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BRINGING  
PEOPLE  
TOGETHER

8 MARCH 2017

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# 3 COMPLEMENTARY BUSINESSES

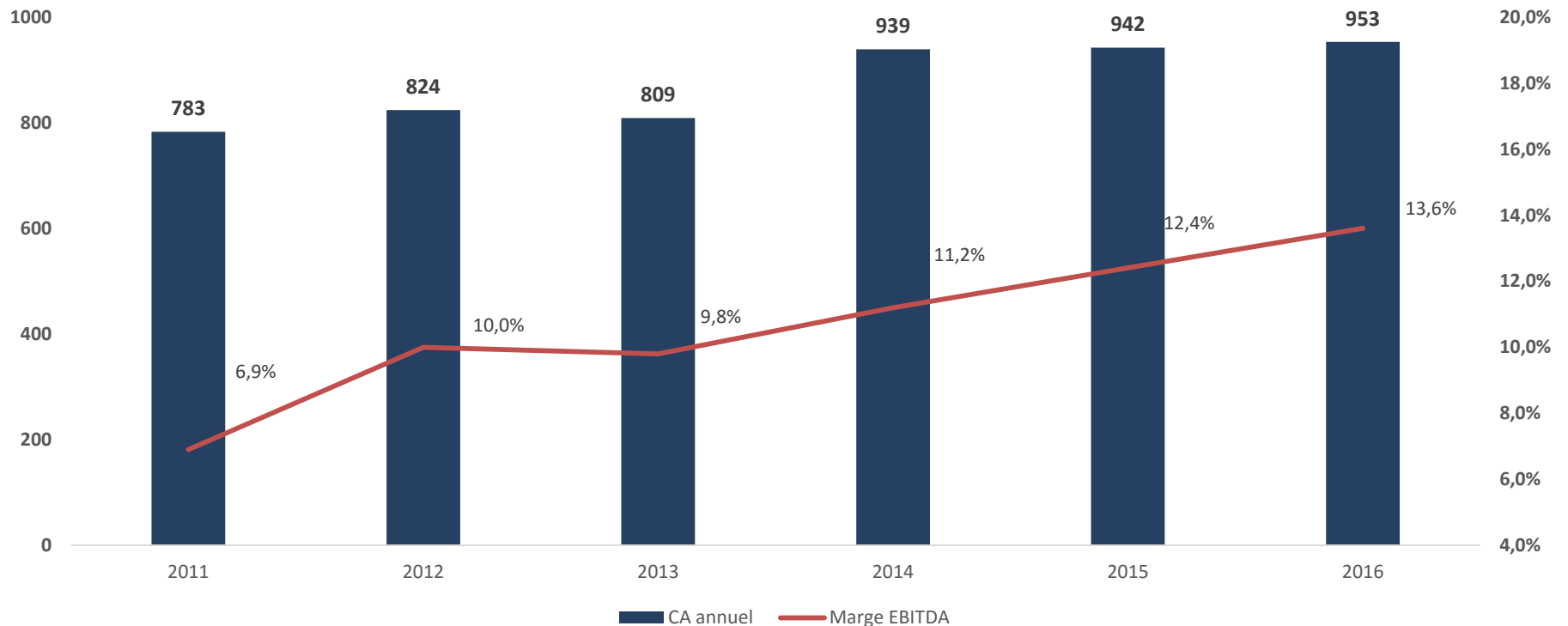
- **An integrated offering covering the three major event industry segments:**
  - *event design and overlay services*
  - *organising trade shows and consumer fairs, conventions and events*
  - *venue management (exhibition halls, convention centres, multi-purpose facilities.)*



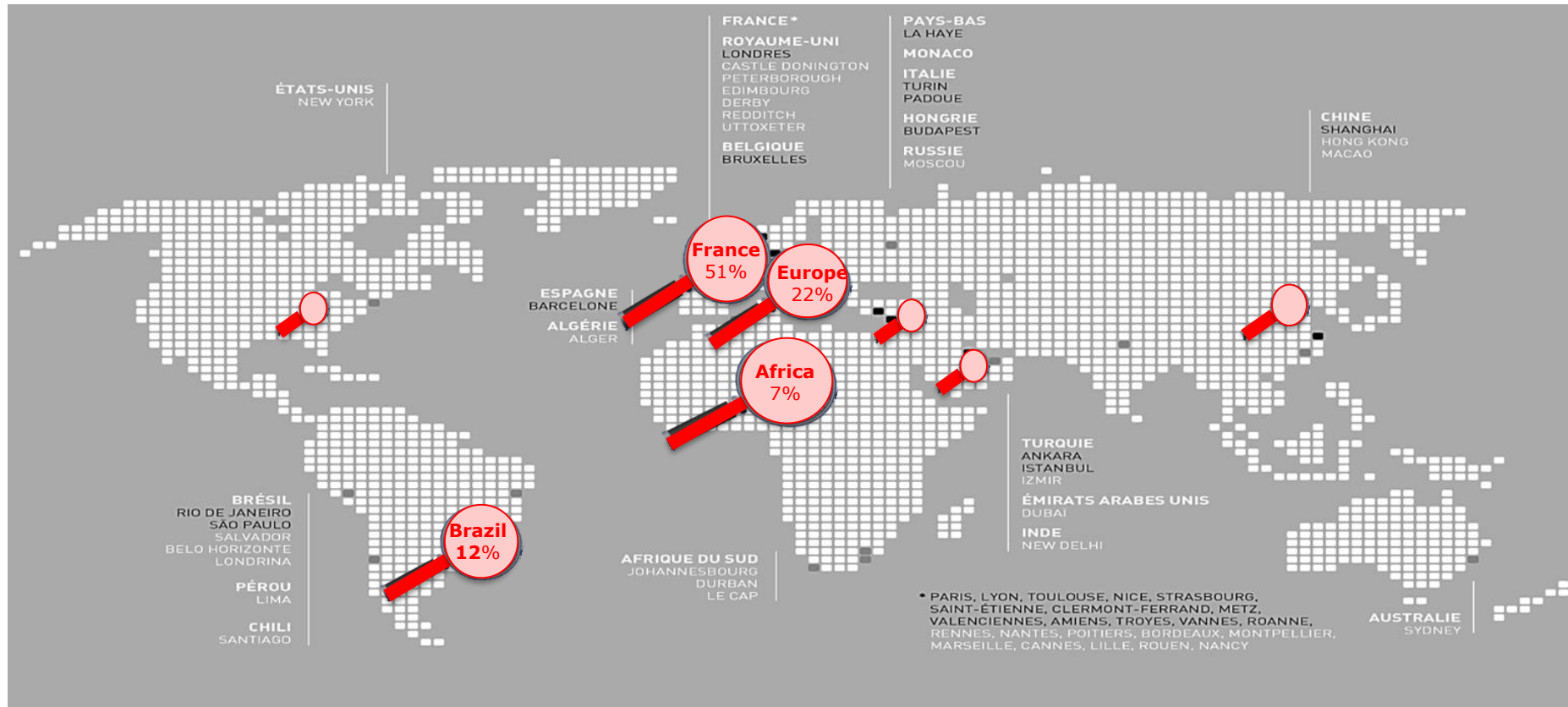
- **A strategy for the global integration of these business lines supported by solid and lasting franchises**

# AN IMPROVING MIX OF/ GROWTH AND PROFITABILITY

- Measured growth in 2016 of 1.1% and organic growth of 2.4% but with a strong improvement in EBITDA margin



# REVENUE BY REGION





# FINANCIAL AND OPERATING HIGHLIGHTS BY BUSINESS



# GL EVENTS LIVE - BUSINESS DRIVERS

■ **GL events Live, solutions and services to support every type of event**



## **Missions:**

- Design/ Consulting / Creation / Coordination
- Overlay services / Logistics

## **Customer profiles:**

- International / Organising Committees
- Key Accounts
- Large Events
- PCOs/PEOs

## **Key assets:**

Expertise and Creativity  
Event equipment  
Responsiveness / Financial strength  
GL events track record and brand equity for on time/on budget delivery

**2016 revenue: €500 million**

**Employees: 2,750**

# LIVE: 3 JUMBO EVENTS AND A STABLE MARGIN

€m	2014	2015	2016
Revenue	529.6	486.4	500.5
Current operating income	39.8	32.7	32.9
Current operating margin	7.5%	6.7%	6.6%

- A period marked by major jumbo events
- A high level of repeat business for services within the world of trade shows & consumer fairs/exhibitions and local, regional and national events
- A stable operating margin
- €34 million in net investments in property, plant and equipment, including €10 million for the modular structure leasing business with a ROCE above the Group average

GL EVENTS LIVE, A WIDE RANGE OF SOLUTIONS  
TO SUPPORT INTERNATIONAL EVENTS



# OLYMPIC AND THE PARALYMPICS GAMES OF RIO DE JANEIRO

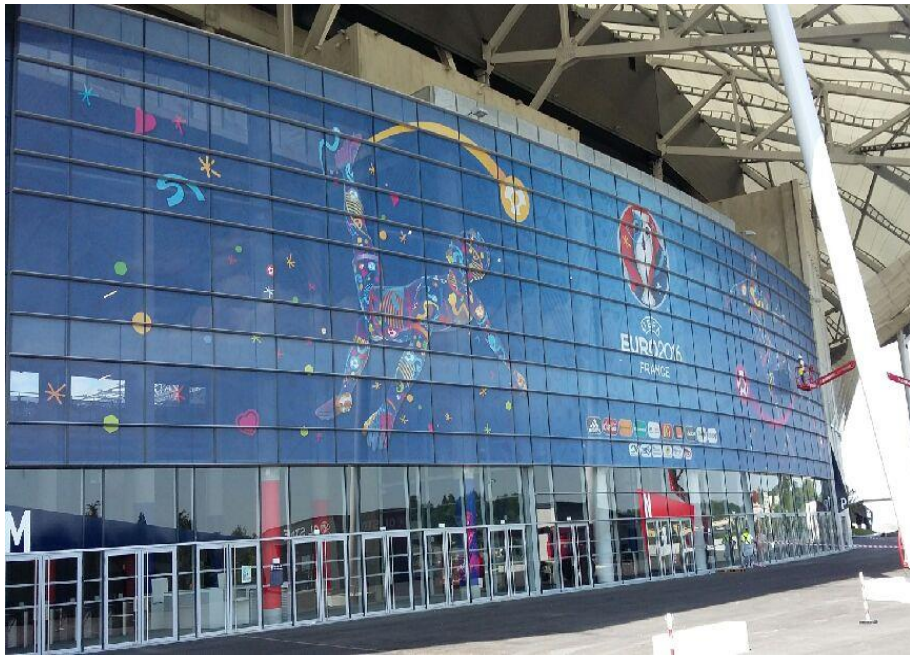
- **12 key contracts with CORIO 2016** (hospitality services, polyclinic construction, structures, barriers, grandstands and turnkey contracts) and the City of Rio de Janeiro (grandstands, permanent installations at the Riocentro and Olympic Arena reception sites).
- **Nearly 20 ancillary agreements**, for temporary structures and internal installations with, in particular: sponsors (Nissan, Coca-Cola, AT&T, Omega,...), international federations (Club France, Casa Australia, USA House, NBA House, FF Equitation), broadcasters (NBC, CNN), etc.
- **Present at 45 Olympic sites:**
  - 28,000 meals
  - 200 hostesses
  - 125,000 m<sup>2</sup> of temporary structures, 60 km of barriers, grandstand seating for 40,000 people
  - 11.000 m<sup>2</sup> f scaffolding platforms, 20 km of power cables
  - 40.000 m<sup>2</sup> of modular partitions, 95.000m<sup>2</sup> of suspended ceilings, 11,800 pieces of furniture
  - a permanent 7,225 m<sup>2</sup> pavilion at Riocentro

# EURO 2016

- **7 key contracts with the UEFA** (signage, air-conditioning, structure and furniture) and DO&CO for hospitality services (furniture, fittings, decorations and structure).
- **Ancillary contracts with:** the Fan Zones (Lyon, Bordeaux, Lille, Paris), Mc Donald's for the "player escorts" programme (management of young soccer fans selected to assist the teams).
- **GL events present at all 10 stadiums, the IBC and the main Fan Zones in France.**
  - 24.000 m<sup>2</sup> of temporary structures
  - 199,000 m<sup>2</sup> of signage
  - 4,000 items of furniture manufactured for the 10 stadiums and 3 temporary villages
  - > 50,000 units for furniture
  - > 1,500 people on-site during the peak activity of the event

# EURO 2016

## PHOTO PRESENTATION – MAIN SITES



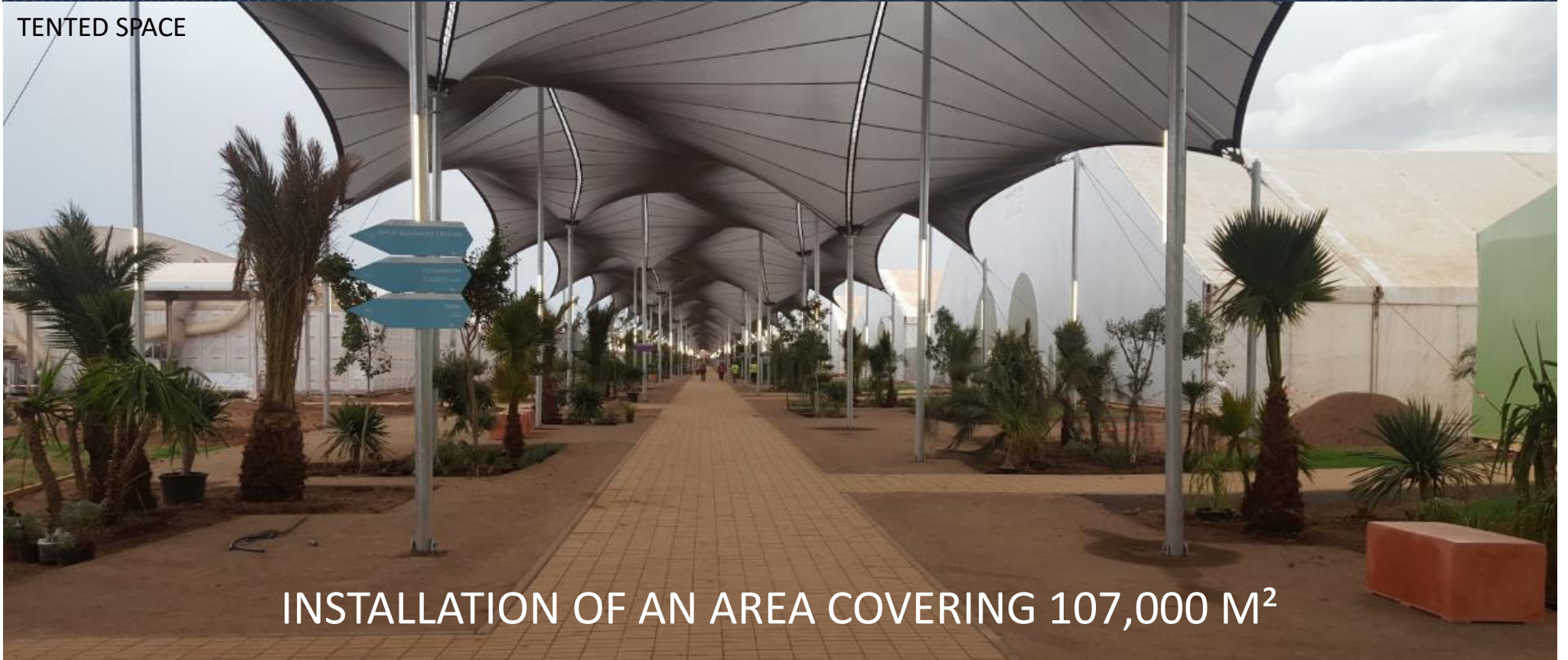
# EURO 2016 – LYON FAN ZONE



GL events obtained ISO20121 certification for the four UEFA contracts (air-conditioning, furniture, structures, signage)

# COP22 – MARRAKESH NOV. 2016

TENTED SPACE



INSTALLATION OF AN AREA COVERING 107,000 M<sup>2</sup>

# COP22 – MARRAKESH NOV. 2016

PLENARY ENTRANCE



# GL EVENTS EXHIBITIONS - BUSINESS DRIVERS

- **GL events Exhibitions, an international organiser of trade shows and consumer fairs**



AGROMASHEXPO / BUDAPEST

## **Missions:**

- Designing and producing B2B and B2C trade fairs

## **Markets:**

- Marketing and commercial departments addressing communities of professionals and the general public.

## **Key assets:**

Creativity

Marketing data

More than 300 proprietary trade shows and fairs

Strong brands

Ability to replicate trade shows and consumer fairs at a global level

**2016 revenue : €145m**

**Employees: 380**

# EXHIBITIONS: IMPROVEMENT IN THE OPERATING MARGIN/2014 +3.4 PTS

€m	2014	2015	2016
Revenue	143.2	166.4	145.0
Current operating income	8.4	20.1	13.5
Current operating margin	5.9%	12.1%	9.3%

- Within an off year of the biennial cycle though growth of 1% vs. 2014 (comparable biennial cycle)
- Work on performance and composition of portfolio of trade shows and fairs
- A good performance for the main trade shows and fairs in Europe
- A significant improvement in the operating margin in relation to 2014, a comparable biennial cycle.

GL EVENTS EXHIBITIONS, AN INTERNATIONAL PROMOTER AND ORGANISER OF TRADE SHOWS AND



# PREMIÈRE VISION / PARIS/ NYC / ISTANBUL / 2016

EXHIBITORS: 4,660  
VISITORS: 160,000  
GL events businesses:  
Exhibitions and Live



# ÉQUITA LYON: KEY FIGURES EXHIBITION, VENUES AND LIVE

EXHIBITORS: 785  
VISITORS: 158,000  
GL events businesses:  
Exhibitions, Live and Venues



# PISCINE GLOBAL: EXHIBITIONS, VENUES AND LIVE

EXHIBITORS: 596  
VISITORS: 18,000  
GL events businesses:  
Exhibitions, Live and Venues



# GL EVENTS VENUES - BUSINESS DRIVERS

## ■ GL events Venues, a Networked World



### **Missions: Managing and marketing**

- Convention centres
- Exhibition centres
- Reception facilities
- Multi-purpose facilities and concert halls

### **Clients:**

- Regional-local governments / Institutions
- Organising trade shows and consumer fairs, conventions and events

### **Key assets:**

A unique international coverage  
A worldwide network of 40 venues  
Relationships with regional authorities  
Multi-purpose facilities and concert halls  
Recent cutting-edge equipment

**2016 revenue : €308m**

**Employees: 870**

# VENUES: ORGANIC GROWTH AND AN IMPROVING MARGIN +4PTS

€m	2014	2015	2016
Revenue	266.6	289.6	307.6
Current operating income	16.5	19.0	32.9
Current operating margin	6.2%	6.6%	10.7%

- A double-digit operating margin driven by strong organic growth
- Developing synergies within a single venue (Sao Paulo Expo, demonstrating the relevance of the Group's major investments in Brazil's economic capital)
- Good performances in Rio de Janeiro, Budapest, The Hague, Brussels, Barcelona Paris and Strasbourg
- Continuing work on Turin and the Rio de Janeiro hotel

GL EVENTS VENUES, "A NETWORKED WORLD"

# EUREXPO LYON / POLLUTEC / NOVEMBER 2016

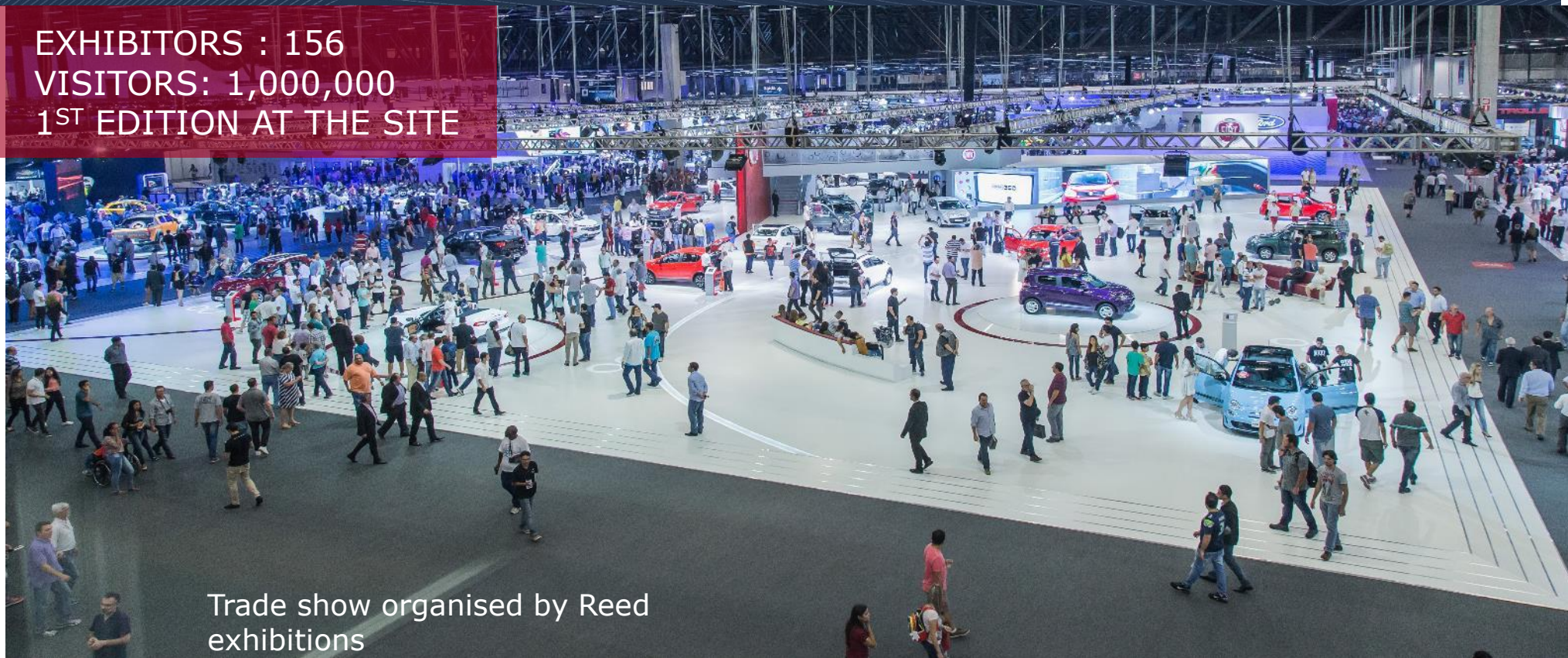
EXHIBITORS: 2,300  
VISITORS: 60,000  
GL events businesses:  
Venues and Live



Trade show organised by Reed  
exhibitions

# SAO PAULO EXPO / AUTO SHOW / NOV 2016

EXHIBITORS : 156  
VISITORS: 1,000,000  
1<sup>ST</sup> EDITION AT THE SITE



Trade show organised by Reed  
exhibitions

# CCIB BARCELONA/ SYMPOSIUM GARTNER / NOV 2016

EXHIBITORS: 42  
VISITORS: 6,000  
GL events businesses:  
Venues and Live





# HUNGEXPO / AGROMASH / JANUARY 2016

EXHIBITORS: 300  
VISITORS: 42,000





# GROUP RESULTS & FINANCIALS



# CURRENT OPERATING MARGIN: 8.3 %

€m	2016	2015	Change
<b>Revenue</b>	<b>953.0</b>	<b>942.4</b>	<b>+1.1%</b>
Purchases and external charges	(579.5)	(584.3)	0.8%
Staff costs and profit sharing expenses	(226.3)	(222.5)	+ 1.7%
Other operating income and expenses	(1.3)	(0.3)	-
Accumulated depreciation and provisions	(50.6)	(43.1)	+17.5%
Taxes and similar payments	(16.0)	(20.4)	-21.4%
<b>Current operating income</b>	<b>79.3</b>	<b>71.7</b>	<b>+10.6%</b>
<i>Group current operating margin (% sales)</i>	<b>8.3%</b>	<b>7.6%</b>	<b>+70bp</b>
Other non-current income and expenses	(2.2)	(2.6)	-
<b>Operating profit</b>	<b>77.1</b>	<b>69.1</b>	<b>+11.5%</b>

Currency effect: -€11m  
 The disposal of unprofitable business units had an impact of €24 million on Group revenue  
 Sales like-for-like +2.4%

Continuing increase of the line item / external/internal resources trade-off\*\*\*.

Full-year impact: Jaulin, Hotel and Sao Paulo Expo

Withholding tax in N-1 and local tax exemption for activity for the 2016 OG

**2016 EBITDA €130m**  
**2016 EBITDA margin 13.6% (+1.4 points vs. 2015)**

# NET INCOME ATTRIBUTABLE TO GROUP SHAREHOLDERS: +3.4%

€M	2016	2015	Change
<b>OPERATING PROFIT</b>	<b>77.1</b>	<b>69.1</b>	<b>+11.5%</b>
NET FINANCIAL EXPENSE	(17.2)	(12.5)	
PROFIT BEFORE INCOME TAX	59.9	56.7	+5.7%
INCOME TAX	(22.7)	(18.6)	
<b>NET INCOME OF CONSOLIDATED COMPANIES</b>	<b>37.2</b>	<b>38.1</b>	<b>-2.3%</b>
INCOME (LOSS) FROM EQUITY-ACCOUNTED INVESTEEES	(0.9)	(1.0)	-
<b>NET INCOME</b>	<b>36.3</b>	<b>37.1</b>	<b>-2.0%</b>
<i>OF WHICH NCI</i>	<i>4.5</i>	<i>6.3</i>	
<b>NET INCOME ATTRIBUTABLE TO THE GROUP</b>	<b>31.9</b>	<b>30.8</b>	<b>+3.4%</b>

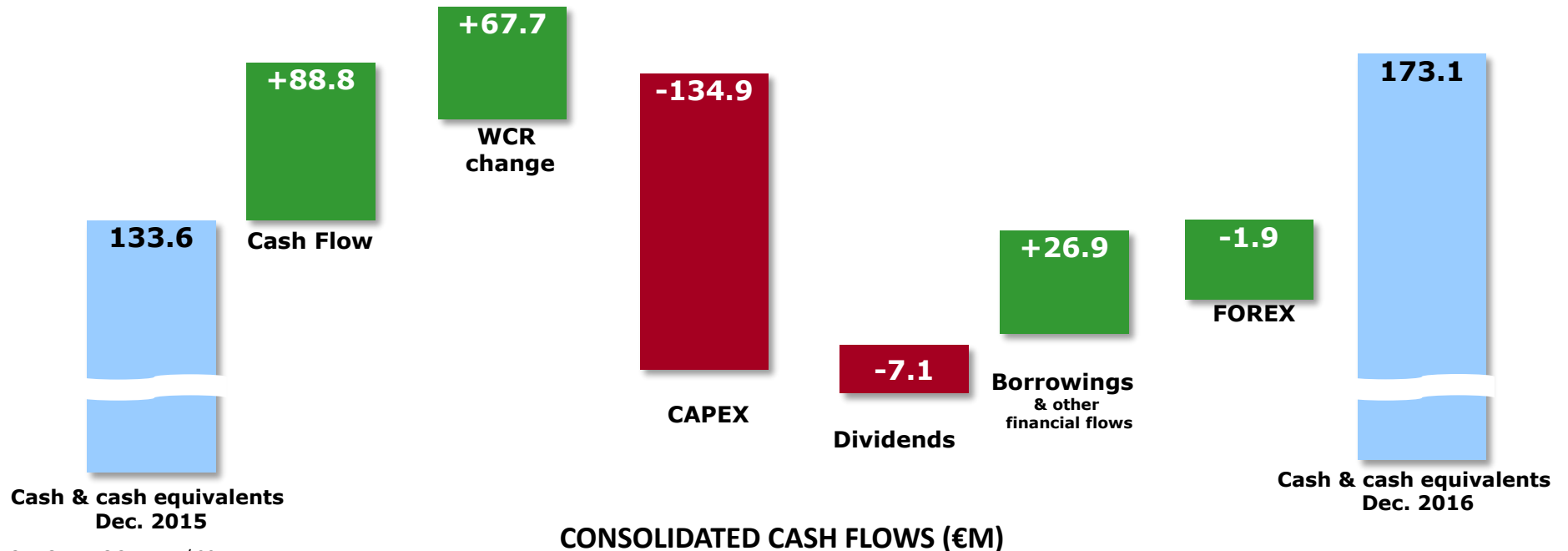
Rising lending rates in Brazil (21%) & six-month impact of the Euro PP private placement at 3.5%. Impact of Brazil neutralised in 2017 by the debt restructuring

Rising income tax rates, Group earnings concentrated in France, Brazil, Spain...

SIRHA biennial effect, Eurexpo

# CASH & CAPEX IN 2016

- A high cash flow level and an increasing ratio of cash flow to sales in 2016 9.3% vs. 9% in 2005
- Improvement in WCR vs. 2015, characterised by: COP 21 inflows in Q1 2016, COP22 with 95% of inflows in Q4 2016 and SIRHA instalments.
- Stock dividend exercised a rate of 84%



# CASH & CAPEX IN 2016

- **Net debt at 31/12/2016 of €392m vs. €376m in 2015**
  - Reduction in debt to equity with financial leverage reduced from 100.4% in 2015 to 88.1% in 2016.
  - Net debt/EBITDA also improved: 3.01 vs. 3.23
  
- **2016: Final investment phase in Brazil (€84m).** A target for a normative annual operating return on investment of €30-€35m in 2017 and 2018 (excluding external growth) for a significant reduction in net debt.

# A DEBT ASSOCIATED WITH LONG-TERM AND SECURE ASSETS

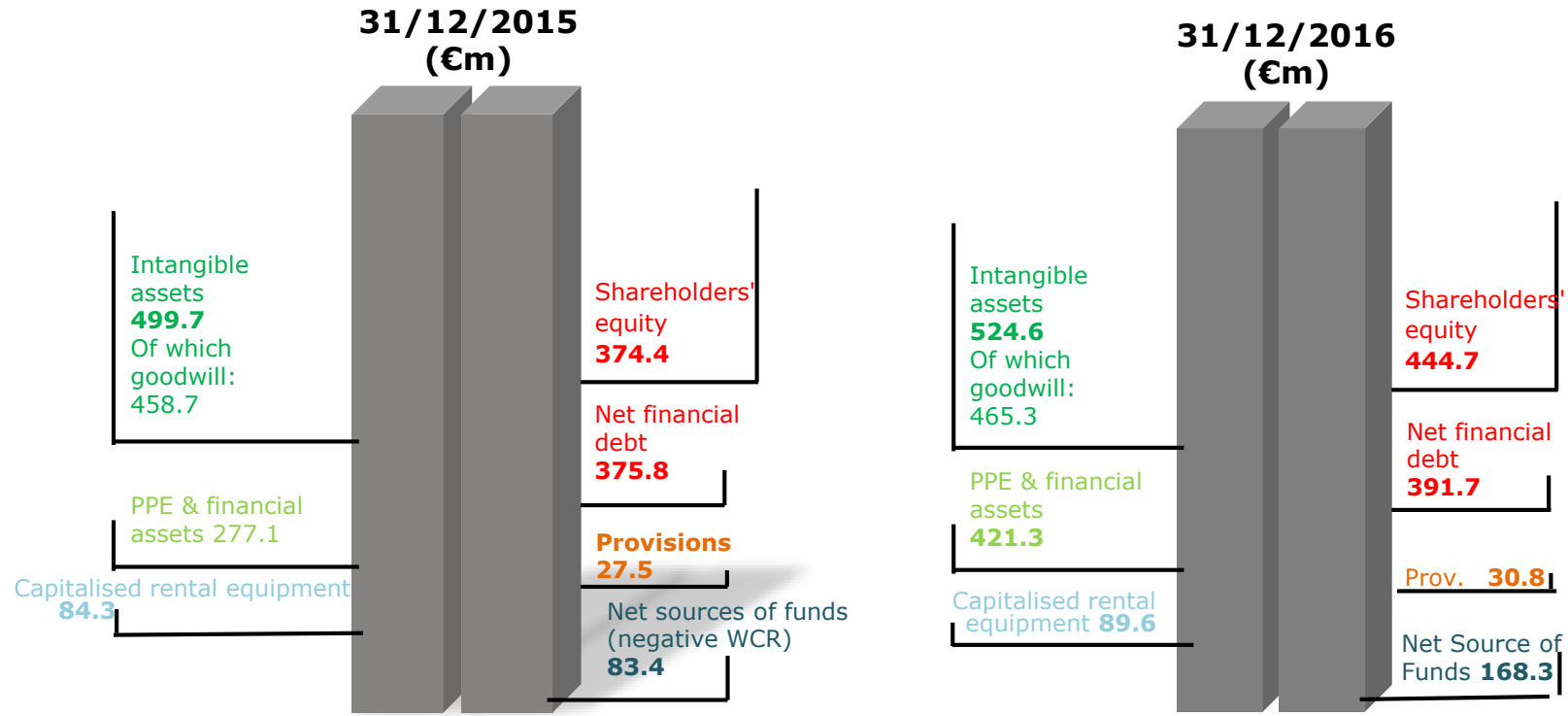
- ▶ A debt backed by long-term assets secured by commitments and concessions with terms of several decades
- ▶ 61% of debt linked to long-term assets

Reported net debt (gearing 88%)	€m	<b>392</b>
Work on Palais Brongniart (30 years)	}	243
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 34%)		<b>149</b>

€m	2013	2014	2015	2016
GL events Group CAPEX	74.4	80.7	100.3	135.9
of which GL events Venues	46.8	52.4	83.7	95.3

Targets €30-€35m in 2017 and 2018, excluding external growth

# BALANCE SHEET AT 31/12/2016







# FINANCIAL & ROCE MANAGEMENT



# ASSET PORTFOLIO TURNOVER RESPECTING A WELL-MANAGED FINANCIAL STRUCTURE

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

- **Continuing disposal of non-strategic businesses in 2016 (€24m in revenue):**
  - Modular stand business
  - Catering business in Belgium
  - Green space maintenance and landscaping
  - Management lease arrangement for the Padoua site
- **Businesses with a level of profitability below Group expectations and/or outside its business development strategy**
- **Successful integration of the Jaulin Group**

# MANAGEMENT OF FINANCIAL DEBT

## Successful debt restructuring:

- €100 million private placement in July 2016 at 3.5%, diversification of the Group debt profile
- Capital increase of the subsidiary through capitalisation by GL events and repayment of Brazilian high floating-rate debt (18%)
  - Lower borrowing costs
  - Reduced interest rate exposure
- Debt reduction planned in 2017, 2018

# 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 guidance for each business project
- Improving ROCE by the disposal of assets and optimised trade-offs between operating margin and investment priorities
- Ongoing efforts to optimise Net Source of Funds



# STRATEGY & OUTLOOK



# STRATEGIC PRIORITIES

## Continuing to build a major international reference in the event industry

- *A strong business development organisation to fuel organic growth*
- *Dynamic and selective M&A and strategic partnerships to take advantage of opportunities within a global market in consolidation*
- *Achieving a position of international excellence for each of the Group's three businesses*
- *A strong GL events brand, with international name recognition in the event industry universe*

## Selecting quality long-term assets

- *Premium event venues in growing metropolitan areas*
- *Leading trade show brands, with potential for international deployment and targeted communities*
- *A rental portfolio offering access to top-tier contracts based on the volume and quality of its assets*



## An innovation-centric culture within the event universe

- *Expanding design, engineering and logistics expertise to support the needs of advertisers and major event organisers*
- *Shifting from event sites to a concept of full-fledged "living spaces" to be integrated within new urban applications*
- *Digital transformation and leveraging event data*
- *Developing new event concepts*

## Reinforcing financial management to free up capacity for action

- *Group target for ROCE between 8% and 10%*
- *Reducing net debt*
- *Focusing on asset portfolio turnover*
- *Optimisation of economic synergies between the 3 business divisions*

# IN FRANCE, A REINFORCED SCOPE WITH:

- The successful integration of Jaulin
- The launch of management for the Valenciennes metropolitan region convention centre (9-year management concession).
- Renewal of the Eurexpo lease for a 30-year term
- Signature of a 60-year emphyteutic lease for the management of the Gerland stadium



# STRONG BRANDS AND EVENTS

- Strong brands for the development of spin-off events

PREMIÈRE **VISION**

**EQUITA**  
Le salon du cheval de Lyon



**OMWIVORE**



- Jumbo events in the pipeline



# OCEANIA, COMMONWEALTH GAMES 2018

- Signature of an important contract by GL events, present in Australia since 2000 (Sydney Olympic Games, G20 Brisbane...)
- GL events joins forces with ExpoNet to supply temporary grandstand seating for the Gold Coast 2018 Commonwealth Games (GC2018)
  - 60,000 temporary seats will be installed across thirteen Games venue
  - A major contract of more than €10m



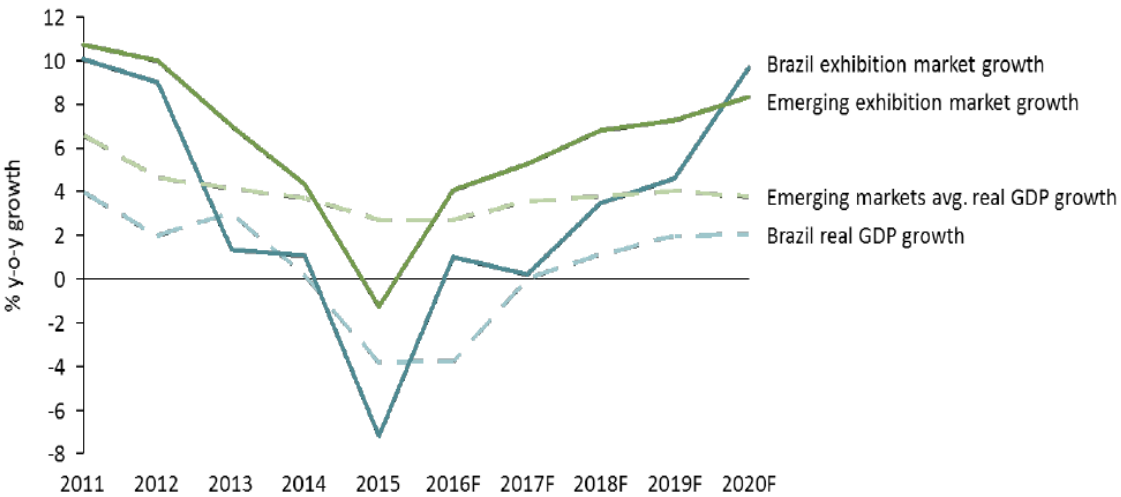
# CHINA, A NEW NETWORK OF EVENT VENUES

- Signature of a joint venture agreement with the Yuexiu Group to develop a network of event venues (management of the future Guangzhou Yuexiu International Congress Centre financed by the partner)
- A structure developed through a joint venture based on operating assets built and financed by the partner, hence requiring limited CAPEX.
- Management of the future 50,000 m<sup>2</sup> Guangzhou Yuexiu International Congress Centre targeted for opening in 2019.



# IN BRAZIL

- Successful launch of Sao Paulo Expo, EBITDA of 50 %, 2017 revenue > BRL 100
- Dynamic and well-structured teams, a strong business development focus



# RAMPING UP OF SAO PAULO EXPO

## SAO Paulo Expo, located in Brazil's economic hub

Top cities for tradeshows (by net space)



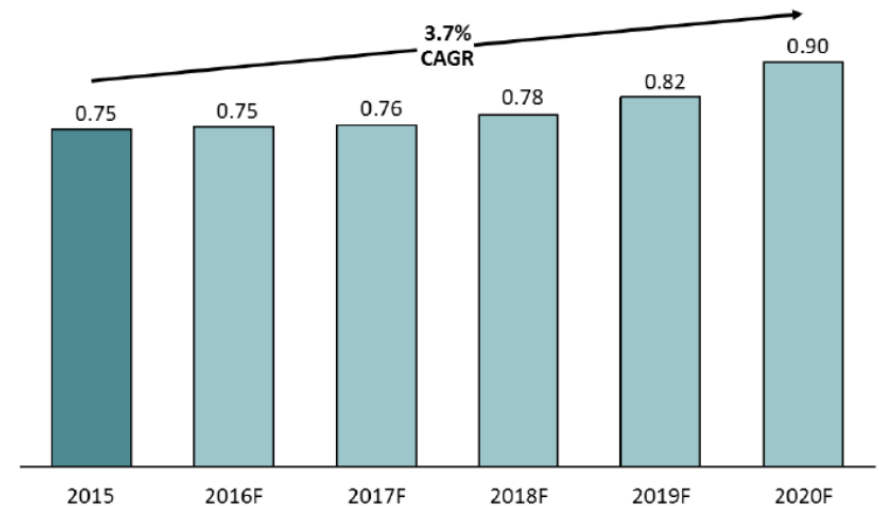
Source: Venue websites, AMR analysis

## SAO Paulo Expo, in a market with strong growth potential

### (800 shows & fairs per year)

*Exhibitions Revenues*

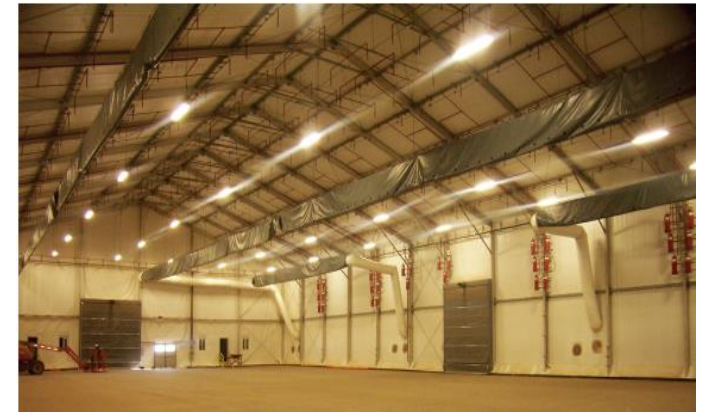
Forecast market growth 2015-2020, \$bn



Source: AMR analysis

# DEVELOPMENT STRATEGY IN SOUTH AMERICA

- Acquisition in Chile, heads of agreement subject to due diligence
- Business: supply and medium term leasing of modular structures
- Sales: CLP 8 billion or approximately €12 million.
- Heads of agreement subject to due diligence



# 2017, ANOTHER YEAR OF PROFITABLE GROWTH

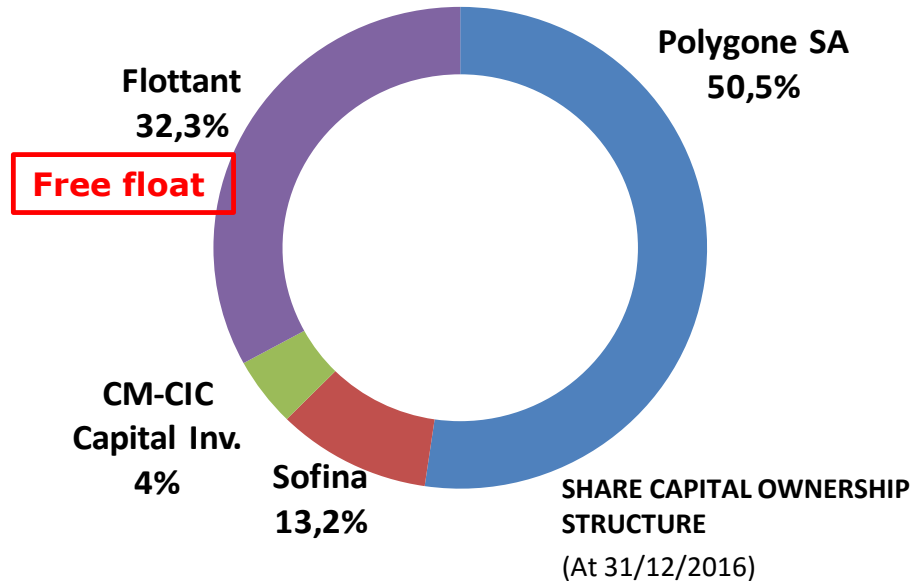
- Good commercial momentum for the beginning of the year
- Continuing measures to improve operating margins and ROCE
- Guidance
  1. New revenue growth
  2. Growth in free cash flow
  3. Debt reduction



# KEY STOCK MARKET DATA



# KEY STOCK MARKET DATA



**NUMBER OF SHARES** 23,402,711

(At 31/12/2016)

**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

**Proposal for the distribution of a dividend of €0.65 per share payable in cash**

## **NEXT FINANCIAL EVENT:**

25 April 2017: 1<sup>st</sup> quarter sales (after the close of trading)





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