

EXPO MILANO 2015



**BRINGING PEOPLE
TOGETHER**

9 MARCH 2016

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EVENT ASSETS AND SERVICES

2015 REVENUE: €942m (47% from international markets)

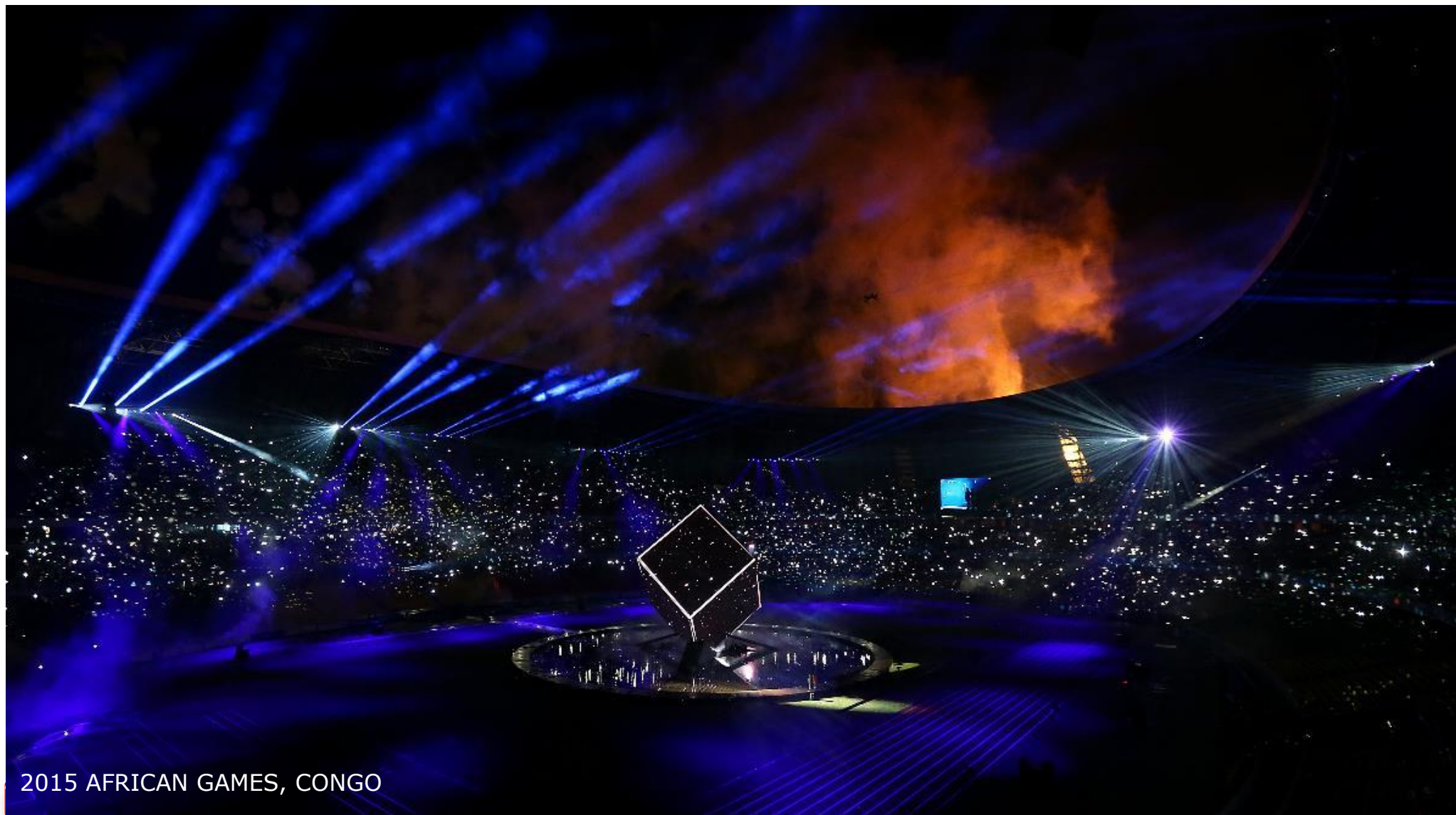
EMPLOYEES: 4,000 (35% outside of France)

OFFICES: 91

EVENT VENUES: 41

NO. OF EVENTS STAGED: > 4,000 per year

VISITORS: > 11 million



2015 AFRICAN GAMES, CONGO

India @ COP 21 Paris



COP 21 / 2015



EXPO MILANO / 2015

PERFORMANCE CENTER SHANGHAI / 2015



DUBAI TOUR / 2016





CONGRESSIUM ANKARA 2015

WORLD CONGRESS OF NEPHROLOGY / CAPE TOWN/ 2015



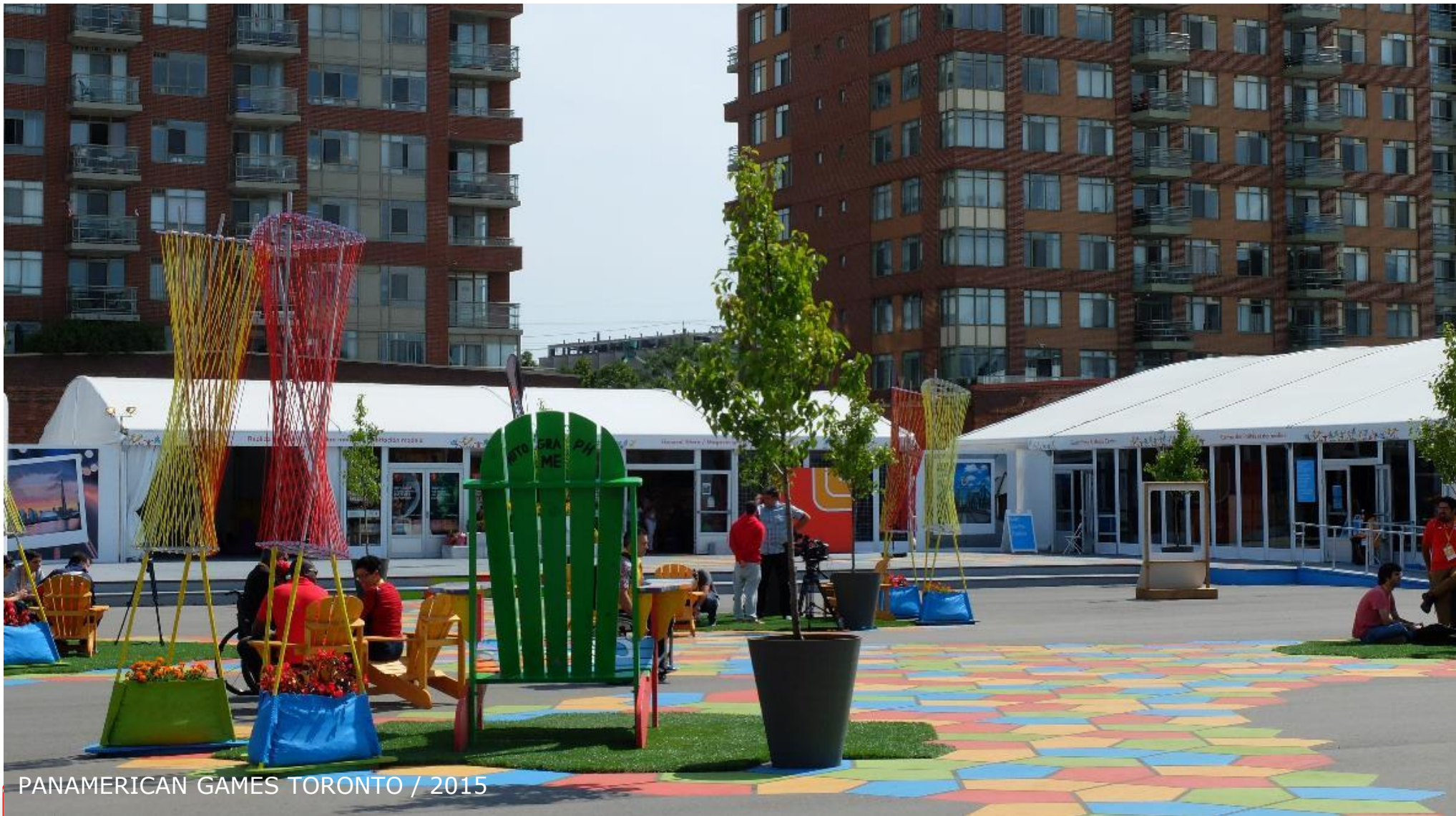
The Most Reverend
DESMOND TUTU
Archbishop Emeritus of Cape Town

An event by





GRAND MERCURE RIO / 2015

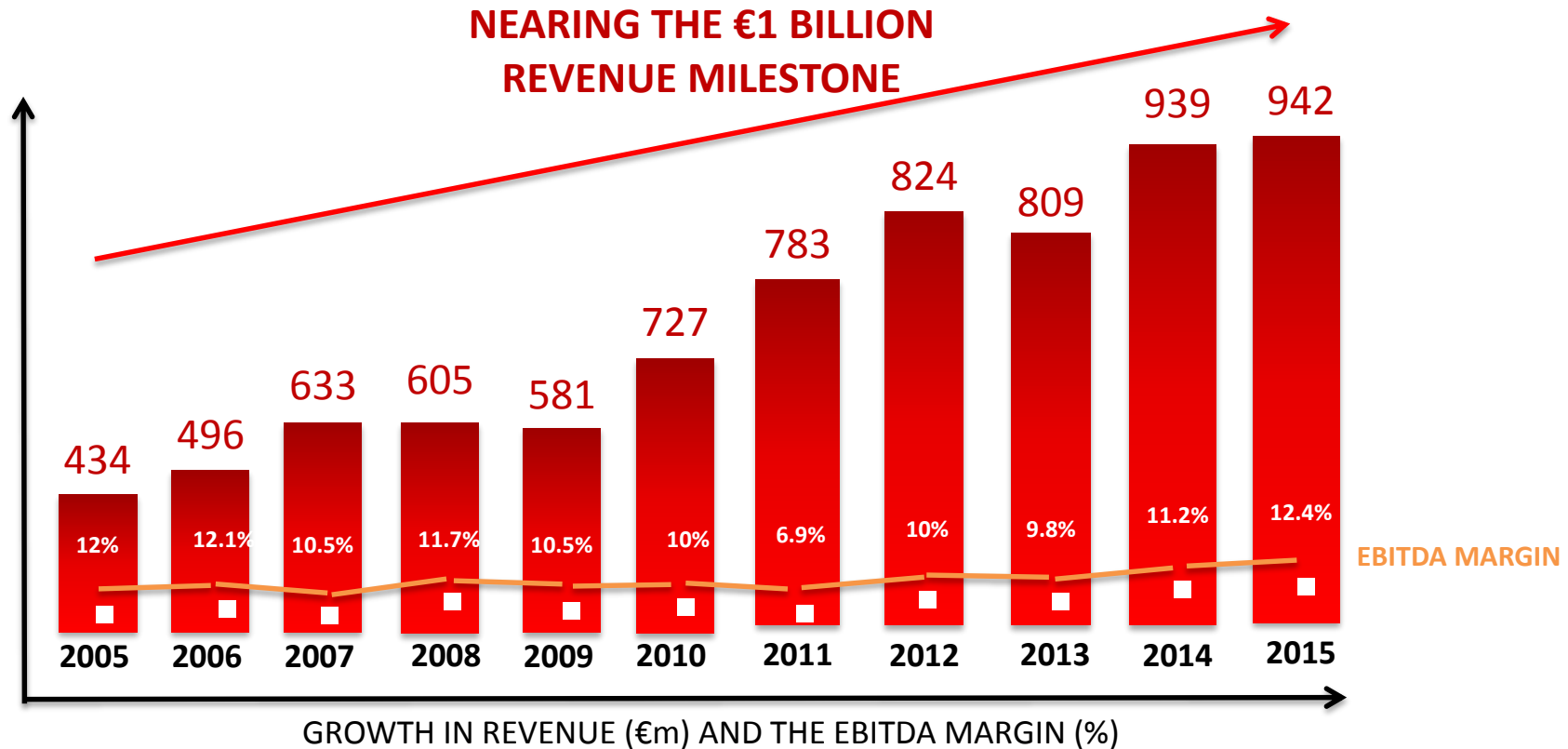


PANAMERICAN GAMES TORONTO / 2015



WORLD GAS CONFERENCE PARIS / 2015

A TRACK RECORD OF STEADY GROWTH IN REVENUE AND PROFITS



3 COMPLEMENTARY BUSINESS UNITS

- **An integrated offering covering the three major event industry segments:**
 - *services for events*
 - *organisation of trade shows and consumer fairs, conventions and events*
 - *venue management (exhibition halls, convention centres, multi-purpose facilities.)*



- **A strong strategy of global integration supported by solid and lasting franchises**

2015 FINANCIALS

2015, A SUCCESSFULLY MET COMMERCIAL CHALLENGE

- After record sales growth in 2014 in a complex geopolitical environment, with Brazil in recession and a negative consolidated currency effect of €17 million for 12 months

Revenue (€m)	2015	2015 LFL*	2014	Change N/N-1	Change Change N/N-1 LFL*
First quarter	250.2	247.4	219.3	+14.1%	+12.8%
Second quarter	216.7	215.2	245.4	-11.7%	-12.3%
Third quarter	204.9	209.7	197.9	+3.5%	+6%
Fourth quarter	270.6	275.7	276.8	-2.2%	-0.4%
FY TOTAL	942.4	948.1	939.4	+0.3%	+0.9%

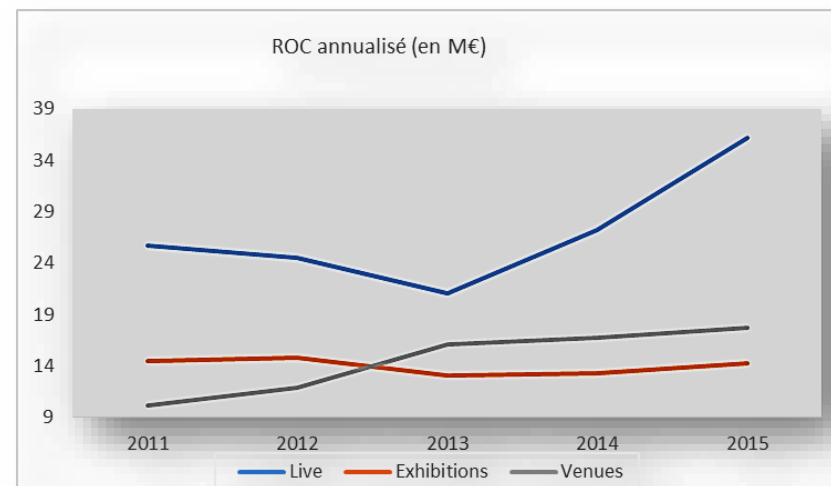
*LFL= at constant structure and exchange rates (based on 2014 rates)

- Very strong momentum in France (+19%), steady sales for major events in Asia and Africa; a year of transition in Brazil

GAINS BY VENUES AND EXHIBITIONS

- ▶ **CONTINUING GROWTH FROM VENUES AND EXHIBITIONS, LIMITED DECLINE BY LIVE AND STEADY PERFORMANCES FOR OPERATING MARGINS BY BUSINESS LINE**
 - ▶ **Live** : a margin at normative levels in a year without major jumbo events.
 - ▶ **Exhibitions**: operating margin bolstered by biennial effects and trade shows with strong brands in international markets (Sirah, Omnivore, Première Vision...)
 - ▶ **Venues**: continuing development of synergies within a single venue for the marketing of all-in-one added value packages and services.

€m	2015	2014	2013
Revenue – Live	486.4	529.6	411.4
Current operating income	32.7	39.8	14.7
Operating margin	6.7%	7.5%	3.6%
Revenue – Exhibitions	166.4	143.2	161.5
Current operating income	20.1	8.4	18
Operating margin	12.1%	5.9%	11.1%
Revenue – Venues	289.6	266.6	236.3
Current operating income	19.0	16.5	17.1
Operating margin	6.6%	6.2%	7.2%



CURRENT OPERATING MARGIN: 7.6%

€m	2015	2014	Change
Sales	942.4	939.4	+0.3%
Purchases and external charges	(584.3)	(593)	-1.5%
Staff costs and profit sharing expenses	(222.5)	(206.8)	+7.6%
Other operating income and expenses	(0.3)	(4.1)	-
Accumulated depreciation and provisions	(43.1)	(42.4)	-
Taxes and similar payments	(20.4)	(28.5)	-28.5%
Current operating income	71.7	64.6	+11%
<i>Group current operating margin (%)</i>	7.6%	6.9%	-
Other non-current income and expenses	(2.6)	2.3	-
Operating profit	69.1	66.9	+3.4%

Rigorous management of subcontracting and proprietary equipment

Business activity at high levels and expanded Group scope (Strasbourg Événements, 9 months; Jaulin Group, 3 months)

Return to a normative level post the 2014 Brazil effect

2015 EBITDA €116.7m

2015 EBITDA margin 12.4%
2014 EBITDA margin 11.2%

RISE IN NET INCOME: +8%

€m	2015	2014	Change 2015 vs. 2014
OPERATING PROFIT	69.1	66.9	+3.4%
NET FINANCIAL EXPENSE	(12.5)	(11.2)	+11.6%
PROFIT BEFORE INCOME TAX	56.7	55.7	+2.3%
INCOME TAX	(18.6)	(19.3)	-
NET INCOME OF CONSOLIDATED COMPANIES	38.1	36.4	+4.8%
ASSOCIATES	(1.0)	(2)	-
NET INCOME	37.1	34.4	+8.0%
<i>O/W ATTRIBUTABLE TO NCI</i>	6.3	4.7	-
<i>O/W NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</i>	30.8	29.6	-

Increased tax rate in Brazil and a lower tax rate in France

Income tax rate 32.8% (34.7% in 2014)

IMPROVEMENT IN THE NET MARGIN

2015 net margin: 3.9%
2014 net margin: 3.6%

Biennial effect

BALANCE SHEET AND DEBT

CASH & CAPEX IN 2005

FY 2015: an excellent commercial performance in a period announced as a year of transition

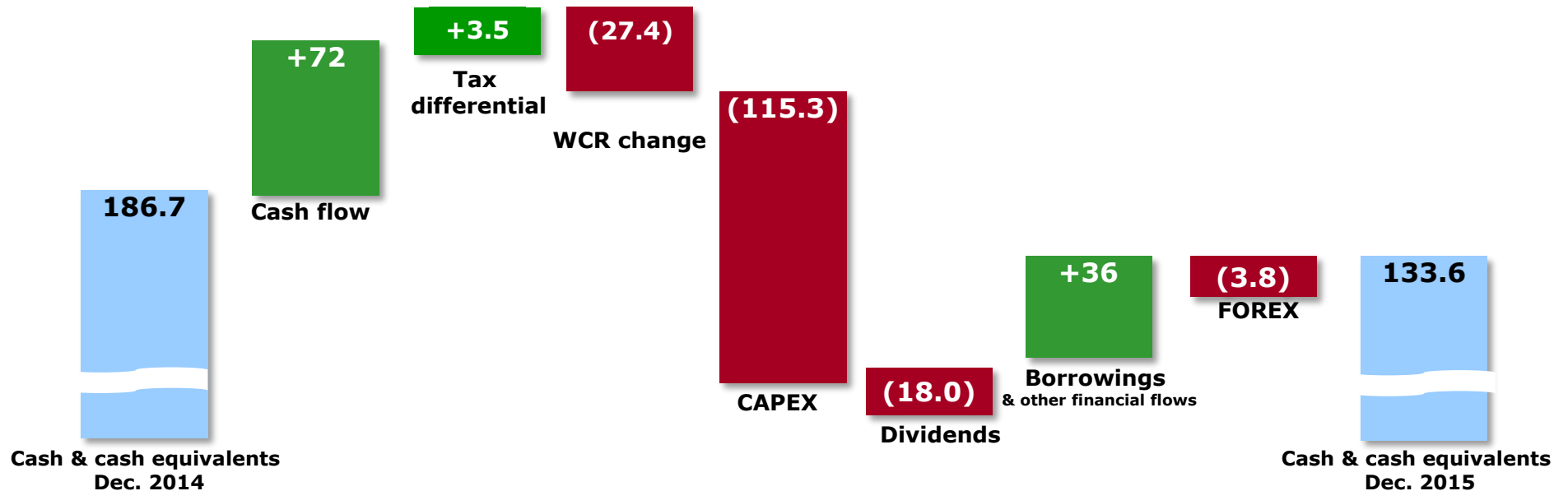
- ▶ Without major jumbo events in international markets
- ▶ Impacts from commercial agreements implemented for Brazilian sites , namely Sao Paulo, with cash flow generation starting in June 2016

Net debt at 31/12/2015 of €376m, that includes the Jaulin Group acquisition and accelerating investments for Sao Paulo in the period:

- Capturing business development potential more quickly in an environment characterized by a shortage of event infrastructures, with the first trade shows staged in the renovated site in May 2016.
- An exceptional impact on gearing

CASH & CAPEX IN 2015

- ▶ Cash flow at a high level and a ratio of cash flow to sales for 2015 consistent with recent Group standards : 7.6% vs. 7.3% in 2014
- ▶ WCR vs. H1 2015, with significant outflows for trade payables linked to the biennial effect



CONSOLIDATED CASH FLOWS (€M)

A DEBT ASSOCIATED WITH LONG-TERM AND SECURE ASSETS

- ▶ **A debt driven by long-term and secure assets involving commitments and concessions with terms of several decades**
- ▶ **42% of debt linked to long-term assets**

	€m
Reported net debt (gearing 100%)	375.8
Work on Palais Brongniart (30 years)	158.9
Work on Metz renovation (30 years)	
Rio Centro (50 years)	
Grand Hôtel Mercure Rio (50 years)	
Sao Paulo Expo (30 years)	
Net debt excluding concessions (gearing 58%)	216.9

SAO PAULO EXPO



SAO PAULO EXPO



SAO PAULO EXPO

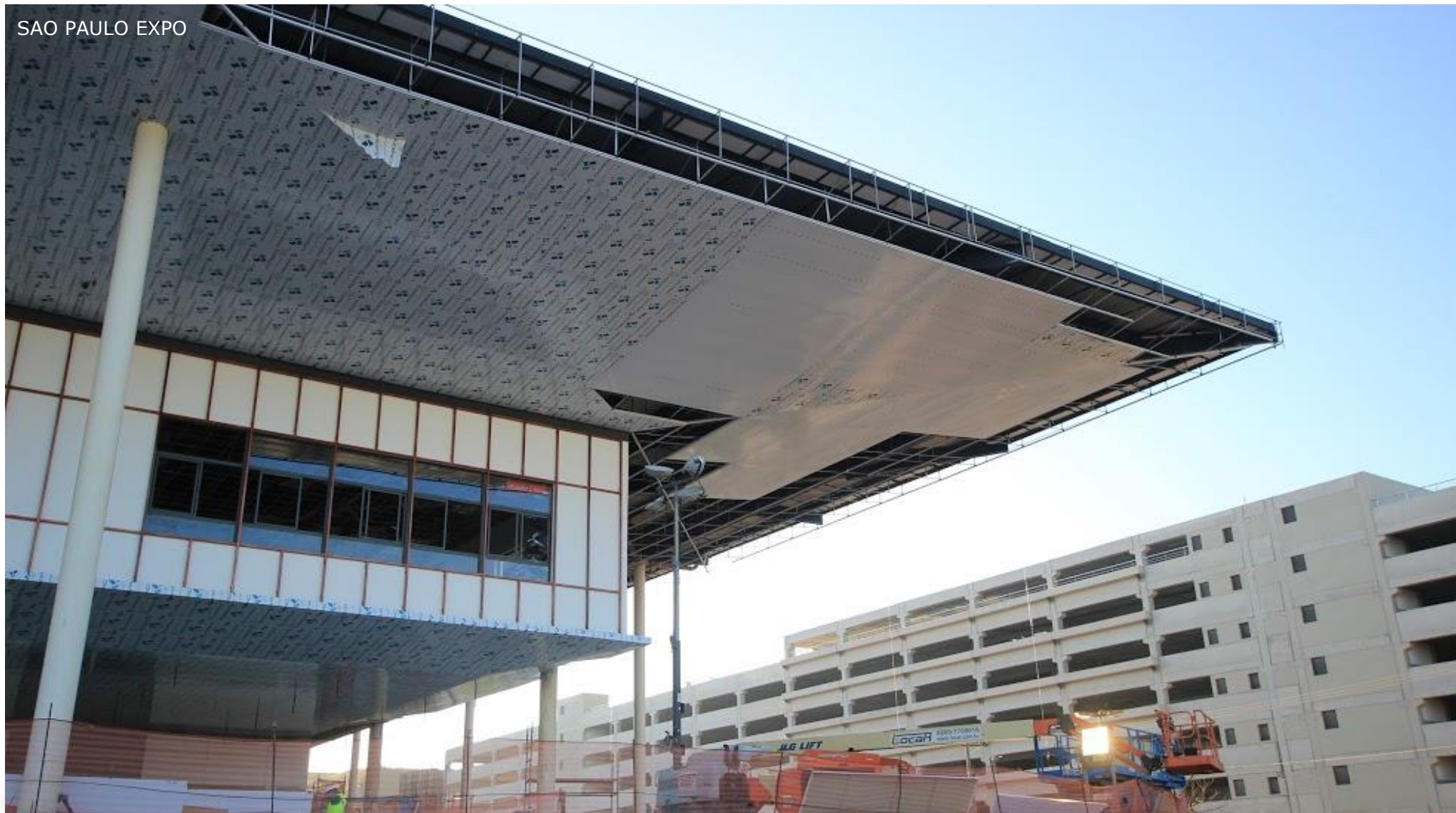


SAO PAULO EXPO



SAO PAULO EXPO 2016

SAO PAULO EXPO



SAO PAULO EXPO



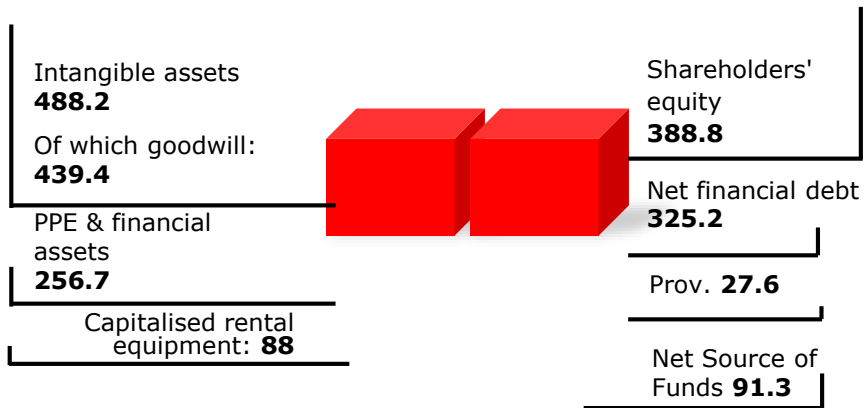
SAO PAULO EXPO



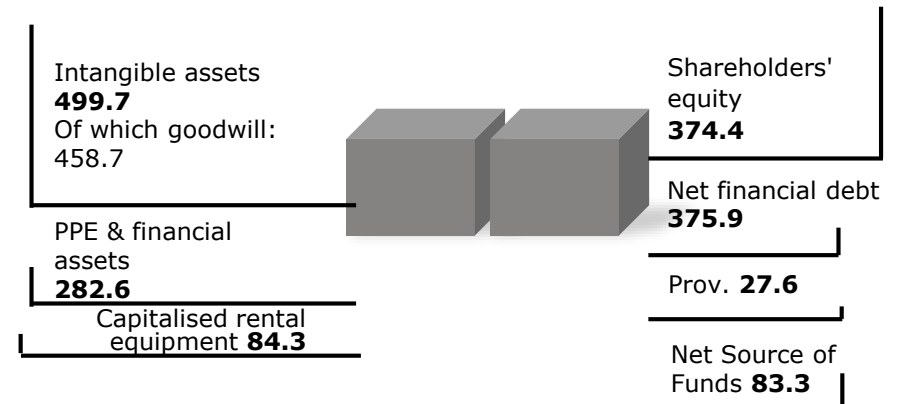
BALANCE SHEET AT 31/12/2015

- Short-term assets generating negative WCR (Net Source of Funds)
- Increase in debt in line with investments and the acquisition of new tangible assets

30/06/2015 (€m)



31/12/2015 (€m)



STEERING
FINANCIAL
PERFORMANCE
& ROCE

DISPOSAL OF NON-STRATEGIC BUSINESSES

Ongoing review of the business portfolio, with disposals as necessary to strengthen Group profitability while safeguarding resources for business development

- **Disposal of selected non-strategic businesses in 2015 :**
 - Catering business in Belgium
 - Portable stand business in France
 - €22 million in combined revenue in 2015 from these two entities,
- **Renewal of long-term leases:**
 - Lingotto, Turin, with new terms adapted to the current level of business
 - Eurexpo lease renewed for 30 years, France's second largest exhibition centre, after Paris
 - Operating conditions for the Budapest site renegotiated, in line with the local economic conditions and post-renovation/extension work to be carried out over 2016-2019 by the new owner
- These disposals will have an accretive impact on the Group's financial structure in 2016

ASSET PORTFOLIO TURNOVER

An improvement in ROCE for the full year, excluding Grand Hôtel Mercure Rio and Sao Paulo Expo, in a launch phase, reflecting optimised financial controls within different Group entities :

- 7.3% in 2015 vs. 6,6% at 31/12/2014 (6.5% at 30/06/2015)
- Consolidated Group ROCE: 6.0% vs. 6.1% at 31/12/2014



A MAJOR OBJECTIVE: STRENGTHENING OUR COMPETITIVENESS

3 FINANCIAL PRIORITIES AT THE HEART OF "GL EVENTS DAY-TO-DAY"

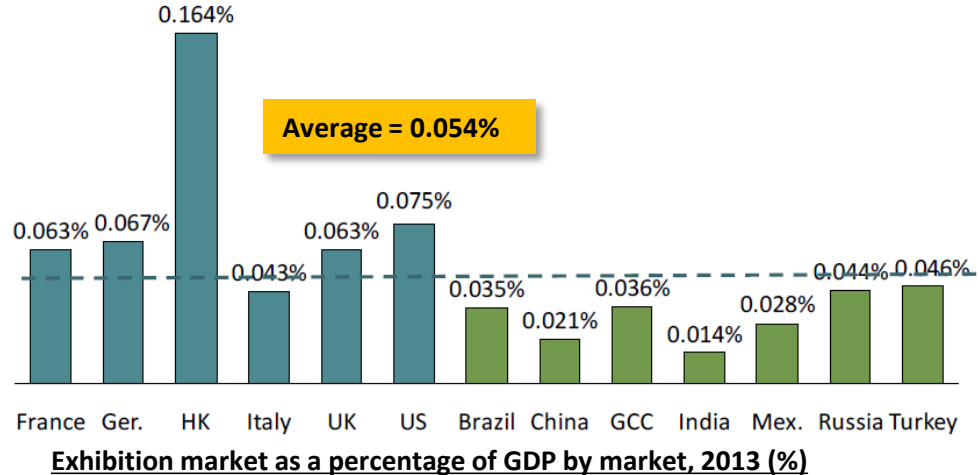
- Improving operating profitability by continuing work on the cost structure and providing fine-tuned management for each business project
- Improving ROCE by asset disposals and optimising trade-offs between operating margin and investment priorities
- Ongoing efforts to optimize Net Source of Funds (negative WCR)

ENVIRONMENT & OUTLOOK

SOLID BUSINESS DRIVERS OVER THE MEDIUM-TERM

EVENT OPERATIONS RECOGNIZED AS SOURCES OF REVENUE IN INTERNATIONAL MARKETS

- Continuing development in emerging countries
- Further potential in selected emerging countries, underequipped markets, and beyond economic cycle related factors
- Exhibitions, still offering significant potential for development



GL EVENTS, CATALYST AND TOOL FOR BUSINESS DEVELOPMENT

A STRONG POSITION AND EXPERTISE, FORMIDABLE BARRIERS TO ENTRY

- **GL events, today a world-class event services provider**
 - An established track record and reputation for technical know-how
 - The strength of a strategically targeted international operating bases
 - A solid track record for every type of service
- **Positioned in markets requiring a combination of responsiveness and substantial capacities** (industrial assets, logistic flows, human talent and expertise in event services) to address volume requirements...all representing additional barriers to entry!
- **A well-structured Group in terms of assets and human resources, secure sources of revenue streams in France and Europe by actively contributing to jumbo events and strong growth for additional recurrent revenue**

A STRONG LINE-UP OF UPCOMING EVENTS

- Strong brands for the development of spin-off events

PREMIÈREVISION®

EUROPAIN
& INTERSUC
PARIS

OMWIVORE

Sirha
ISTANBUL

EQUITA
Le salon du cheval de Lyon

Bourse d'Or
LYON
2017
SIRHA SPIRIT

Coupe du Monde
de la Pâtisserie
LYON
2017
SIRHA SPIRIT

Piscine
Brasil

Piscine
GLOBAL

Piscine
Middle East

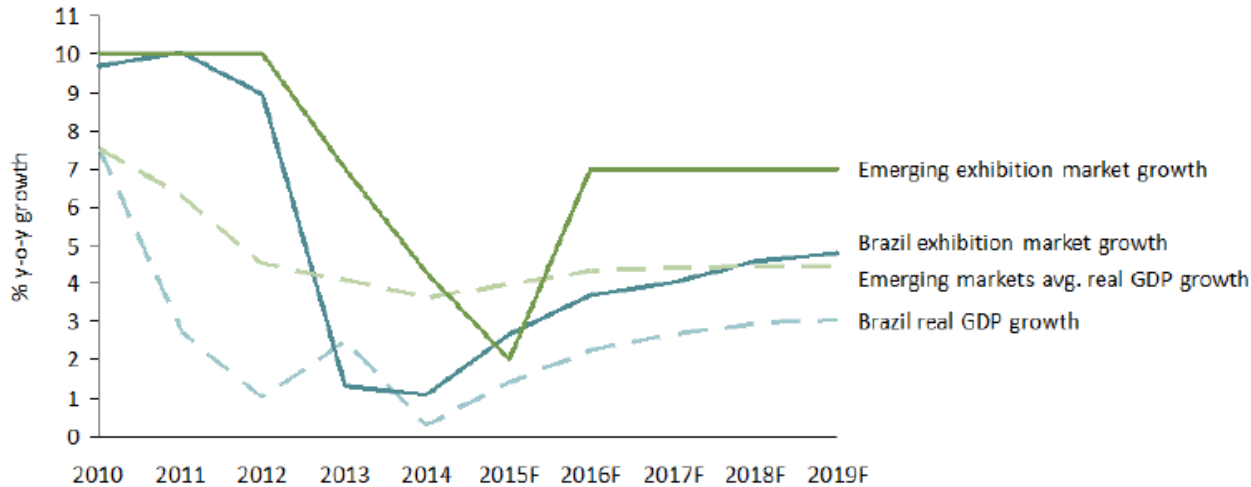
- Still a number of very attractive jumbo events in the future



2016
CONFERENCE

IN BRAZIL, IN 2016 AND BEYOND

- **Recurrent and secure revenue streams for the medium-term: BRL 500 billion already for the Rio de Janeiro and São Paulo sites over the next three years**
- **Positive outlook for trade shows and fairs in Brazil** (Source: AMR, September 2015)



"LOCALLY", A REINFORCED STRUCTURE

- **Acquisition of all the Jaulin Group's operations.**
- **Business lines:** event services and installation of temporary structures, furniture rental, audio-visual services and decoration.
Annual sales of approximately €38m, 240 people. EBITDA of €5 million in 2016.
- **Venue management for the Paris Event Center:**
Porte de la Villette in connection with a lease agreement entered into with SNCF.
This Paris venue hosts corporate events on a property covering an area of 48,000 m².



"LOCALLY" A NEW VENUE UNDER MANAGEMENT

- **A NEW VENUE UNDER MANAGEMENT:** Pre-marketing for the Valenciennes metropolitan region exhibition and convention centre in 2016.
Management concession granted for a 9-year term
A 17,000 m² site to commence operations in January 2017
estimated revenue of €18 million over the 9-year term of the contract.



2016, ANOTHER YEAR OF PROFITABLE GROWTH

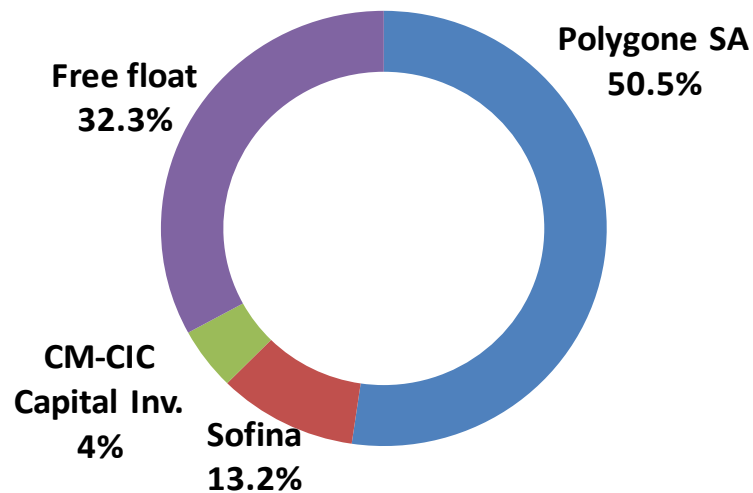
- Another year of revenue growth, based on current exchange rates
- Continuing measures to improve operating margins and ROCE

KEY STOCK MARKET DATA

STOCK DIVIDEND

- **Proposal for payment of a stock dividend to be submitted at the Group's next AGM of 29 April 2016.**
 - Dividend of €0.60 per share for FY 2015 representing a payout rate of 43%
 - Proposal for the payment of dividends in the form of new shares
 - At a price equal to 90% the average opening price over 20 trading days preceding 29 April 2016, minus the amount of the net dividend.
- **Advantages for the Group at the level of cash and equity**
 - Improving the financial structure during a phase when major investments are being finalised, expected to bolster operating margins and financial performances in the 2016 second half
 - Supporting industrial projects developed by the Group generating significant cash flows in the short and medium term
- **Advantages for the shareholder: reinforcing the share under good conditions**

KEY STOCK MARKET DATA



SHARE CAPITAL OWNERSHIP
STRUCTURE

(At 31/12/2015)

NUMBER OF SHARES 22.653.920

(At 31/12/2015)

ISIN code: FR0000066672

Symbol: GLO

Main index: CAC All shares

Market: Segment B (Mid Caps)

(EURONEXT PARIS)

**Eligibility for French Personal Equity Savings Plans
(PEA/PEA-PME): Yes**

NEXT FINANCIAL EVENT:

27 April 2016: 1st quarter sales (after the close of trading)

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