
Biennial exhibitions			
Organised by 3rd parties	118,395	57,005	
Total biennial exhibitions	118,395	57,005	
Total exhibitions	494,060	420,535	
Congresses with related exhibition area	3,640	7,750	
Total	497,700	428,285	

- Annual directly organised exhibitions: slight fall in demand for space at BIT and HOMI
- Annual exhibitions organised by third parties: the increase was mainly attributable to the exhibition Esposizione Internazionale Canina that was not held in 2015 because of the presence of the world edition
- Biennial exhibitions: presence of Mostra Convegno Expocomfort, the international exhibition for heating, refrigeration, and air-conditioning





Italian exhibitions





Italian exhibitions	1Q16	1Q15 restated*
Revenues (€'000)	68,019	62,331
Gross operating result (€'000) % on revenues	14,889 21.9%	5,761 9.2%
Net operating result (€'000) % on revenues	13,595 20.0%	1,907 3.1%

- * Some figures in the Consolidated Financial Statements at 31 March 2015 have been restated following the different classification of the use of risk provisions
- The increase in revenues was attributable to the trend in exhibition space occupied
- The gross operating result mainly reflected the trend in revenues but also a decrease in personnel costs following restructuring and in rental costs for the fieramilano exhibition site because the variable component of the rent was only payable in 2015 due to the presence of Expo 2015
- The net operating result benefited from lower amortisation as certain asset groups were fully depreciated; it was further enhanced by the absence of the provision made by the Parent Company in the first quarter of 2015 for an indemnity payable to the outgoing Chief Executive Officer



Foreign exhibition calendar

		sq. metres bition space	
Exhibitions	1Q16	1Q15	
Annual exhibitions			
China	70,200	72,065	
India	2,840	3,195	
South Africa	1,990	1,100	
Brazil	-	1,375	
Turkey	-	7,100	
Total annual exhibitions	75,030	84,835	
Biennial exhibitions			
China	-	9,565	
Singapore	-	785	
Total biennial exhibitions	-	10,350	
Total	75,030	95,185	

- China: positive performance of Chinafloor Domotex Shanghai and cancellation of The Micam Shanghai
- India: Food Hospitality World organised in Mumbai
- South Africa: good performance from the Art Fair in Cape Town
- Brazil: Food Hospitality World in São Paulo did not take place
- In July 2015 the Group exited Turkey





Foreign exhibitions



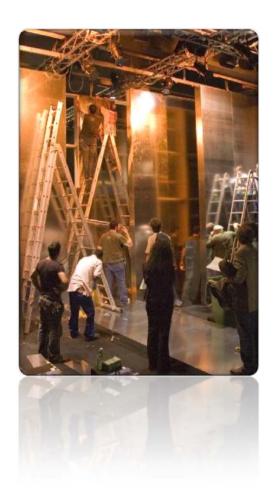
Foreign exhibitions	1Q16	1Q15 restated*
Revenues (€'000)	418	531
Gross operating result (€'000)	698	40
% on revenues	167.0%	7.5%
Net operating result (€'000)	482	-197
% on revenues	115.3%	-37.19

 $^{^{\}star}$ Some figures in the Consolidated Financial Statements at 31 March 2015 have been restated following the application of IFRS 5 because of the divestment of the subsidiary Interteks on 27 July 2015

- The decrease in revenues was mainly due to the presence in the comparative period of Food Hospitality World in São Paulo
- The year-on-year improvement in the gross operating result mainly reflects the reduction in costs following the corporate restructuring in Brazil



Stand-fitting services



Stand-fitting services	1Q16	1Q15 restated*
Revenues (€'000)	15,378	12,764
Gross operating result (€'000)	2,990	1,822
% on revenues	19.4%	14.3%
Net operating result (€'000)	2,604	1,392
% on revenues	16.9%	10.9%

^{*} Some figures in the Consolidated Financial Statements at 31 March 2015 have been restated following the different classification of the use of risk provisions

- Revenues increased 20% mainly due to the presence of Mostra Convegno Expocomfort and activities relating to the dismantling of structures associated to EXPO 2015
- The increase in the gross operating result was mainly due to the growth in revenues



Media

Media	1Q16	1Q15 restated*
Revenues (€'000)	2,873	2,883
Gross operating result (€'000)	-43	-247
% on revenues	-1.5%	-8.6%
Net operating result (€'000)	-260	-475
% on revenues	-9.0%	-16.5%

^{*} Some figures in the Consolidated Financial Statements at 31 March 2015 have been restated following the different classification of the use of risk provisions



- Revenues were unchanged: higher billboard revenues and digital services compensated for lower advertising in trade publications and lower sponsorship
- The improvement in the gross operating result mainly reflects the reduction in personnel costs as a result of the restructuring started in December 2015



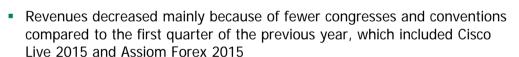


Congresses



Congresses	1Q16	1Q15 restated*
Revenues (€'000)	4,231	7,196
Gross operating result (€'000)	-294	656
% on revenues	-6.9%	9.1%
Net operating result (€'000)	-540	-34
% on revenues	-12.8%	-0.5%

^{*} Some figures in the Consolidated Financial Statements at 31 March 2015 have been restated following the different classification of the use of risk provisions



 The trend in the gross operating profit mainly reflected the decrease in revenues compensated in part by an increase in other revenues from insurance payments received



Income Statement

Consolidated Income Statement (€'000)	1Q16	1Q15 restated*
Revenues	76,959	72,918
Gross operating result	18,240	8,056
Gross operating margin (%)	23.7%	11.0%
Net operating result (EBIT)	15,869	2,601
Net operating margin (%)	20.6%	3.6%
Profit/loss before income tax from continuing operations	15,657	1,406
Profit/loss margin (%)	20.3%	1.9%
Profit/loss before income tax from discontinued operations	-	-3
Profit/loss before income tax	15,657	1,403
Profit/loss before tax margin (%)	20.3%	1.9%
-attributable to Shareholders of the controlling entity	15,742	1,763
Profit/loss before tax attributable to Shareholders of the controlling entity margin (%)	20.5%	2.4%
-attributable to non-controlling interests	-85	-360
Profit/loss before tax attributable to non-controlling interests margin (%)	-0.1%	-0.5%

^{*} Some figures in the Consolidated Financial Statements at 31 March 2015 have been restated following the application of IFRS 5 because of the divestment of the subsidiary Interteks on 27 July 2015 and the different classification of the use of risk provisions





Statement of Financial Position

Consolidated Statement of Financial Position (€'000)	31/03/16 before tax	31/12/15 after tax
Non-current assets	183,262	182,302
Net working capital	-42,417	-64,884
Gross capital employed	140,845	117,418
Non-current liabilities	17,836	19,724
Total net capital employed	123,009	97,694
Equity	100,174	85,268
Net financial position	22,835	12,426
Equity and net financial position	123,009	97,694





Net Financial Position

Consolidated Net Financial Position (€'000)	31/03/16	31/12/15
Cash (including bank balances)	16,666	56,092
Other cash equivalents	-	-
Securities held for trading	-	
Cash & cash equivalents	16,666	56,092
Current financial assets	1,002	-
Current bank borrowings	1,222	23,481
Current portion of non-current debt	18,399	15,985
Other current financial liabilities	6,768	16,036
Current financial debt	26,389	55,502
Current net financial debt (cash)	8,721	-590
Non-current bank borrowings	12,020	10,922
Debt securities in issue	_	-
Other non-current payables	2,094	2,094
Non-current net financial debt	14,114	13,016
Net financial debt (cash)	22,835	12,426

The increase in net debt was mainly due to the advance payment of the six-monthly rent for the exhibition sites and the reduction in other current payables to exhibition organisers; this increase was partially offset by the positive cash flow generated by operations in the quarter





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- The Group's strategic priority remains to increase the share of directly organised exhibitions and to focus on increasing the number of international buyers and exhibitors
- Outside Italy, the Group intends to consolidate its exhibition portfolio through a selective focus on events offering high growth potential while enhancing its presence also through partnerships with leading international exhibition operators
- While benefiting from the reorganisation implemented, 2016 will suffer from a less favourable exhibition calendar in Italy compared to the previous year due to the absence of certain important directly organised biennial exhibitions and some multi-annual exhibitions
- In the medium-term, assuming no events or circumstances that at the present time cannot be foreseen, the Group expects a significant improvement in the gross operating profit already in 2017 compared to the current year from the measures implemented and from taking advantage of business development potential and opportunities arising from the improvement in the reference economic environment
- The strengthening of the Group's financial and capital structure following the recent corporate recapitalisation should also support the Group's planned investment and growth





Forward-Looking Statements

Data and information herewith set forth are extracted from Fiera Milano Consolidated Interim Management Report to 31 March 2016 filed with 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 Flaminio Oggioni 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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