

EXPO MILANO 2015



# 2015 FIRST-HALF RESULTS

2 SEPT. 2015

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# H1 HIGHLIGHTS

- Growth in first-half sales (+0.5%)
- Very dynamic positions in France (+23%) and Europe (excluding France +11%)
- Continuing growth by business units : Venues: +12.9%; Exhibitions: +27.5%
- Operating margin above 8% in H1

**PROFITABLE AND SUSTAINABLE GROWTH**

EXCELLENT  
MOMENTUM IN  
FIRST HALF

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# GROUP BUSINESS PERFORMANCE

- H1 sales growth, coming after a 2014 first half that included €74m in revenue from the Football World Cup
- Limited translation/currency effects in H1 (€4.3m)

Consolidated revenue(€m)	2014	2015	2015 (cc*)	Change 2014/2015	Change 2014/2015 (cc)
Q1	219.3	<b>250.2</b>	247.4	+14.1%	+12.8%
Q2	245.4	<b>216.7</b>	215.2	-11.7%	-12.3%
<b>TOTAL 6 months</b>	<b>464.7</b>	<b>466.9</b>	<b>462.6</b>	<b>+0.5%</b>	<b>-0.4%</b>

- Growth on track with initial Group targets, based on a balanced mix in terms of geographic coverage and business lines

•\* constant currency based on 2014 exchange rates

# GROWTH FROM THE "LIVE" BU, EXCLUDING THE FOOTBALL WORLD CUP EFFECT

Consolidated revenue(€m)	2014	2015	Change 2014/2015
Q1	98.3	<b>102.0</b>	+3.8%
Q2	159.2	119.6	-24.9%
<b>TOTAL 6 months</b>	<b>257.5</b>	<b>221.6</b>	<b>-14.0%</b>

- Contraction contained in H1, with this business unit accounting for the entire 2014 base effect from the Football World Cup
- Excluding the World Cup effect (€74m), sales revenues in H1 grew 21%.
- A significant number of assets delivered for major international events (2015 Milan Universal Exhibition, the Pan Am Games in Toronto, the Cannes Film Festival, the Roland Garros French Tennis Open, Formula 1 Grand Prix , world championship "E-race" for single-seater electric-energy powered cars...)



# EXPO 2015 MILAN

## PRODUCTION AND MANAGEMENT OF PAVILIONS



**CUSTOMERS:** Pavilions of Gabon, Morocco and France: boutique and restaurant management

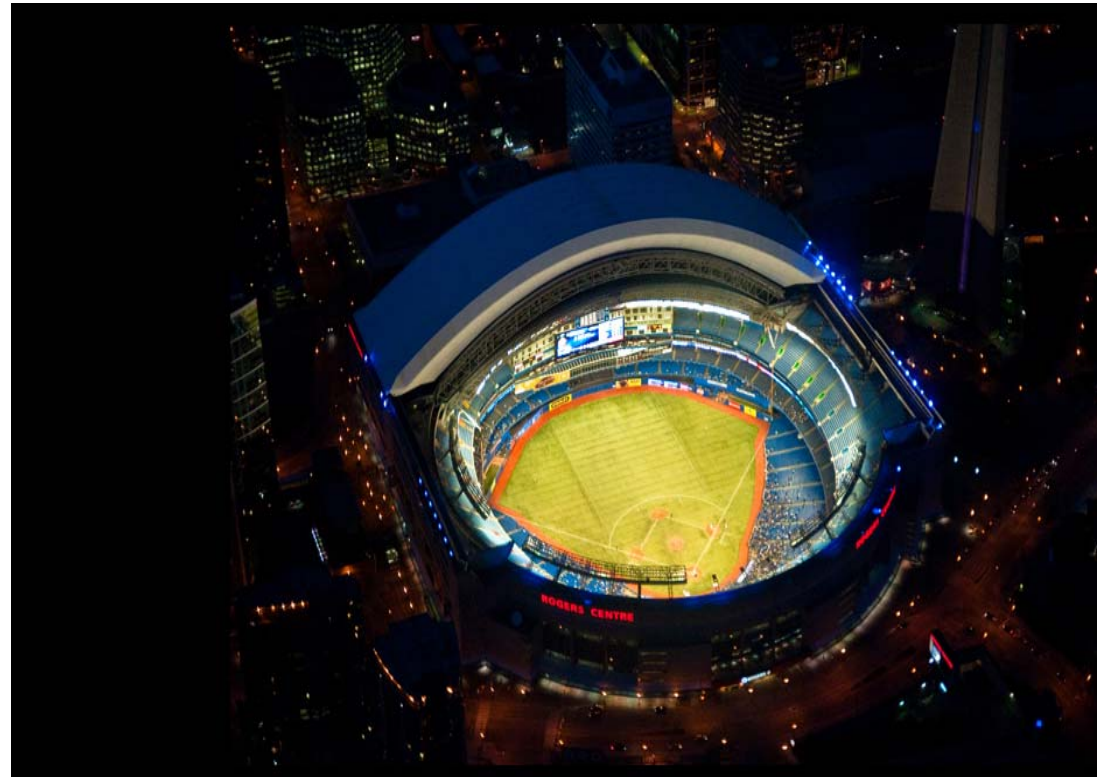


# 2015 TORONTO PAN-AMERICAN GAMES



**CUSTOMER: ORGANIZING COMMITTEE**

- SERVICES: 34 sites equipped including the Olympic Village kitchen facilities





# PERU – IMF 2015

## MANAGEMENT OF THE EVENT, INSTALLATIONS, FURNITURE



### Annual Meeting 2015 – Lima, Peru Plenary Stage

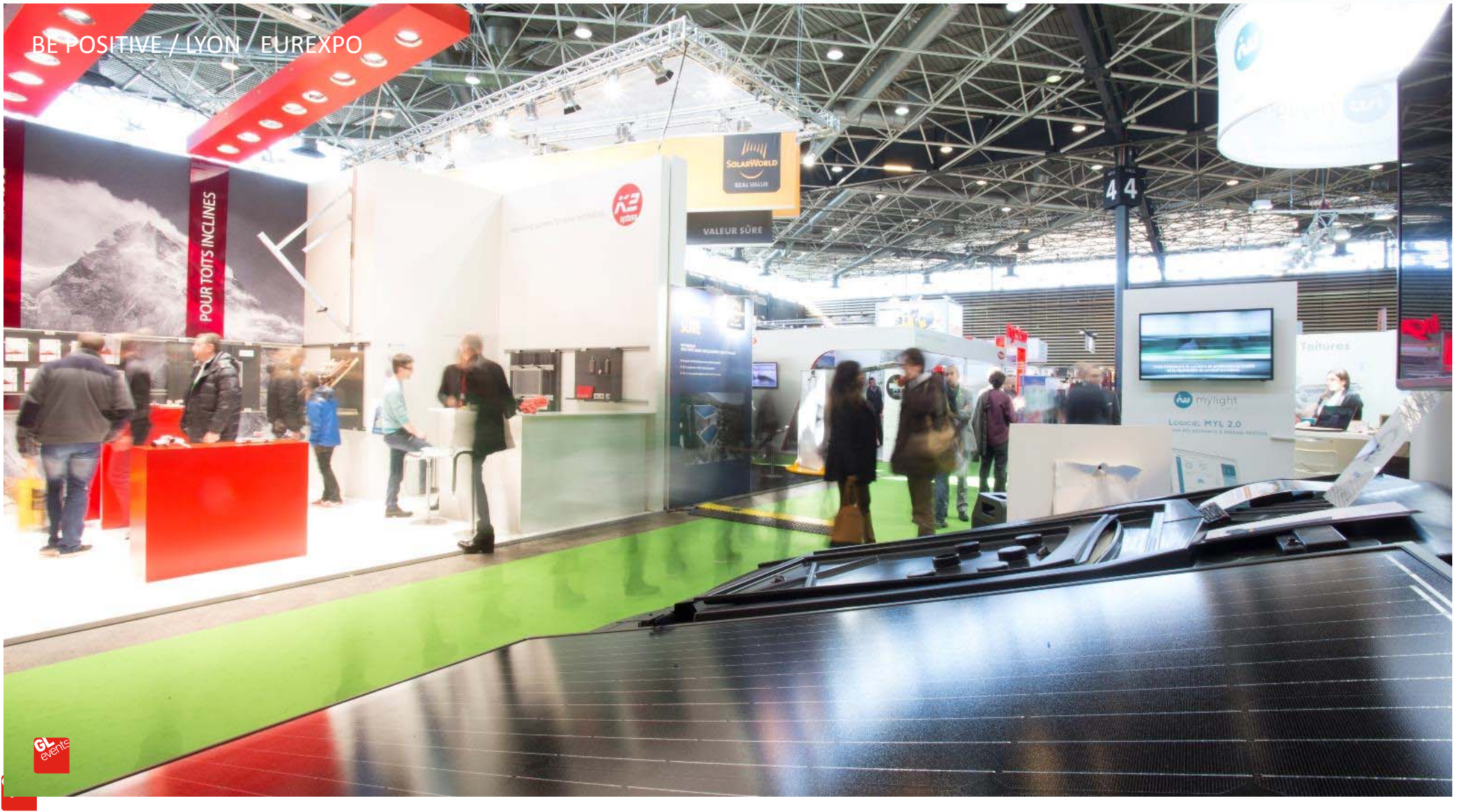


# SOLID POSITION OF THE "EXHIBITIONS" BUSINESS UNIT

Consolidated revenue (€m)	2014	2015	Change 2014/2015
Q1	63.1	<b>82.0</b>	+30.1%
Q2	15.4	18.1	+16.9%
<b>TOTAL 6 months</b>	<b>78.5</b>	<b>100.1</b>	<b>+27.5%</b>

- A particularly dynamic first quarter driven by the Lyon edition of SIRHA
- The Salon Industrie edition with growth of >10% - Excellent performance by the Première Vision trade shows
- Continuing growth highlighting the value of the Group's portfolio of world-class event brands and tools for generating business opportunities

BE POSITIVE / LYON / EUREXPO





AGROMASHEXPO / HUNGEXPO





AUTO MOTO RETRO / LINGOTTO





BOAT SHOW / HUNGEXPO





EXPO CASA / LINGOTTO TURIN



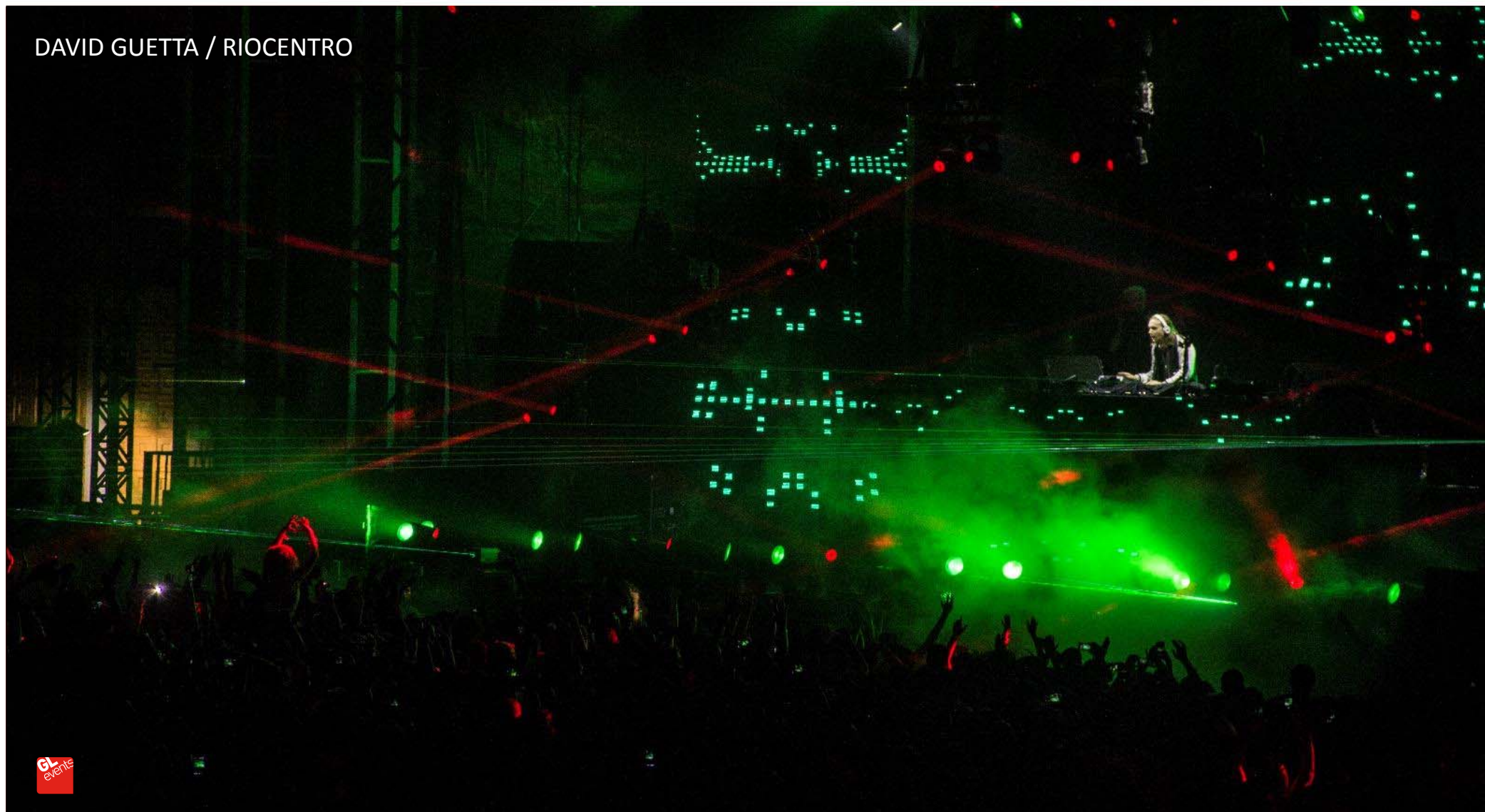
# CONTINUING GROWTH FROM THE "VENUES" BUSINESS UNIT

Consolidated revenue (€m)	2014	2015	Change 2014/2015
Q1	57.9	<b>66.2</b>	+14.3%
Q2	70.7	<b>79.0</b>	+11.7%
<b>TOTAL 6 months</b>	<b>128.7</b>	<b>145.2</b>	<b>+12.9%</b>

- Q2 2015: Fourth consecutive quarter of double-digit growth
- Bolstered by Strasbourg Evènements' integration in the Group structure and significant gains from Lyon, Brussels, Paris and Budapest venues.



DAVID GUETTA / RIOCENTRO



CONVENTION COFFELY / PALAIS BRONGNIART

COFFELY AXIMA  
GDF SUEZ

Créateurs  
d'énergies  
positives  
Questions / réponses





ART & DESIGN FAIR / CONGRESIUM ANKARA



NOVIAS & FIESTAS / SAO PAULO EXPO





SYMPHONY OF GAMES / LA MUTUALITÉ



PROFITABLE  
GROWTH

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# OPERATING MARGIN ABOVE 8%

€m	H1 2015	H1 2014 restated*	Change
<b>REVENUE</b>	<b>466.9</b>	<b>464.7</b>	<b>+0.5%</b>
PURCHASES AND EXTERNAL CHARGES	(288.9)	(285.8)	+1.1%
TAXES AND SIMILAR PAYMENTS (OTHER THAN ON INCOME)	(11.1)	(15.4)	-28.4%
STAFF	(110.2)	(100.9)	+9.2%
NON-CURRENT OPERATING INCOME AND EXPENSES	2.2	(0.9)	-
ACCUMULATED DEPRECIATION AND PROVISIONS	(21.1)	(24.5)	-
<b>CURRENT OPERATING INCOME</b>	<b>37.9</b>	<b>37.3</b>	<b>+1.6%</b>
OTHER INCOME AND EXPENSE	0.3	-	
<b>OPERATING PROFIT</b>	<b>38.2</b>	<b>37.3</b>	<b>+2.5%</b>
<i>Group operating margin (% sales)</i>	8.2%	8.0%	-

← Stable after H1 2014 marked by the Football World Cup effect (H1 2014: +8.6% vs. H1 2013) – Development of subcontracting within the Group

← Retrospective application IFRIC21 – Levies Brazil Football World Cup 2014

← Including a Group structure effect of €4m

← Operating margin on track with the Group's target for remaining above 8%

•Retrospective application of interpretation IFRIC 21



# OPERATING MARGINS BY BUSINESS UNIT

- ▶ **GL events Live:** A base effect from the Football World Cup - Operating margin slightly higher than in H1 2013
- ▶ **GL events Exhibitions:** Bolstered by Sirha's Lyon edition, growing contributions from the sites, margin up vs. H1 2013
- ▶ **GL events Venues:** Strong revenue growth with a margin at a normative level

€m	H1 2015	H1 2014 restated*	H1 2013
<b>REVENUE – LIVE</b>	221.6	257.5	214.3
<b>Current operating income</b>	8.2	24.2	6.4
<i>Operating margin</i>	<i>3.7%</i>	<i>9.4%</i>	<i>3.0%</i>
<b>REVENUE – EXHIBITIONS</b>	100.1	78.5	93.9
<b>Current operating income</b>	16.0	5.4	13.9
<i>Operating margin</i>	<i>16%</i>	<i>6.8%</i>	<i>14.8%</i>
<b>REVENUE – VENUES</b>	145.2	128.7	124.0
<b>Current operating income</b>	13.7	7.7	12.5
<i>Operating margin</i>	<i>9.4%</i>	<i>6%</i>	<i>10.1%</i>

\* Retrospective application of interpretation IFRIC 21

# NET INCOME ABOVE €20m

€m	H1 2015	H1 2014 restated*	Change
<b>GROUP OPERATING PROFIT</b>	<b>38.2</b>	<b>37.3</b>	<b>+2.5%</b>
NET FINANCIAL EXPENSE	(6.4)	(5.4)	
GROUP PROFIT BEFORE INCOME TAX	31.9	31.9	-
Income tax	(10.8)	(11.2)	-
<b>NET INCOME OF FULLY CONSOLIDATED COMPANIES</b>	<b>21.1</b>	<b>20.8</b>	<b>+1.6%</b>
ASSOCIATES	(0.5)	(1.6)	
<b>NET INCOME</b>	<b>20.6</b>	<b>19.2</b>	<b>+7.5%</b>
OF WHICH NONCONTROLLING INTERESTS	4.1	1.0	x4
OF WHICH NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	16.5	18.2	-9.2%

← Debt mix Euro/Brazil

← Country effect mix

← Eurexpo, Première Vision impact

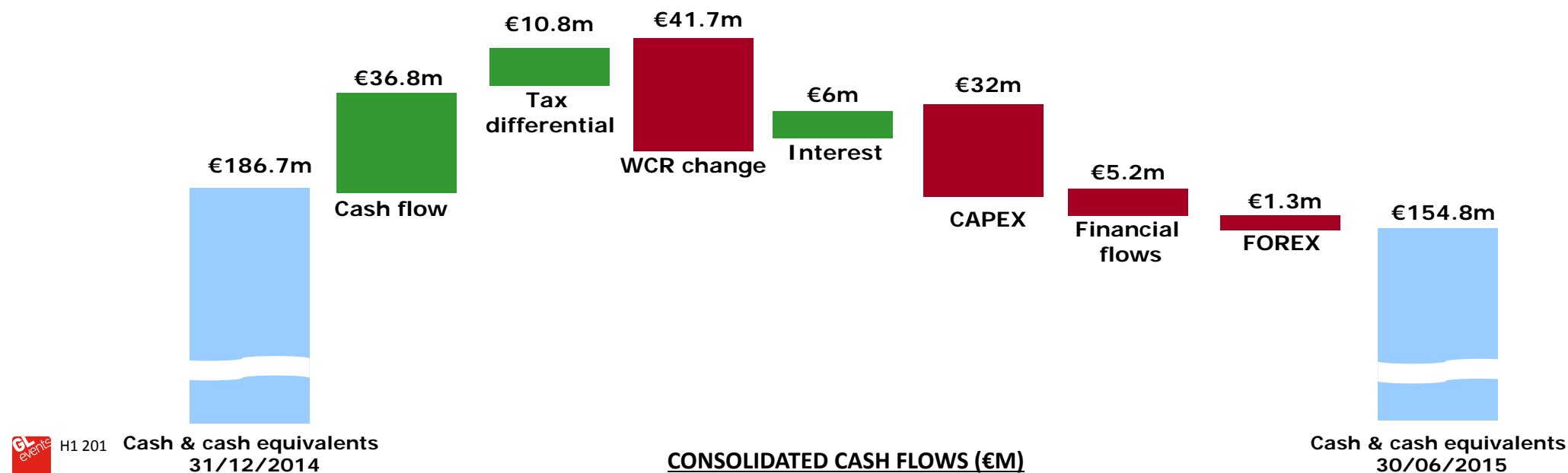
\* Retrospective application of interpretation IFRIC 21 and impacts concerning entities accounted for under the equity method on aggregates for "Equity-accounted investments" (+€2m), Share of income from equity affiliates (-€1m), Provisions for contingencies and expenses (-€2m), in accordance with IAS 8.

# FINANCIAL STRUCTURE

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# Cash flow /sales: 7.9%, in line with recent Group standards

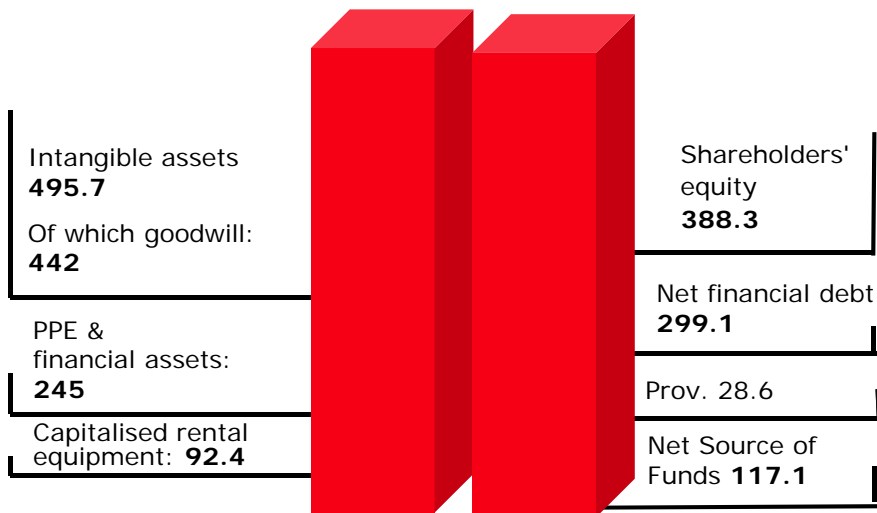
- ▶ Change in WCR for Live (Cop20) and Exhibitions (Sirha), Net Source of Funds (negative WCR) stable at €91m
- ▶ Capital expenditures in the period of approximately €90m. Strategic decision to accelerate planning for construction/renovation of Sao Paulo Expo with delivery for the end of 2016, in light of the excellent order book with the signature of multi-year contracts.



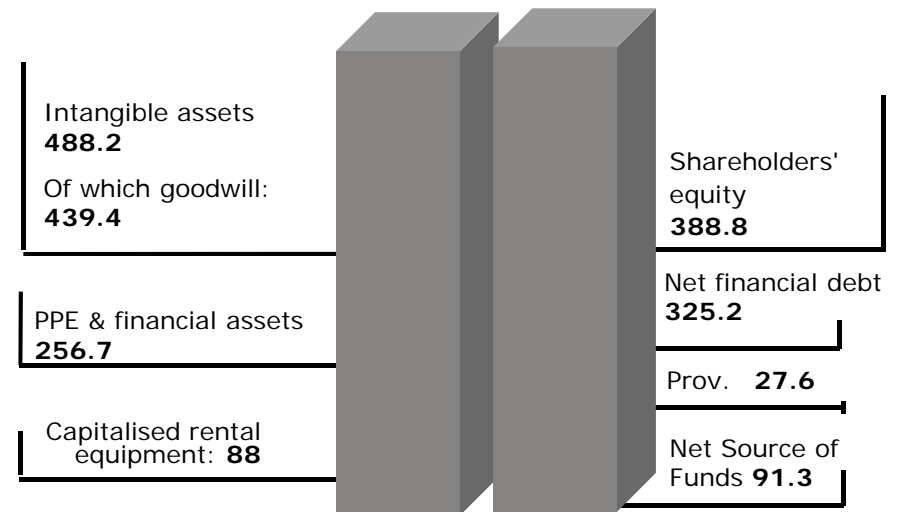
# A SOLID FINANCIAL STRUCTURE

- "Current" business-line related assets for events generating a net source of funds of €91.3 million,
- and long-term assets for concessions (30- to 50-year terms)

31/12/2014 (€m)



30/06/2015 (€m)





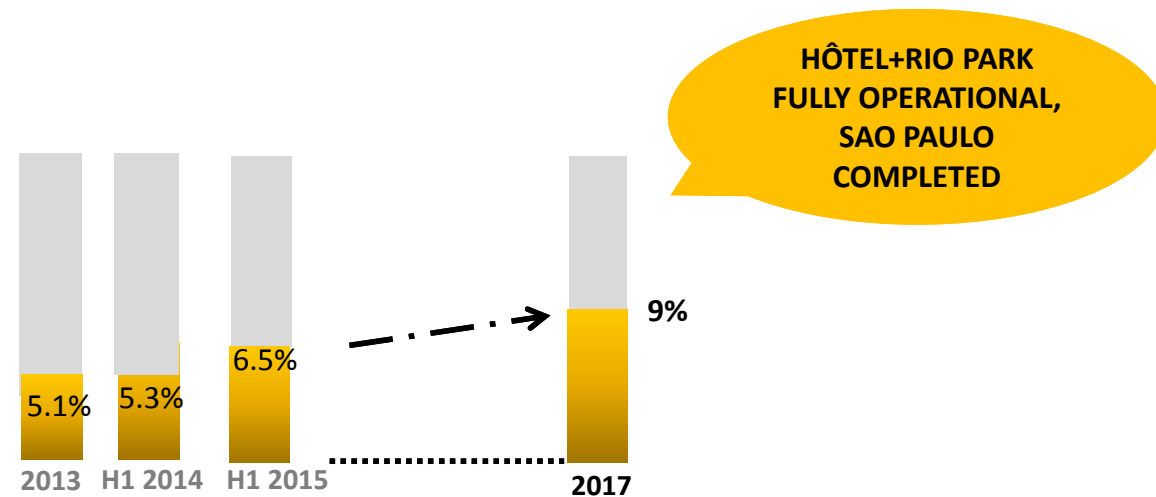
# 1/3 OF DEBT LINKED TO LONG-TERM ASSETS

	<u>€m</u>	
Reported net debt (gearing 84%)	325.2	
Work on Palais Brongniart (30 years)	10.4	} €122m
Metz renovation work (30 years)	7.5	
Riocentro exhibition & convention centre (50 years)	23.9	
Hôtel Rio (50 years)	47.5	
São Paulo exhibition centre (30 years)	33.0	
Net debt excluding concessions (gearing 52%)	202.9	

# OPTIMISE THE TURNOVER OF ASSETS

- **Strategic decisions in the first half to set aside certain assets to be deployed for large events in the future**
  - ROCE: 5.8% in H1 2015 vs. 4.9% in H1 2014
  - Excluding the Rio Centro hotel and first outflows of Sao Paulo, the ROCE was 6.5% in H1 2015 vs. 5.3% in H1 2014

- **Target for normative Group ROCE between 8% and 10%**



# ENVIRONMENT & MARKETS

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# A FAVOURABLE INTERNATIONAL ENVIRONMENT

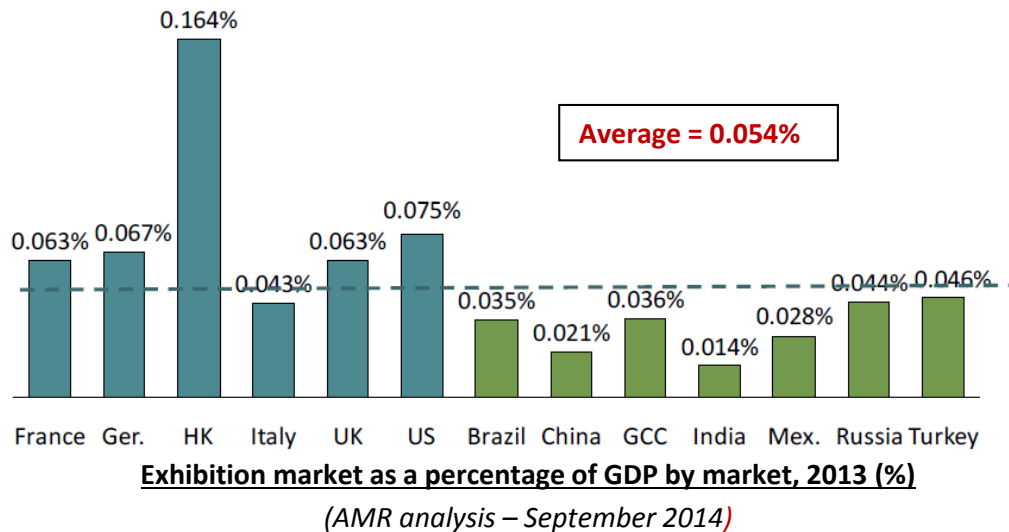
- Regions with strong economic growth

GDP	2015	2016
World	+3.3%	+3.8%
Advanced economies	+2.1%	+2.4%
US	+2.5%	+3%
Euro Zone	+1.5%	+1.7%
France	+1.2%	+1.5%
Italy	+0.7%	+1.2%
Spain	+3.1%	+2.5%
Emerging markets & developing economies	+4.2%	+4.7%
Emerging & developing Europe	+2.9%	+2.9%
Latin America	+0.5%	+1.7%
Sub-Saharan Africa	+4.4%	+5.1%

82% of revenue

# SOLID BUSINESS DRIVERS

- Exhibitions, still with significant potential for development



- "Trade show" media establishing its role as a vehicle for generating business opportunities

- In France (approximately 50% of Group revenue), trade shows and consumer fairs (*Médiamétrie / June 2015*):
  - 42,000 corporate exhibitors
  - More than €30bn in revenue
  - Contracts totalling €17.7m signed per year
  - Generating revenue for 84% of companies

**GL EVENTS, CATALYST AND BUSINESS DEVELOPMENT TOOL**

# IN MARKETS WITH STRONG 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 network of operating bases
  - A solid track record for every category of service in international markets
- Positioned in markets requiring a mix of a high degree 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 from jumbo events + strong growth for additional recurrent revenue



# BASES OF OPERATIONS IN BRAZIL PROVIDING POTENTIAL FOR SUSTAINABLE BUSINESS VOLUME.

- A firm commitment from governmental bodies to stimulate the trade show and consumer fair industry for "business development", "promoting local know-how with international Groups" and the "dissemination of knowledge"\*
  - More than 300 consumer fairs and trade shows in 2015 according to official records
  - Zones of influence around Rio & Sao Paulo = 65% of planned events in 2015
  - Significant potential for Sao Paulo Expo (State of Sao Paulo = 45% of events in the country vs. 31% of
- Favourable exposures from three strong sites
  - Riocentro: 85,000 m2 of market-ready space
  - HSBC Arena
  - Sao Paulo Expo
- A solid track record (RIO+20, WYD Rio , Confederation Cups and World Cup), a network of well-established suppliers and sales representatives across South America



# IN BRAZIL, 2016 AND BEYOND

- Secure revenue streams for BRL 500 from the Rio and Sao Paulo sites over the next three years from a mix of:
  - Exclusive negotiations for projects with the organizer, participating countries and partners
  - Important contracts signed for the provision of temporary installations,
  - Medium-term framework agreements signed for Sao Paulo Expo with organizers of international trade shows to stage their events, secure business with occupancy rates exceeding budgets



# BRAZIL – RIO 2016

## RIOCENTRO, A MAJOR REGIONAL HUB FOR EVENTS





# BRAZIL – RIO 2016

## RIOCENTRO, A MAJOR REGIONAL HUB FOR EVENTS



# BRAZIL – RIO 2016 – TEST EVENTS 2015

## SECURITY, CLEANING, F&B, SIGNAGE, AUDIO SYSTEMS



**CUSTOMER: CORIO  
(ORGANISING COMMITTEE)**

**CUSTOMER: NBA HOUSE/OCTOGON**  
•SERVICES: SHOW ROOM EQUIPMENT &  
FLOOR/WALL COVERINGS





# BRAZIL – RIO 2016

## CONTRACTS SIGNED OR IN THE PROCESS OF BEING FINALIZED



### CUSTOMER: CORIO

#### •CONTRACT / REVENUE:

- ✓ STRUCTURES AND HOSPITALITY SERVICES
- ✓ F&B HOSPITALITY SERVICES
- ✓ TENTS AND A/C
- ✓ RIOCENTRO OVERLAYS

- ✓ PAVILION 6
- ✓ IBC FURNITURE
- ✓ NBA HOUSE
- ✓ BBC, HOTEL





# BRAZIL – RIO 2016

## POTENTIAL FOR ADDITIONAL CONTRACTS



### **CUSTOMER: CORIO**

- FURNITURE / ATHLETES VILLAGE
- FURNITURE & IFF FOR VENUES
- HOSPITALITY SERVICES / FOOTBALL HOST CITIES
- GRANDSTANDS
- COMPANY TRANSPORTATION SERVICES

### **CUSTOMER: RIO URBE**

- GRANDSTANDS / DEODORO SITE

### **CUSTOMER: RIO DE JANEIRO CITY**

- EQUIPEMENT, COVERINGS / AVIRON SITE

### **CUSTOMER: TV STATIONS AND BROADCASTERS**

- TV STUDIOS (HOTEL GRAND MERCURE)
- NBC LOGISTICS WAREHOUSING FACILITY

### **CUSTOMER: NATIONAL OLYMPIC COMMITTEES**

- JAPANESE TRAINING CENTRE
- AUSTRIAN NATIONAL HOUSE
- JAPANESE NATIONAL HOUSE
- CANADIAN NATIONAL HOUSE



# OUTLOOK & GUIDANCE

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# OUTLOOK

- Excellent commercial momentum driven by a balanced mix of products, businesses and geographic exposures
  - Steady double-digit growth from the Venues and Exhibitions business units
  - A Live business unit bolstered by a reputation for event industry expertise and a calendar still offering a very extensive line-up for international events (visibility)
  - Replicating strong brands, a "Brand Value" approach built around 250 proprietary events
  - Infrastructures in Brazil in place to support lasting Group growth
- International coverage built around strategically located operating bases providing local and regional visibility

# GUIDANCE

2015, another year of growth with a significant line-up of events in the second half for all three business units

**GROWTH IN 2015 ACCOMPANIED BY CONTINUING COST EFFICIENCY MEASURES  
AND FOR 2016, EXPECTATIONS FOR EXCEEDING THE MILESTONE OF €1 BILLION IN REVENUE.**

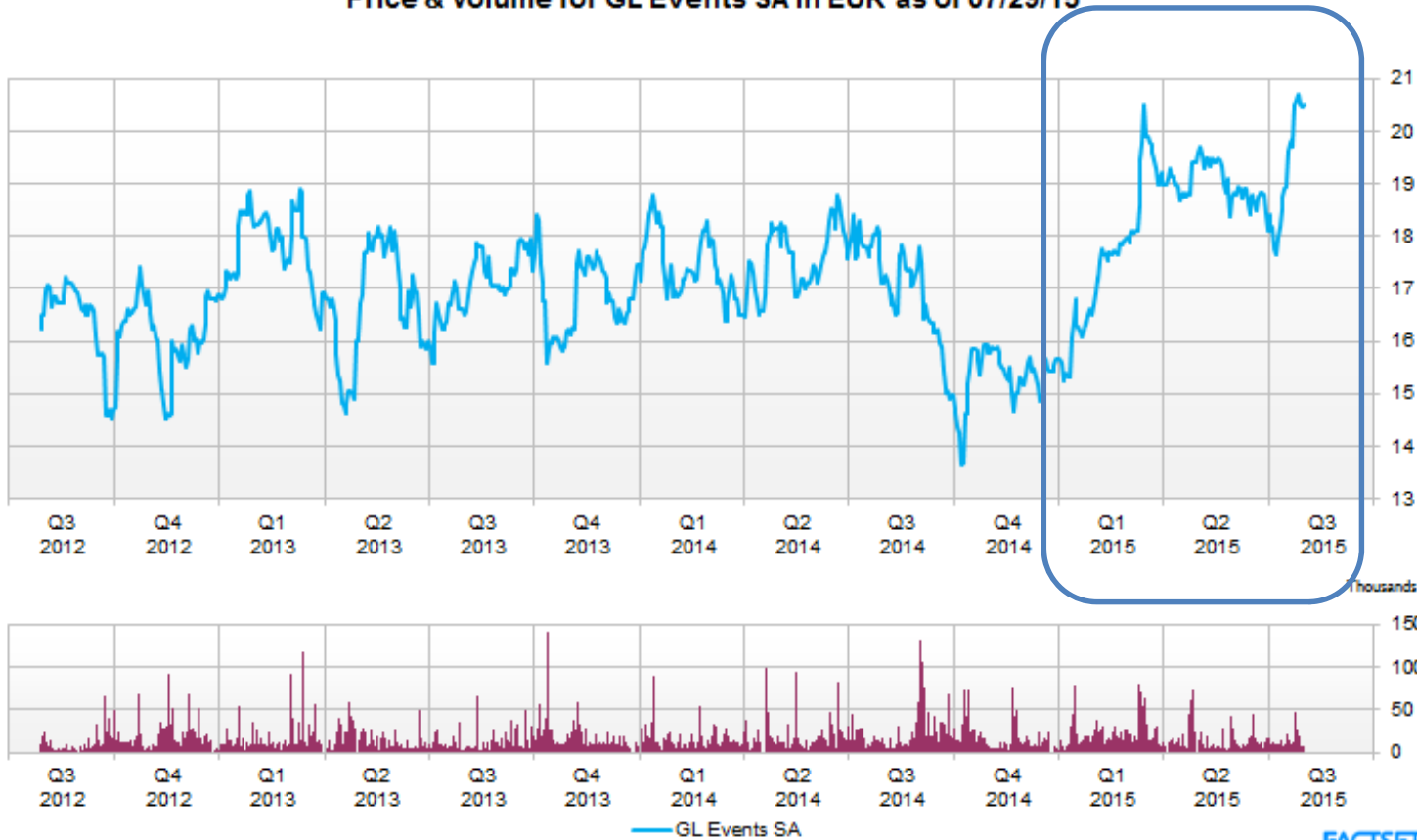


# KEY STOCK MARKET DATA

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# SHARE PRICE & TRADING ACTIVITY /DIVIDEND

Price & Volume for GL Events SA in EUR as of 07/29/15

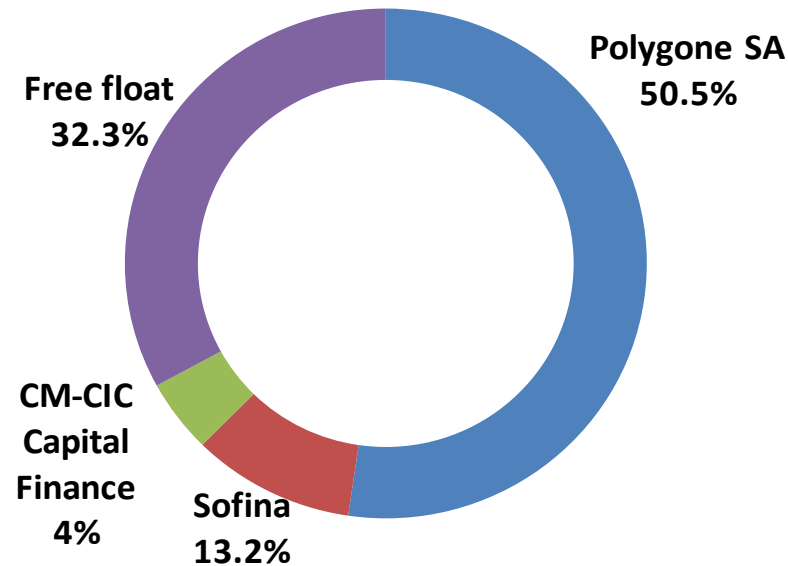


Year	2013	2014	2015
Dividend per share	€0.60	€0.60	€0.60*

Share yield:  
3.3%\*

\* At 04/07/15, payment date

# KEY STOCK MARKET DATA



## SHAREHOLDER BASE

(At 30/06/2015)

**NUMBER OF SHARES 22,653,920**

*(At 30/06/2015)*

**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:**

**20/10/2015: 2015 3rd QUARTER SALES (AFTER THE CLOSE OF TRADING)**

EXPO MILANO 2015



# 2015 FIRST-HALF RESULTS

2 SEPT. 2015