



1st Quarter 2014 Consolidated Results

FIERA MILANO GROUP

Conference Call – 13 May 2014






Contents

Highlights and achievements

Financial results

Business outlook





1st quarter 2014 highlights

- The quarterly results mainly reflect **the more favourable exhibition calendar in Italy**
- **Net exhibition space of 514,285 square meters, in line with 1Q13**
- First edition of **HOMI**, **the new Macef**, and launch of the **new format of BIT**
- **Revenues of Euro 74.8 million** (20% year-on-year increase)
- **Gross operating result of Euro 7.7 million** (Euro -0.597 million in 1Q13)
- **Net operating result of Euro 5.2 million** (Euro -1.2 million in 1Q13)
- On 31 March signed the new contracts **on the rent of the exhibition sites**:
 - For the **Rho site** the rent will be Euro 24.4 million in the second half 2014 and Euro 38.8 million per annum from 2015 (with an annual adjustment for the ISTAT index); For 2015, due to the expected positive impact of Expo 2015 on Fiera Milano's business, the Company will pay an additional variable rent up to a maximum of Euro 10 million
 - **Milan site** confirmed the current rent of Euro 2,850,000 (with adjustment for the ISTAT index)





Contents

Highlights and achievements

Financial results

Business outlook



Italian exhibition calendar

Exhibitions	Net sq. metres of exhibition space	
	1Q14	1Q13
Annual exhibitions		
Directly organised	104,415	117,105
Organised by 3rd parties	195,750	227,180
Total annual exhibitions	300,165	344,285
Biennial exhibitions		
Directly organised	-	52,610
Organised by 3rd parties	125,375	11,615
Total biennial exhibitions	125,375	64,225
Total exhibitions	425,540	408,510
Congresses with related exhibition area	5,455	7,975
Total	430,995	416,485

1Q14 exhibition calendar more favourable than 1Q13 due to the presence of the biennial exhibition Mostra Convegno Expocomfort (125,375 net sq m)

The negative trend in the economy and in the related industrial sectors affected, in particular, HOMI (homeware), BIT (tourism)

Among exhibitions organised by third parties, stable trend of exhibitions in the fashion accessory sector and postponement of Milano Auto Classica



Italian exhibitions



Italian exhibitions	1Q14	1Q13
Revenues (€'000)	65,772	51,651
Gross operating result (€'000)	5,407	-1,906
% on revenues	8.2%	-3.7%
Net operating result (€'000)	4,248	-1,354
% on revenues	6.5%	-2.6%



The increase in revenues mainly reflects the rise in exhibition space occupied
 The growth of the gross operating result is attributable to the increase in revenues and lower write-down of receivables



Foreign exhibition calendar

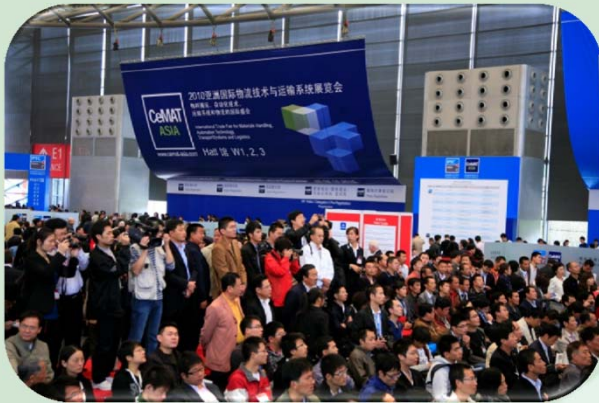
Exhibitions	Net sq. metres of exhibition space	
	1Q14	1Q13
Annual exhibitions		
China	69,785	63,510
India	2,390	2,385
Turkey	9,975	9,315
South Africa	710	-
Brazil	430	2,780
Total annual exhibitions	83,290	77,990
Biennial exhibitions		
China	-	15,950
Singapore	-	1,120
Total biennial exhibitions	-	17,070
Total	83,290	95,060

Less favourable exhibition calendar in China because of the absence of the biennial exhibition WoodMac China (woodworking machinery)

Very limited activity in Brazil and South Africa because of the exhibition calendar



Foreign exhibitions



Foreign exhibitions	1Q14	1Q13
Revenues (€'000)	1,334	1,618
Gross operating result (€'000)	63	796
% on revenues	4.7%	49.2%
Net operating result (€'000)	-166	504
% on revenues	-12.4%	31.1%



Revenues mainly reflect the trend of exhibition space
 Margins were affected by the trend of revenues and some non-recurring expenses in Brazil



Gross of adjustments for inter-segment transactions



Stand-fitting services



Stand-fitting services	1Q14	1Q13
Revenues (€'000)	12,938	9,892
Gross operating result (€'000) % on revenues	2,181 16.9%	900 9.1%
Net operating result (€'000) % on revenues	1,716 13.3%	687 6.9%



Revenues and gross operating result increased following higher volumes of stand-fitting linked to the more favourable exhibition calendar





Media

Media	1Q14	1Q13
Revenues (€'000)	3,015	2,776
Gross operating result (€'000)	-211	-250
% on revenues	-7.0%	-9.0%
Net operating result (€'000)	-413	-522
% on revenues	-13.7%	-18.8%



Increase in revenues mainly from poster advertising linked to the positive exhibition calendar

Margins affected by the increase in personnel costs for the strengthening of the digital division



Congresses

Congresses	1Q14	1Q13
Revenues (€'000)	5,585	4,235
Gross operating result (€'000)	229	-82
% on revenues	4.1%	-1.9%
Net operating result (€'000)	-186	-459
% on revenues	-3.3%	-10.8%



The increase of revenues was mainly due to important conventions hosted in the quarter, including Cisco Live with 10,000 attendees

Margins reflect the trend of revenues, partially offset by the increase in rental costs for the congress centre, MiCo – Milano Congressi



Income Statement

Consolidated Income Statement (€'000)	1Q14	1Q13
Revenues	74,763	62,143
Gross operating result	7,712	-597
Gross operating margin (%)	10.3%	-1.0%
Net operating result (EBIT)	5,228	-1,198
Net operating margin (%)	7.0%	-1.9%
Profit/(loss) before income tax	3,925	-2,197
Profit/(loss) before tax margin (%)	5.2%	-3.5%
-attributable to Shareholders of the controlling entity	4,063	-1,956
Profit/(loss) before tax attributable to Shareholders of the controlling entity margin (%)	5.4%	-3.1%
-attributable to non-controlling interests	-138	-241
Profit/(loss) before tax attributable to non-controlling interests margin (%)	-0.2%	-0.4%



Statement of Financial Position

Consolidated Statement of Financial Position (€'000)	31/03/14 before tax	31/12/13 after tax
Non-current assets	209,453	209,402
Net working capital	-30,117	-49,042
Gross capital employed	179,336	160,360
Non-current liabilities	24,120	24,035
Total net capital employed	155,216	136,325
Equity	41,968	37,462
Net financial position	113,248	98,863
Equity and net financial position	155,216	136,325



Net Financial Position

Consolidated Net Financial Position (€'000)	31/03/14	31/12/13
Cash (including bank balances)	17,288	19,754
Other cash equivalents	-	-
Securities held for trading	-	-
Cash & cash equivalents	17,288	19,754
Current financial assets	-	324
Current bank borrowings	43,572	42,706
Current portion of non-current debt	14,621	12,745
Other current financial liabilities	33,962	20,572
Current financial debt	92,155	76,023
Current net financial debt (cash)	74,867	55,945
Non-current bank borrowings	38,079	34,506
Debt securities in issue	-	-
Other non-current payables	302	385
Non-current net financial debt	38,381	34,891
Net financial debt (cash)	113,248	90,836



The increase in net debt was mainly due to the trend in net working capital and, in particular, to the advance payment of the six monthly rent for the two exhibition sites to the controlling shareholder, Fondazione Fiera Milano





Contents

Highlights and achievements

Financial results

Business outlook





Business outlook

- The fragile macroeconomic climate in the Euro zone and the absence of significant signs of recovery in the exhibition sector, together with a less favourable exhibitions calendar in 2014 all contribute to cautious expectations for the coming months
- However, the ongoing weakness in internal demand should in part be compensated by the higher margins generated by companies abroad and by EXPO 2015
- The reduction in the rent for the exhibition space will free up resources that can be used to support activities and the relaunch of exhibitions - these should provide positive returns in the medium-term





Forward-Looking Statements

Data and information herewith set forth are extracted from Fiera Milano Consolidated Interim Management Report to 31 March 2014 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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