



**FIERA MILANO**

**FIERA MILANO: THE BOARD OF DIRECTORS APPROVES THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2018**

**Growth in consolidated financial and economic results: net profit, EBITDA, and net financial position significantly improving compared to 2017, despite a less favourable exhibition calendar. Return to distribution of the dividend**

- Net profit of Euro 18.6 million (7.5% of the revenues) compared to Euro 1.7 million in 2017 (0.7% of the revenues)
- EBITDA equal to Euro 31.9 million, more than double compared to the figure of Euro 15.1 million in 2017
- Revenues of Euro 247.2 million compared to Euro 256.3 million in 2017, mainly considering a different exhibition and congress calendar
- Net cash of Euro 23.7 million compared to net debt of Euro 0.8 million at 31 December 2017

**Distribution of a dividend of 13 cents per share proposed to the Shareholders' Meeting**

**2019 EBITDA<sup>1</sup> forecast within a range of Euro 36-40 million, an improvement compared to the Strategic Plan's Euro 31-33 million target**

**Milan, 12 March 2019.** The Board of Directors of Fiera Milano S.p.A. ("**Fiera Milano**"), meeting under its Chairperson, Mr Lorenzo Caprio, approved the Preliminary Financial Statements for 2018, to be put to the Shareholders' Meeting for its approval, and the Consolidated Financial Statements for the financial year ended 31 December 2018.

The **Chief Executive Officer and General Manager of Fiera Milano, Mr Fabrizio Curci**, commented: "*The results achieved over the course of 2018 are the outcome of the positive sales trend and the operational reorganization set in place which made it possible to improve the Group's operating rationale. We are happy with the path undertaken, announced in May with the 2018-2022 Strategic Plan, which led us to exceed expectations already in the first year, thanks to the great effort of our entire team as well. We are satisfied, after many years, to offer the distribution of a dividend and we will keep carrying out the Strategic Plan in order to continue creating value for all our stakeholders.*"

The Shareholders' Meeting will also be called to pass resolution on the **distribution of a dividend**, gross of amounts withheld under law, of 0.13 euro for each of the no. 70,978,811 ordinary shares in circulation. If approved, the dividend will be sent into payment on 8 May 2019, with detachment of coupon no. 8 on 6 May 2019 and record date on 7 May 2019. Payment will be made through the authorized intermediaries with which the shares were recorded in the Monte Titoli System.

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<sup>1</sup> Pre-IFRS16 EBITDA



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## **FIERA MILANO CONSOLIDATED FINANCIAL STATEMENTS**

### **• ECONOMIC AND FINANCIAL PERFORMANCE IN THE YEAR UNDER REVIEW**

Fiera Milano ended the 2018 financial year with a strong increase in its results.

The business of the Group is seasonal due to exhibitions that have a biennial and multi-annual frequency.

**Revenues from sales and services** totalled Euro 247.2 million compared to Euro 256.3 million in 2017. The lower revenues is mainly attributable to destination management services for the ERS Congress in 2017 and the less favourable exhibition calendar, which in the last financial year included the biennial events organised directly, Host and Tuttofood. This effect was partly offset by The Innovation Alliance, an event that brought together for the first time five multiyear exhibitions covering the entire processing and packaging supply chain.

The **EBITDA** was Euro 31.9 million, more than double compared to Euro 15.1 million in 2017 and an improvement over the Euro 28-30 million forecast, communicated to the market upon approval of the third quarter 2018 results. This growth reflects the effect of the good performance of the exhibition business, as well as the cost-reduction actions.

The **EBIT** was Euro 25.1 million improving rapidly over Euro 5.4 million in 2017. This increase reflects the trend in the EBITDA, besides benefiting from lower amortization and depreciation and impairment charges after impairment tests. The impairment charges affected the publications *Food & Beverage* for Euro 0.5 million and *Technology* for Euro 0.5 million. The 2017 figure included impairment losses of Euro 2.8 million for trademarks.

The **Result** was Euro 18.6 million significantly increasing over Euro 1.7 million in the previous financial year.

### **• PERFORMANCE BY OPERATING SEGMENT**

In the 2018 financial year, 51 exhibitions were held in the **fieramilano** and **fieramilanocity** exhibition sites with one further exhibition held elsewhere and there were 44 congresses with related exhibition space. **These occupied 1,505,380 square metres of net exhibition space**, compared to 1,517,205 in 2017, while the number of exhibitors rose from 27,785 in 2017 to 27,865 in 2018.

Twenty-seven exhibitions (thirty in 2017) covering 466,795 square metres of net exhibition space were organised abroad (426,745 in 2017) with 7,750 exhibitors (8,685 in 2017).

**Revenues from sales and services**, before elimination of inter-segment transactions, totalled Euro 257.1 million compared to Euro 268.5 million in 2017. A breakdown by segment shows that 77.8% of revenues were generated by Italian Exhibitions, 3.1% by Foreign Exhibitions, 4.4% by Media and 14.7% by Congresses.

- **Italian Exhibitions Business** generated revenues of Euro 200.3 million compared to a figure of Euro 206.4 million in 2017. EBITDA was Euro 23.8 million (Euro 11.5 million in 2017) and EBIT was Euro 20.0 million (Euro 5.3 million in 2017).
- **Foreign Exhibitions Business** generated revenues of Euro 7.8 million compared to Euro 5.1 million in 2017 due to the biennial exhibition Fisp in Brazil. EBITDA was Euro 3.7 million (was Euro 0.1 million in 2017) and is driven by cost rationalization in Brazil and South Africa, while the EBIT was Euro 3.3 million (a negative figure of Euro 0.4



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million in 2017).

- **Media** had revenues of Euro 11.3 million (Euro 10.8 million in 2017). EBITDA was Euro 0.6 million (Euro 0.4 million in 2017) and EBIT was negative for Euro 0.6 million (a negative figure of Euro 1.2 million in 2017).
- **Congresses** had revenues of Euro 37.7 million over 46.2 million in 2017, when the ERS congress was held. EBITDA was Euro 3.8 million also thanks to the presence of OSCE - Organization for Security and Cooperation in Europe (Euro 3.0 million in 2017) and EBIT was Euro 2.5 million (Euro 1.7 million in 2017).

### • **CONSOLIDATED NET FINANCIAL POSITION**

At 31 December 2018, the Group had net cash of Euro 23.7 million, making progress compared to net debt of Euro 0.8 million at 31 December 2017 and better than the Euro 15-20 million forecast communicated to the market. The increase is due to the positive operating cash flow.

### ■ **THE PARENT COMPANY FIERA MILANO S.P.A**

The Parent Company Fiera Milano S.p.A had revenues of Euro 196.4 million (Euro 204.7 million in 2017) and profit of Euro 16.6 million, an improvement on the loss of Euro 0.9 million in 2017.

### • **BUSINESS OUTLOOK**

The expected business trend and the management efficiency reached have led to an upgrade of the target for the 2019 EBITDA of Euro 31-33 million in the 2018-2022 Strategic Plan, located to the market in May 2018, in a range of Euro 36-40 million.

As of 1 January 2019, the new accounting standard IFRS 16 "Leases" entered into effect, and so the 2019 EBITDA target, which reflects the effects of this standard, is a range of Euro 84-88 million. See the next paragraph for more information.

### • **IFRS 16**

Fiera Milano will apply the new accounting standard IFRS 16 "Leases" as of 1 January 2019. This standard eliminates the distinction between operating leases and finance leases for a lessee, requiring that the balance sheet show an activity representing the right to use the asset and a financial liability representing the obligation to make the payments under the contract. It is estimated that the elimination of the item relative to the majority of the rental payments - mainly for the rental contracts of the Rho and Milano exhibition sites - from the operating costs area, having been reclassified to amortisations and financial expenses, will positively impact the EBITDA by about Euro 48 million; there will also be an approximate Euro 523 million impact on the financial position due to the registration of the current value of the rental costs in relation to the set duration of the contracts.



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### ■ **SHAREHOLDERS' MEETING**

The Preliminary Financial Statements at 31 December 2018 will be presented to the Ordinary Shareholders' Meeting to be held on 18 April 2019 at 3:00 PM. The Consolidated Financial Statements at 31 December 2018 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 the Report on Remuneration, under Article 123-ter of Legislative Decree 58/98 and the authorization to purchase and dispose of treasury shares in accordance with articles 2357 and 2357-ter of the Civil Code, following prior cancellation of the decision of the Shareholders' Meeting of 23 April 2018.

### ● **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 also requested so that treasury shares are available for use in stock option incentive schemes (and in particular, to back the incentive scheme approved by the Ordinary Shareholders' Meeting on 23 April 2018), or as part of any bond issue convertible into shares of the Company. The authority is requested in order to carry out transactions to stabilise share price movements linked to anomalies in the market and improve the liquidity of the shares.

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

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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.



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### CONFERENCE CALL

There will be a conference call **at 17:00 (CET) today Tuesday 12 March**, during which the management of Fiera Milano will present the third quarter 2018 consolidated results. 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 prior to the start of the conference call from the section Investor Relations/Presentations on the Fiera Milano website, [www.fieramilano.it](http://www.fieramilano.it).

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*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.*

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### **Fiera Milano**

*Fiera Milano is the domestic market leader and one of the main integrated operators worldwide in the exhibition and congress sector. The Group manages the leading exhibition site in Italy and dominates events in numerous manufacturing sectors: fashion, publishing, furniture and furnishings, home and lifestyle, mechanical tooling industry, tourism, professional hospitality, food, plant engineering and energy, construction, art, and sailing. Specifically, the business of the Group is focused on the management, organisation and hosting of fairs, exhibitions and other events through ensuring the availability of equipped exhibition space, project support and related services. Its offer is completed by engineering services, stand-fitting services - for both pre-fabricated and customised stands - stand-fitting technical and logistic services, as well as a multichannel platform that includes specialist publications, web content and congresses.*

*Fiera Milano has been listed in the STAR segment of the Mercato Telematico Azionario of the Italian stock market since 2002.*

### **For further information:**

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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 S.p.A. Statement of Financial Position  
Fiera Milano S.p.A. Statement of Comprehensive Income  
Fiera Milano S.p.A. Statement of Cash Flows



## FIERA MILANO

	(€ '000)	
<b>Consolidated Statement of Financial Position</b>	<b>31/12/18</b>	<b>31/12/17</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	10,812	13,765
Leased property, plant & equipment	-	-
Investments in non-core property	-	-
Goodwill	94,127	94,216
Intangible assets with a finite useful life	10,791	12,493
Equity accounted investments	19,914	18,339
Other investments	32	61
Other financial assets	50	-
Trade and other receivables	11,431	11,687
<i>of which from related parties</i>	<i>11,335</i>	<i>11,598</i>
Deferred tax assets	1,270	976
<b>Total</b>	<b>148,427</b>	<b>151,537</b>
<b>Current assets</b>		
Trade and other receivables	45,136	46,277
<i>of which from related parties</i>	<i>7,669</i>	<i>7,172</i>
Inventories	3,481	3,485
Contracts in progress	-	-
Current financial assets	14	2,809
<i>of which from related parties</i>	<i>14</i>	<i>2,809</i>
Cash and cash equivalents	28,409	17,922
<b>Total</b>	<b>77,040</b>	<b>70,493</b>
<b>Assets held for sale</b>		
Assets held for sale	-	-
<b>Total assets</b>	<b>225,467</b>	<b>222,030</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	41,645	41,645
Share premium reserve	9,379	10,299
Revaluation reserve	-	-
Other reserves	3,667	3,059
Retained earnings	8,495	5,831
Profit/(loss) for the year	18,848	1,637
<b>Total Group equity</b>	<b>82,034</b>	<b>62,471</b>
<b>Equity attributable to non-controlling interests</b>	<b>61</b>	<b>564</b>
<b>Total equity</b>	<b>82,095</b>	<b>63,035</b>
<b>Non-current liabilities</b>		
Bonds in issue	-	-
Bank borrowings	-	3,503
Other financial liabilities	-	42
Provision for risks and charges	729	834
Employee benefit provisions	8,958	9,379
Deferred tax liabilities	7,180	3,225
Other non-current liabilities	-	-
<b>Total</b>	<b>16,867</b>	<b>16,983</b>
<b>Current liabilities</b>		
Bonds in issue	-	-
Bank borrowings	3,514	17,252
Trade payables	38,548	48,437
Pre-payments	49,659	43,057
Other current financial liabilities	1,297	729
Current provision for risks and charges	6,603	7,193
Current tax liabilities	2,229	2,010
Other current liabilities	24,655	23,334
<i>of which to related parties</i>	<i>3,874</i>	<i>1,496</i>
<b>Total</b>	<b>126,505</b>	<b>142,012</b>
<b>Liabilities held for sale</b>		
Liabilities held for sale	-	-
<b>Total liabilities</b>	<b>225,467</b>	<b>222,030</b>



## FIERA MILANO

	(€ '000)	
<b>Consolidated Statement of Comprehensive Income</b>	<b>2018</b>	<b>2017 restated *</b>
Revenues from sales and services	247,217	256,348
<i>of which with related parties</i>	<i>6,652</i>	<i>212</i>
<b>Total revenues</b>	<b>247,217</b>	<b>256,348</b>
Cost of materials	2,410	3,228
Cost of services	114,052	133,300
<i>of which with related parties</i>	<i>1,571</i>	<i>1,905</i>
Cost of use of third-party assets	50,343	49,868
<i>of which with related parties</i>	<i>46,493</i>	<i>45,576</i>
Personnel costs	47,037	48,860
Other operating expenses	4,525	5,398
<b>Total operating expenses</b>	<b>218,367</b>	<b>240,654</b>
Other income	2,806	2,604
Results of equity accounted associates and joint ventures	5,170	2,603
Provisions for doubtful receivables and other provisions	4,963	5,841
<b>EBITDA</b>	<b>31,863</b>	<b>15,060</b>
Depreciation of property, plant and equipment	3,971	4,295
Depreciation of property investments	-	-
Amortisation of intangible assets	1,900	2,539
Adjustments to asset values	917	2,854
<b>EBIT</b>	<b>25,075</b>	<b>5,372</b>
Financial income and similar	279	429
Financial expenses and similar	402	1,203
Valuation of financial assets	(29)	-
<b>Profit/(loss) before tax</b>	<b>24,923</b>	<b>4,598</b>
Income tax	6,353	2,860
<i>of which with related parties</i>	<i>1,385</i>	<i>(536)</i>
<b>Profit/(loss) from continuing operations</b>	<b>18,570</b>	<b>1,738</b>
<b>Profit/(loss) from discontinued operations</b>	<b>-</b>	<b>-</b>
<b>Profit/(loss) of the year</b>	<b>18,570</b>	<b>1,738</b>
<b>Profit/(loss) attributable to:</b>		
<b>The shareholders of the controlling entity</b>	<b>18,848</b>	<b>1,637</b>
Non-controlling interests	(278)	101
<b>Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss of the year</b>		
Revaluation of defined benefit schemes	215	59
Tax effects	52	13
<b>Other comprehensive income/(loss) that will be reclassified subsequently to profit or loss of the year</b>		
Currency translation differences of foreign subsidiaries	(241)	(164)
<b>Other comprehensive income/(loss) of equity accounted joint ventures that will not be reclassified subsequently to profit or loss of the year</b>		
Revaluation of defined benefit schemes	(7)	1
Tax effects	(2)	-
Currency translation differences of foreign subsidiaries	(175)	(207)
<b>Other comprehensive income/(loss) net of related tax effects</b>	<b>(258)</b>	<b>(324)</b>
<b>Total comprehensive income/(loss) for the year</b>	<b>18,312</b>	<b>1,414</b>
Total comprehensive income/(loss) for the year attributable to:		
The shareholders of the controlling entity	18,592	1,314
Non-controlling interests	(280)	100
<b>Earnings/(losses) per share (€)</b>		
Basic	0.2655	0.0231
Diluted	0.2655	0.0231

\* Some figures for 2017 have been restated to reflect the application of the new standard IFRS 15 from 1 January 2018.



## FIERA MILANO

	(€ '000)	
<b>Consolidated Statement of Cash Flows</b>	<b>2018</b>	<b>2017</b>
<b>Net cash at beginning of the year from continuing operations</b>	<b>17,922</b>	<b>20,904</b>
<b>Net cash at beginning of the year from assets held for sale</b>	<b>-</b>	<b>1,214</b>
<b>Cash flow from operating activities</b>		
Net cash from operating activities	24,289	39,734
<i>of which from related parties</i>	(42,556)	(45,102)
Interest paid	(277)	(726)
Interest received	45	259
Income taxes paid	(1,163)	(2,492)
<b>Total from continuing operations</b>	<b>22,894</b>	<b>36,775</b>
<b>Total from assets held for sale</b>	<b>-</b>	<b>(1,214)</b>
<b>Cash flow from investing activities</b>		
Investments in tangible assets	(1,267)	(3,816)
Write-downs of tangible assets	292	-
Investments in intangible assets	(1,368)	(500)
Investments in subsidiaries	-	2,750
Investments in joint ventures	3,552	2,254
Other investments	-	(32)
<b>Total from continuing operations</b>	<b>1,209</b>	<b>656</b>
<b>Total from assets held for sale</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>		
Equity	(138)	283
Non-current financial assets	(50)	-
Non-current financial liabilities	(3,545)	(10,605)
Current financial assets	2,795	(187)
<i>of which from related parties</i>	2,795	(187)
Current financial liabilities	(12,865)	(30,177)
<i>of which from related parties</i>	641	(2,466)
<b>Total from continuing operations</b>	<b>(13,803)</b>	<b>(40,686)</b>
<b>Total from assets held for sale</b>	<b>-</b>	<b>-</b>
Total translation differences	187	273
<b>Net cash for the year from continuing operations</b>	<b>10,300</b>	<b>(3,255)</b>
<b>Net cash for the year from assets held for sale</b>	<b>-</b>	<b>(1,214)</b>
<b>Net cash at the end of the year from assets held for sale</b>	<b>-</b>	<b>-</b>
<b>Net cash at the end of the year from continuing operations</b>	<b>28,409</b>	<b>17,922</b>

	(€ '000)	
<b>Cash generated from operating activities</b>	<b>2018</b>	<b>2017</b>
Result of continuing operations	18,570	1,738
<i>Adjustments for:</i>		
Profit from equity accounted investments	(5,170)	(2,603)
Depreciation and Amortisation	5,871	6,834
Provisions, write-downs and impairment	5,375	7,672
Capital gains and losses	(171)	200
Personnel costs "Performance Shares Plan"	849	-
Net change in employee provisions	(206)	137
Changes in deferred taxes	3,553	2,390
Inventories	4	1,912
Trade and other receivables	1,302	6,819
Trade payables	(9,889)	7,323
Pre-payments	6,602	2,818
Tax payables	1,382	2,897
Provisions for risks and charges and other liabilities (excluding payables to Organisers)	(173)	(3,550)
Payables to Organisers	(3,610)	5,147
<b>Total</b>	<b>24,289</b>	<b>39,734</b>



## FIERA MILANO

	(euro)	
<b>Fiera Milano SpA Statement of Financial Position</b>		
	<b>31/12/18</b>	<b>31/12/17</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,026,144	3,652,712
Leased property, plant and equipment	-	-
Investments in non-core property	-	-
Goodwill	70,144,099	70,144,099
Intangible assets with a finite useful life	6,782,888	7,168,733
Investments	47,915,443	52,983,696
Other financial assets	-	-
Trade and other receivables	11,423,897	11,679,965
<i>of which from related parties</i>	<i>11,334,673</i>	<i>11,598,151</i>
Deferred tax assets	-	899,632
<b>Total</b>	<b>139,292,471</b>	<b>146,528,837</b>
<b>Current assets</b>		
Trade and other receivables	31,071,429	31,615,664
<i>of which from related parties</i>	<i>7,978,118</i>	<i>9,813,894</i>
Inventories	2,785,835	2,233,246
Contracts in progress	-	-
Current financial assets	2,961,153	6,773,043
<i>of which from related parties</i>	<i>2,961,153</i>	<i>6,773,043</i>
Cash and cash equivalents	16,986,314	7,690,696
<b>Total</b>	<b>53,804,731</b>	<b>48,312,649</b>
<b>Assets held for sale</b>		
Assets held for sale	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>193,097,202</b>	<b>194,841,486</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	41,644,917	41,644,917
Share premium reserve	7,680,270	10,298,693
Revaluation reserve	-	-
Other reserves	9,337,830	8,489,028
Retained earnings	52,731	2,724
Profit/(loss) for the year	16,561,245	(863,987)
<b>Total</b>	<b>75,276,993</b>	<b>59,571,375</b>
<b>Non-current liabilities</b>		
Bonds in issue	-	-
Bank borrowings	-	3,502,804
Other financial liabilities	-	-
Provision for risks and charges	407,783	528,443
Employee benefit provisions	4,846,695	4,967,181
Deferred tax liabilities	3,100,237	-
Other non-current liabilities	-	-
<b>Total</b>	<b>8,354,715</b>	<b>8,998,428</b>
<b>Current liabilities</b>		
Bonds in issue	-	-
Bank borrowings	3,514,189	16,605,237
Trade-payables	19,856,552	27,893,518
Pre-payments	41,742,879	38,880,471
Other financial liabilities	5,969,420	2,676,381
<i>of which to related parties</i>	<i>5,969,420</i>	<i>2,676,381</i>
Current provision for risks and charges	3,989,119	5,015,540
Current tax liabilities	1,312,725	1,282,171
Other current liabilities	33,080,610	33,918,365
<i>of which to related parties</i>	<i>15,909,074</i>	<i>15,091,062</i>
<b>Total</b>	<b>109,465,494</b>	<b>126,271,683</b>
<b>Liabilities held for sale</b>		
Liabilities held for sale	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>193,097,202</b>	<b>194,841,486</b>



## FIERA MILANO

<b>Fiera Milano SpA Statement of Comprehensive Income</b>	<b>2018</b>	<b>2017 restated *</b>
		(euro)
Revenues from sales and services	196,383,505	204,714,414
<i>of which with related parties</i>	<i>10,866,922</i>	<i>5,897,449</i>
<b>Total revenues</b>	<b>196,383,505</b>	<b>204,714,414</b>
Cost of materials	325,674	870,580
Cost of services	94,324,254	105,554,201
<i>of which with related parties</i>	<i>37,043,121</i>	<i>38,683,323</i>
Cost of use of third-party assets	44,559,355	43,511,410
<i>of which with related parties</i>	<i>42,920,543</i>	<i>42,132,045</i>
Personnel costs	35,277,910	35,692,264
<i>of which with related parties</i>	<i>1,297,424</i>	<i>598,775</i>
Other operating expenses	3,521,306	4,991,265
<b>Total operating expenses</b>	<b>178,008,499</b>	<b>190,619,720</b>
Other income	5,583,576	5,697,926
<i>of which with related parties</i>	<i>4,455,656</i>	<i>4,564,464</i>
Provisions for doubtful receivables and other provisions	3,453,215	4,901,286
<b>EBITDA</b>	<b>20,505,367</b>	<b>14,891,334</b>
Depreciation of property, plant and equipment	1,093,803	1,136,047
Depreciation of property investments	-	-
Amortisation of intangible assets	1,321,216	1,815,359
Adjustments to asset values	-	1,534,436
<b>EBIT</b>	<b>18,090,348</b>	<b>10,405,492</b>
Financial income and similar	6,122,120	2,680,849
<i>of which with related parties</i>	<i>6,028,181</i>	<i>2,437,158</i>
Financial expenses and similar	289,561	851,668
Valuation of financial assets	(1,996,245)	(9,776,721)
<b>Profit/(loss) before tax</b>	<b>21,926,662</b>	<b>2,457,952</b>
Income tax	5,365,417	3,321,939
<b>Profit/(loss) from continuing operations</b>	<b>16,561,245</b>	<b>(863,987)</b>
<b>Profit/(loss) from discontinued operations</b>	<b>-</b>	<b>-</b>
<b>Profit/(loss) for the year</b>	<b>16,561,245</b>	<b>(863,987)</b>
<b>Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss</b>		
Revaluation of defined benefit schemes	65,799	3,584
Tax effects	15,792	860
<b>Other comprehensive income/(loss) net of related tax effects</b>	<b>50,007</b>	<b>2,724</b>
<b>Total comprehensive income/(loss) for the year</b>	<b>16,611,252</b>	<b>(861,263)</b>

\* Some figures for 2017 have been restated to reflect the application of the new standard IFRS 15 from 1 January 2018.



## FIERA MILANO

	(euro)	
<b>Fiera Milano SpA Statement of Cash Flows</b>	<b>2018</b>	<b>2017</b>
<b>Net cash at beginning of year</b>	<b>7,690,696</b>	<b>11,982,917</b>
<b>Cash flow from operating activities</b>		
Net cash from operating activities	13,726,937	40,145,380
<i>of which with related parties</i>	(60,057,974)	(68,288,369)
Interest paid	(263,158)	(913,274)
Interest received	110,996	528,970
Income tax paid	(987,450)	(2,491,728)
<b>Total</b>	<b>12,587,325</b>	<b>37,269,348</b>
<b>Cash flow from investing activities</b>		
Investments in tangible assets	(496,642)	(1,140,956)
Write-downs of tangible assets	170,349	17,083
Investments in intangible assets	(935,326)	(448,404)
Acquisition of other investments	(2,406,900)	(31,669)
Subsidiary company share capital transactions	5,478,908	(4,822,050)
Dividends received	5,933,936	2,254,103
Assets held for sale	-	2,750,000
<b>Total</b>	<b>7,744,325</b>	<b>(1,421,893)</b>
<b>Cash flow from financing activities</b>		
Equity	(1,699,271)	-
Non-current financial liabilities	(3,502,804)	(10,605,310)
Current financial assets	3,811,890	(767,275)
<i>of which with related parties</i>	3,811,890	(767,275)
Current financial liabilities	(9,645,847)	(28,767,090)
<i>of which with related parties</i>	3,293,039	(1,637,668)
<b>Total</b>	<b>(11,036,032)</b>	<b>(40,139,675)</b>
<b>Cash flow for the year</b>	<b>9,295,618</b>	<b>(4,292,221)</b>
<b>Net cash from assets held for sale</b>	<b>-</b>	<b>-</b>
<b>Net cash at the end of year</b>	<b>16,986,314</b>	<b>7,690,696</b>

	(euro)	
	<b>2018</b>	<b>2017</b>
<b>Cash generated from operating activities</b>		
Result including non-operating activities	16,561,245	(863,987)
<b>Adjustments for:</b>		
Depreciation and Amortisation	2,415,019	2,951,406
Provisions, write-downs and impairment	3,453,215	6,435,722
Valuation of financial activities	1,996,245	9,776,721
Capital gains and losses	(161,206)	(12,088)
Financial income	(5,933,936)	(2,254,103)
Net change in employee provisions	(54,687)	(32,732)
Personnel costs "Performance Shares Plan"	848,802	-
Changes in deferred taxes	3,928,912	2,085,383
Inventories	(552,589)	2,233,860
Trade and other receivables	553,817	2,404,920
Trade payables	(8,036,966)	8,054,392
Pre-payments	2,862,408	4,210,519
Tax payables	1,018,004	2,868,908
Provisions for risks and charges and other liabilities (excluding payables to Organisers)	(1,546,090)	(2,798,385)
Payables to Organisers	-3,625,256	5,084,844
<b>Total</b>	<b>13,726,937</b>	<b>40,145,380</b>