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BRINGING PEOPLE  
TOGETHER

H1 2016 RESULTS

7 SEPTEMBER 2016

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# A DYNAMIC FIRST HALF

## Growth

- Revenue: +5% (€489.9m)
- 2016 Q2 sales: +17% ; "Live": +31.2%
- EBITDA: +12,2% to €66.1 million

## Business highlights

- Increase of "in-house" events; recurrent presence at Jumbo sports events (Euro 2016, RIO Olympic Games)
- A major milestone crossed in Brazil: the inauguration and marketing of Sao Paulo Expo
- Award of the contract for COP22

## Financial management

- Current operating income: +7.6% and a current operating margin of: 8.3%
- A €100 million Euro Private Placement (Euro PP) bond issue plus new bank facilities
- Option for the payment of stock dividends 84% of these rights exercise (July2016)

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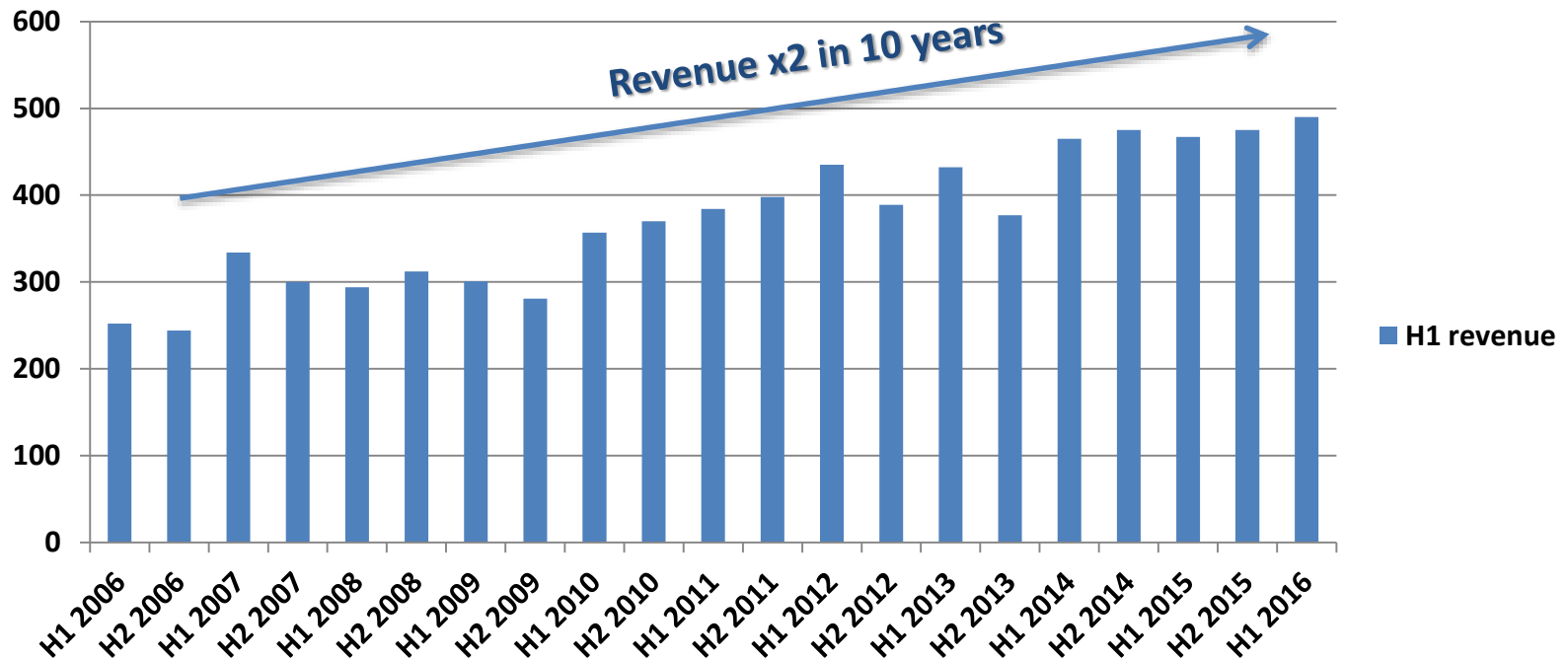
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# 1. H1 OPERATING HIGHLIGHTS

# 2016 REVENUE: +5%

- Steady growth in half year business volume, adjusting for biennial effects



# REVENUE BY BUSINESS DIVISION

## GL EVENTS LIVE

*Event engineering  
and logistics*

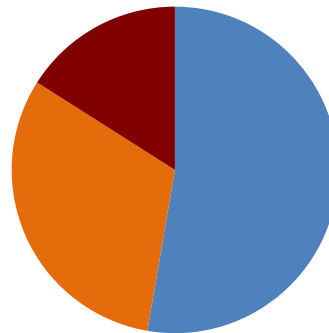
## GL EVENTS EXHIBITIONS

*B2C and B2B trade shows &  
fairs*

## GL EVENTS VENUES

*Venue management:  
exhibition/convention  
centres,  
concert/performance halls*

**H1 revenue by division**



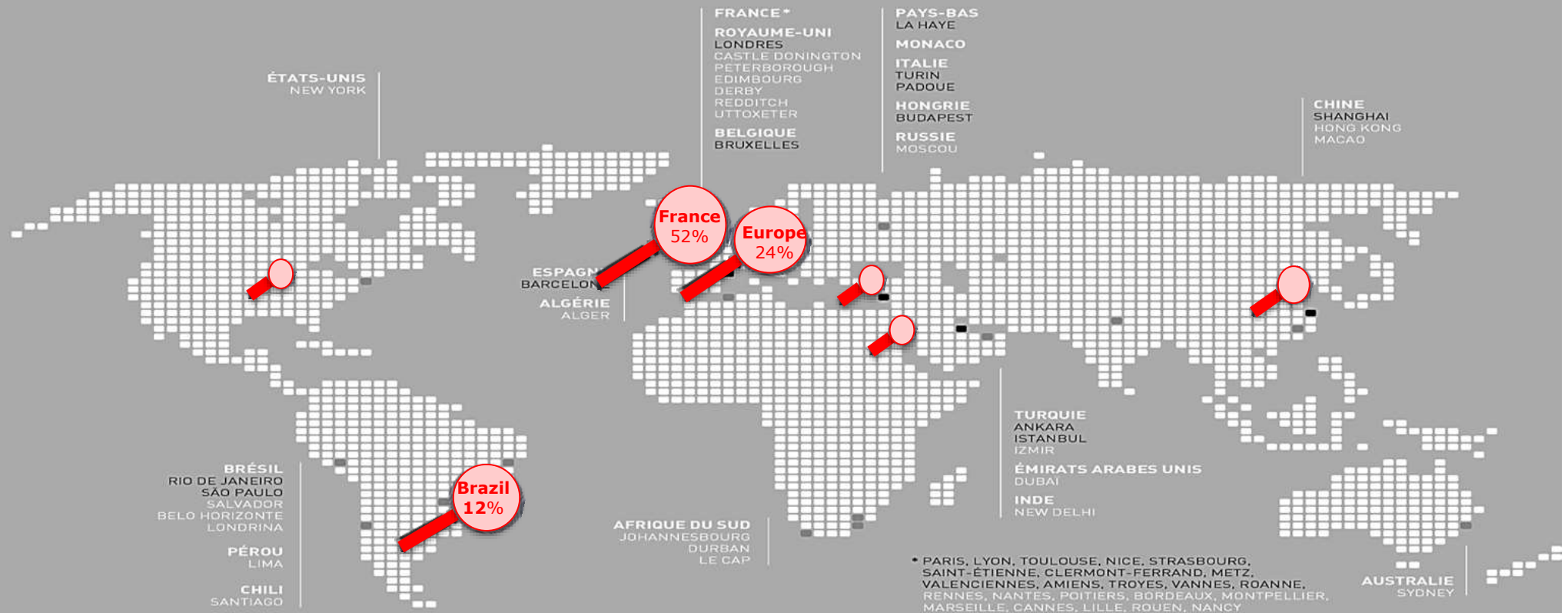
- Live 53%
- Venues 31%
- Exhibitions 16%

- **H1 2016: 258.3m** (+16.6% vs. H1 2015)
- **Q2 2016: +33% vs. Q2 2015**
- **Recurrent business, Euro 2016, Olympic Games ...**

- **H1 2016: €78.5m** (-21% vs. H1 2015)
- **Biennial effects: stable vs. H1 2014, the benchmark year**
- **More than 50% of the trade shows & fairs staged in proprietary venues**

- **H1 2016: €153.1m** (+9.7% like-for-like vs. H1 2015)
- **4 consecutive six-month periods of growth**
- **Rio, Sao Paulo, Paris, Budapest, Barcelona, Strasbourg**

# H1 2016 REVENUE: 52% FRANCE, 48% INTERNATIONAL





# CONTINUING PRESENCE AT SPORTS / INSTITUTIONAL JUMBO EVENTS: €130M IN REVENUE IN 2016

## EURO 2016

- Presence at all playing venues
- Services: signage, furniture, air-conditioning, decoration and temporary structures
- Management of the Lyon fan zone

## RIO 2016 OLYMPIC GAMES

- 1 million visitors (o/w 350,000 from other countries)
- New transportation solutions servicing Group infrastructures
- Event staging sites:
  - RioCentro, RioArena (table tennis, weightlifting, gymnastics, badminton...)
  - Hôtel Mercure (300 rooms, 100% occupancy + TV studios)
- Cross-cutting services: catering and hospitality services at several sites (golf, equestrian events, field and track, volleyball...)

# CONTINUING PRESENCE AT SPORTS AND INSTITUTIONAL JUMBO EVENTS €130M IN REVENUE IN 2016

- **COP22 in Marrakesh, 7-19 November**
- **Commercial contract signed on 2 May**
  - Installation of temporary areas
  - Complementarity services
- After COP20 in Lima and COP21 in Paris, the Group has established a successful track record for integrating the full range of event industry specialisations.

## Other new contracts

- **Doha road world cycling championships**
- **France-Africa summit**
- **Corporate: Renault-Nissan, launch of Zoe and the new 2016-2017 range**

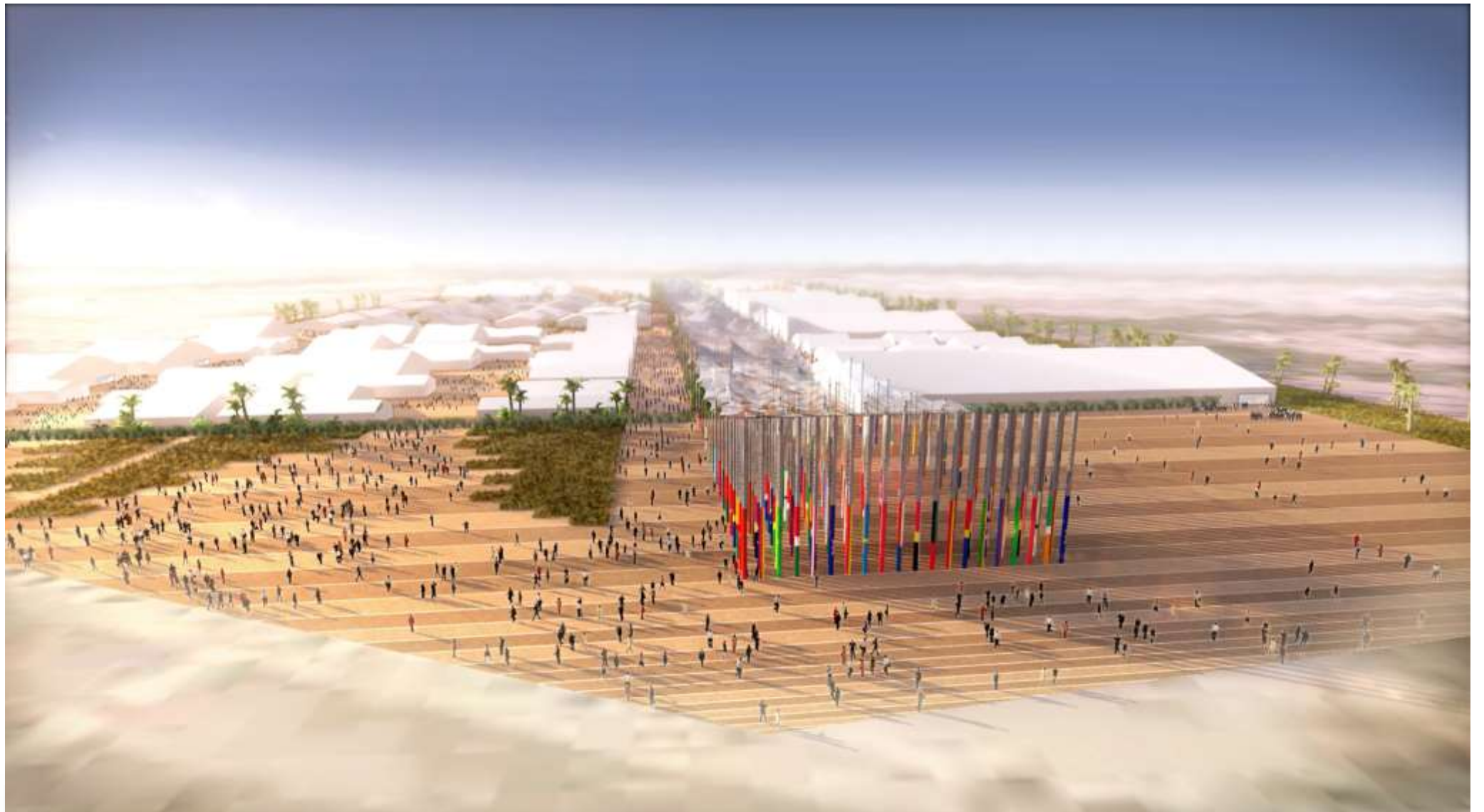
# COP22 – MARRAKECH

## **A global contract for the provision of site overlay services for COP22 and site management services.**

- **Ancillary contracts:** exclusive provider for the installation of areas for delegates and NGOs and related bodies (design, execution and the operating of stands).
- **Contract managed in the form of a consortium** with GL events Services as lead company.
- **Key figures:**
  - 25,000 participants expected
  - 100,000 m<sup>2</sup> of temporary structures of which 12,600 m<sup>2</sup> of canopy-covered space
  - 5 electrical power stations to produce 21 MVA
  - 90,000 m<sup>2</sup> of air-conditioned space
  - 60,000 Km of power lines
  - 700 LCD screens/ 300 sound speakers

# COP22 – GROUND PLAN





# RAMP UP OF SAO PAULO EXPO

1/3

SAO Paulo Expo, located in Brazil's economic hub

Top cities for tradeshows (by net space)

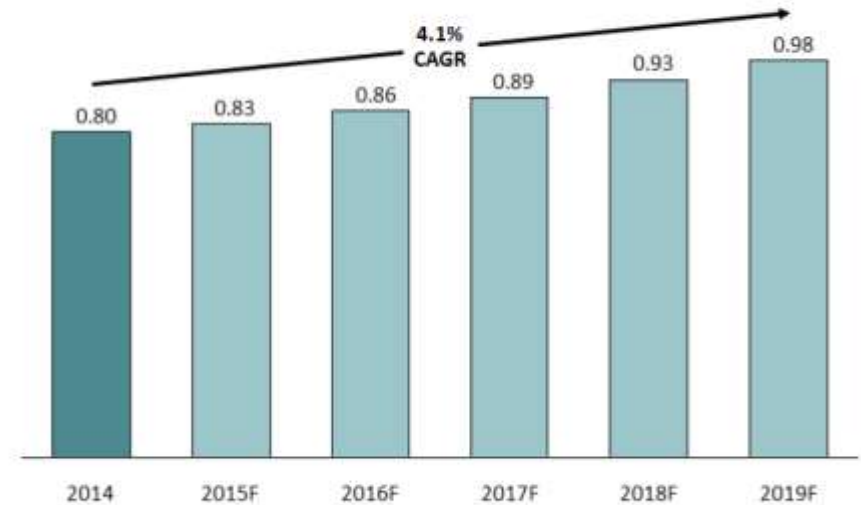


Source: Venue websites, AMR analysis

SAO Paulo Expo, in a market with strong growth potential (800 shows & fairs per year)

Exhibitions revenues

Forecast market growth, 2014-2019, \$bn



Source: AMR analysis

# RAMP UP OF SAO PAULO EXPO

2/3



# RAMP UP OF SAO PAULO EXPO

3/3

## SAO Paulo Expo, the flagship for GL events Group's current and future development for Latin America

- Successful inauguration and marketing
- UBM, Reed, Informat won over by this new site
  - 2017: occupancy forecast >55%, best occupancy rate for Group-managed exhibition centres
- Renovation/extension budget respected with capital expenditures finalised on 30-06-2016 (disbursements completed in Q3)
- 2017: year that will inaugurate a full return on investments, strong growth in free cash flow
- 2014 revenue: BRL 10m to + BRL 120m in 2017 with EBITDA > 50%
- Actions launched to develop the corporate segment, conventions and associated services (installations, catering, hostesses, etc.)

In BRL thousands	2014 actual	2015 actual	Est. 2016	Est. 2017
Revenue	22 186	30 422	69 000	120 000
EBITDA	2 859	3 414	28 000	59 000





## 2. RESULTS BY BUSINESS DIVISION

# LIVE: ROBUST BUSINESS PERFORMANCE

€m	H1 2014	H1 2015	H1 2016
<b>Revenue – Live</b>	<b>257.5</b>	<b>221.6</b>	<b>258.3</b>
Current operating income	24.2	8.2	17.8
Operating margin	9.4%	3.7%	6.9%
<b>Revenue – Exhibitions</b>	<b>78.5</b>	<b>100.1</b>	<b>78.5</b>
Current operating income	5.4	16	7.9
Operating margin	6.8%	16%	10.0%
<b>Revenue – Venues</b>	<b>128.7</b>	<b>145.2</b>	<b>153.1</b>
Current operating income	7.7	13.7	15.0
Operating margin	6%	9.4%	9.8%



- Q2 revenue: +31% vs. Q2 2015
- Profitability in line with the division's target
- An operating margin tight for the Euro and normative for the Olympic Games.

GL events Live, a complete 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.** Delivery of:
  - 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> of scaffold 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



OG 2016 / BRAZIL



OG 2016 / BRAZIL



OG 2016 / BRAZIL





## OLYMPIC GOLF GRANDSTANDS



# 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), McDonald's for the " player escorts" system or base camps of the teams.
- **GL events present at all 10 stadiums, IBC and the main Fan Zones in France.** Delivery of:
  - 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 stadiums and 3 temporary villages
  - > 50,000 units for furniture
  - > 1,500 people on-site during the peak activity of the event

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

# EXHIBITIONS: IMPROVED PROFITABILITY

€m	H1 2014	H1 2015	H1 2016
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Current operating income	5.4	16	8.1
Operating margin	6.8%	16%	10.3%
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Current operating income	7.7	13.7	15.3
Operating margin	6%	9.4%	9.8%



- The operating margin rose significantly vs. H1 2014 on comparable business volume.
- Recurrent events and international brands generating substantial margins

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





PREMIERE VISION / ISTANBUL

H10

PREMIERE VISION  
CLASSIC

3 HALL



# VENUES: INCREASED PROFITABILITY WITH BRAZILIAN INFRASTRUCTURES

€m	H1 2014	H1 2015	H1 2016
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Current operating income	7.7	13.7	15.3
Operating margin	6%	9.4%	9.8%



- 4 consecutive six-month periods of revenue growth
- An H1 operating margin at a historic high (9.8%), with continuing growth.
- The successful launch of Sao Paulo Expo
- Several events at proprietary sites offering "All-In-One" packages and services
- Business profiting from the integration strategy

GL events Venues, "A Networked World"







XLVIII ANNUAL SESSION 2016



The  
Hague  
International  
Model  
United  
Nations



THIMUN / EDUCATION CONFERENCE / THE HAGUE



ART / EXPO / ANKARA



# 3. GROUP RESULTS & FINANCIALS

# CURRENT OPERATING INCOME: +7.7%

## CURRENT OPERATING MARGIN : 8.3%

€m	H1 2016	H1 2015	Change	H1 2014	
<b>REVENUE</b>	<b>489.9</b>	<b>466.9</b>	<b>+4.9%</b>	<b>464.7</b>	← Currency effect: -€13m Sales at constant currency +8.2% (€505m) Sales like-for-like +5.4%
PURCHASES AND EXTERNAL CHARGES	(305.8)	(288.9)	+5.9%	(285.8)	↗ Fine-tuned management of purchasing and expenses for jumbo events overlapping H1 and H2: increase purchasing and use of subcontracting vs. stable staff costs
TAXES AND SIMILAR PAYMENTS	(8.4)	(11.1)	-24%	(15.4)	
STAFF COSTS	(111.5)	(110.2)	+1.2%	(100.9)	
OTHER OPERATING INCOME AND EXPENSES	1.9	2.2	-13.6%	(0.9)	
ACCUMULATED DEPRECIATION AND PROVISIONS	(25.4)	(21.1)	+20.4%	(24.5)	
<b>CURRENT OPERATING INCOME</b>	<b>40.8</b>	<b>37.9</b>	<b>+7.7%</b>	<b>37.3</b>	→ <b>H1 2016 EBITDA: €66.1m</b> <b>EBITDA / H1 2016 revenue: 13.5%</b>
<i>Current operating margin (%)</i>	<i>8.3%</i>	<i>8.2%</i>	-	<i>8.02%</i>	
OTHER INCOME AND EXPENSE	(3.1)	0.3	-	-	← Refocusing of businesses
<b>OPERATING PROFIT</b>	<b>37.6</b>	<b>38.2</b>	<b>-1.6%</b>	<b>37.3</b>	

# NET INCOME ATTRIBUTABLE TO GROUP EQUITY HOLDERS: +2.4% / NET MARGIN: 3.85%

€m	H1 2016	H1 2015	Change	H1 2014	
<b>OPERATING PROFIT</b>	<b>37.6</b>	<b>38.2</b>	<b>-1.6%</b>	<b>37.3</b>	
NET FINANCIAL EXPENSE	(8.1)	(6.4)	-26.5%	(5.4)	← Volume effect at a higher rate (Brazil)
PROFIT BEFORE INCOME TAX	29.5	31.9	-7.5%	31.9	
INCOME TAX	(9.7)	(10.8)	-10.1%	(11.2)	← Tax rate: 33%
<b>NET INCOME OF CONSOLIDATED COMPANIES</b>	<b>19.8</b>	<b>21.1</b>	<b>-6.2%</b>	<b>20.8</b>	
ASSOCIATES	(0.9)	(0.5)	-	(1.6)	
<b>NET INCOME</b>	<b>18.9</b>	<b>20.6</b>	<b>-8.2%</b>	<b>19.2</b>	
OF WHICH NCI	1.9	4.1	-	1.0	← 2015 impact of Sirha
<b>O/W NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>	<b>16.9</b>	<b>16.5</b>	<b>+2.4%</b>	18.2	

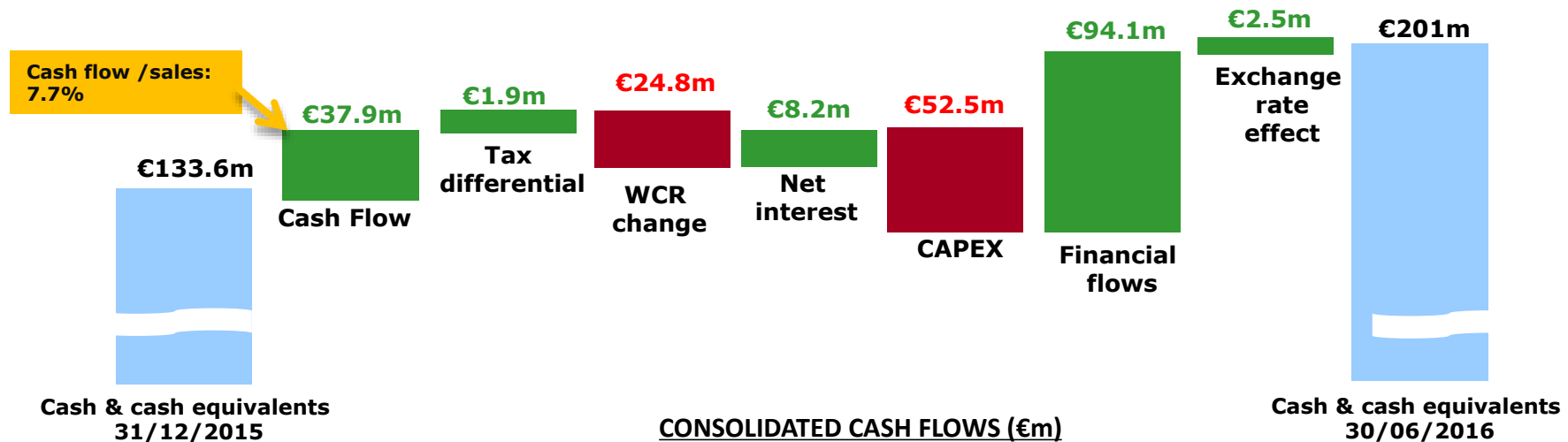
# CASH FLOW HIGHLIGHTS

## REFLECTING EXCEPTIONAL CAPITAL EXPENDITURES

- ▶ **A first-half marked by an acceleration in capital spending in Brazil, particularly in Sao Paulo Expo, and the commencement of the final phase of renovation: extension work for a modern and state-of-the-art venue complex at the heart of an international megalopolis with a shortage of premium event infrastructure**
  - ▶ Capturing as soon as possible the site's commercial potential
- ▶ **2016: a significant level of investments reflecting the confidence of its creditors and the support of all the Group's banking partners**
  - ▶ €48.9m in H1, an additional €30m in H2 2016
  - ▶ New credit facilities with all the Group's banking partners, a €100m EuroPP private placement bond issue in H2
    - ▶ Choice of raising funds in euros to provide the Brazilian subsidiary with capital and reduce local debt: savings in interest expense in relation to Brazilian rates (*€100m in debt in Brazilian reals costing approximately €15m per year vs. €3m in France*)
    - ▶ *Extending the maturity of the debt*
- ▶ **2017/2018 objective: an annual CAPEX level in the €30-€35 m range (compared to a €90m average for 2015/2016) to significantly reduce net debt.**

# NEW FINANCING TO ACCELERATE CAPITAL INVESTMENTS IN BRAZIL

- ▶ **Consolidation of the financial structure in the final phase of a capital spending cycle**
  - ▶ New credit facilities / Diversifying and securing sources of financing
  - ▶ Policy of "lower cash outflows"
  - ▶ **Lower dividend payout in H2 (option for receiving dividends in the form of new shares : 84% of options exercised / confidence of shareholders)**



# A DEBT ASSOCIATED WITH LONG-TERM AND SECURE ASSETS

- **A debt primarily allocated to financing long-term and secured by commitments and concessions with terms of several decades**
- **52% of debt linked to long-term assets**

	€m
Reported net debt (gearing 104%)	<b>418</b>
Palais Brongniart (30-year concession)	} 218
Metz Expo exhibition centre (30-year concession)	
Rio Centro (50-year concession)	
Grand Hôtel Mercure Rio (50-year concession)	
Sao Paulo Expo (30-year concession)	
Net debt of €200m excluding concessions (gearing of 50%)	<b>200</b>

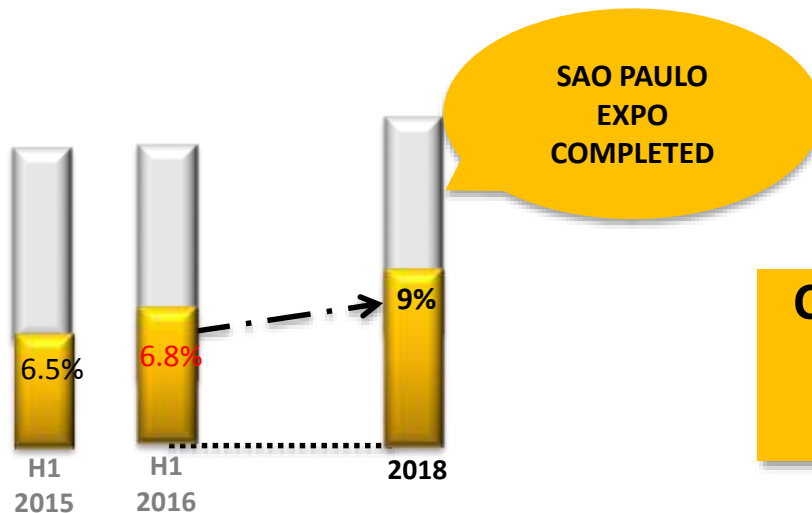
(€m)	2013	2014	2015	30 June 2016
GL Group CAPEX	74,4	80,7	100,3	48,9
<i>o.w. GL events Venues</i>	<i>46,8</i>	<i>52,4</i>	<i>83,7</i>	<i>37,1</i>



# ROCE

An improvement in ROCE in the first half, excluding Sao Paulo Expo, reflecting optimised financial controls within different Group entities:

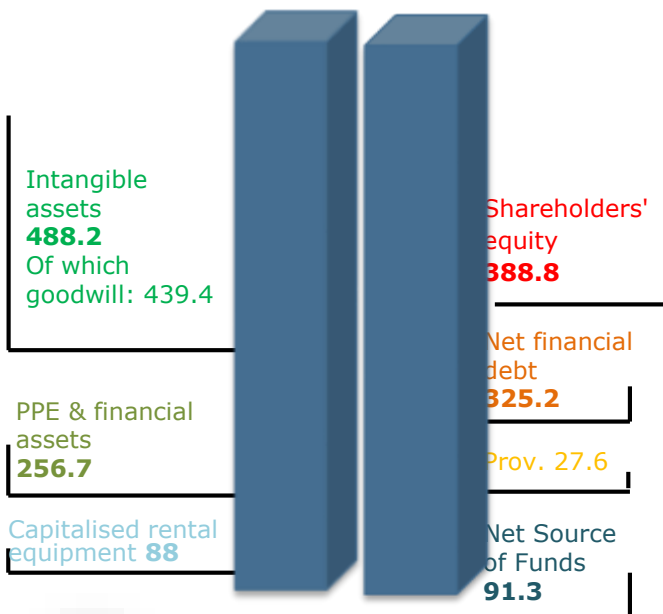
- 6.8% in H1 2016 vs. 6.5% in H1 2015 (excl. SPE)



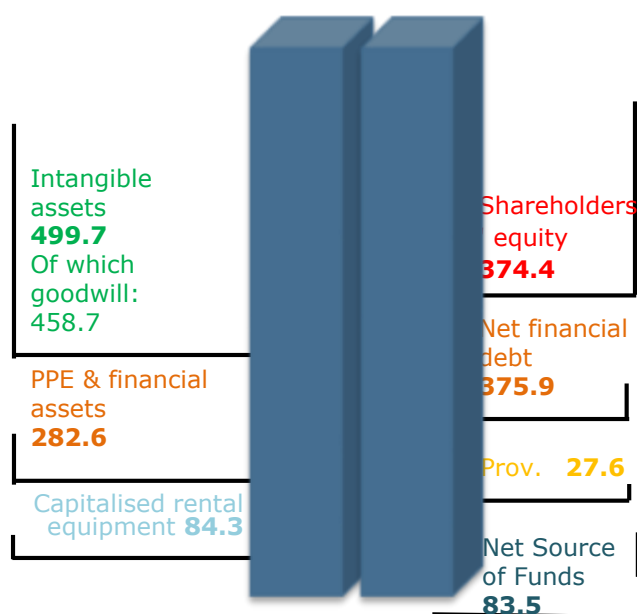
**CONTINUING TO FOCUS ON ACHIEVING  
A NORMALISED GROUP ROCE OF  
BETWEEN 8% AND 10%**

# AVAILABLE NEGATIVE WCR (NET SOURCE OF FUNDS: €102.7M)

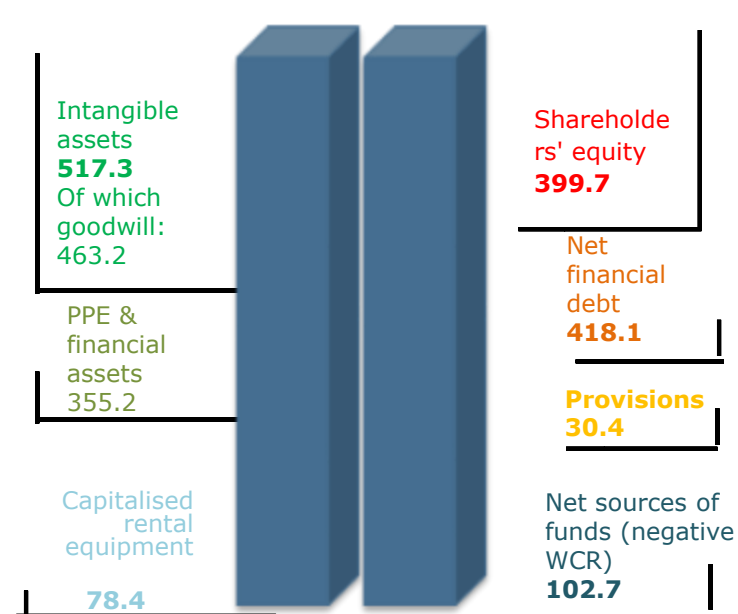
**30/06/2015**  
(€m)



**31/12/2015**  
(€m)



**30/06/2016**  
(€m)





# 4. STRATEGY & OUTLOOK

# 4 - MAJOR STRATEGIC PRIORITIES

## ○ Organic growth

*Continuing the business development of the three divisions in their respective markets by:*

- Leveraging networks
- R&D and Innovation
- Duplication of brands
- Optimisation of synergies between the 3 business divisions
- Brazil developments and new FCF from Sao Paulo Expo

## ○ Financial management

*Optimising the asset portfolio turnover  
Continuity in the policy of asset disposals  
Group ROCE target between 8 and 10%  
Reducing net debt*



## ○ External growth

*Strengthening business lines specialisations of the event industry chain:  
Strategic opportunities according to the potential for local/regional development  
The South America and Central America business development unit  
(Peru, Chile, Mexico and Colombia...)*

## ○ Customer Relations

*Developing venues for "social life"  
Supporting economic decision-makers  
with value added event services  
for achieving "economic optimum " in regions  
Coordinating the network*

# SIZE, STRENGTH, ASSETS, EXPERTISE... ALL REPRESENTING BARRIERS TO ENTRY

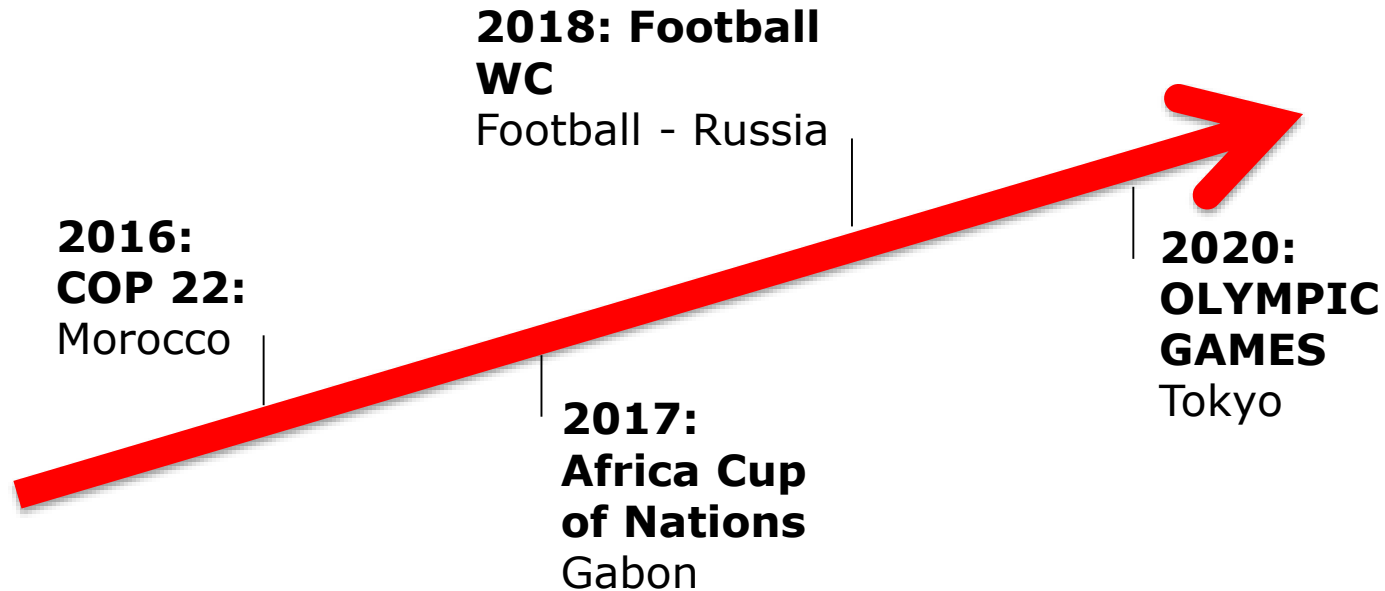
- **GL events, today : a world-class event services provider**
  - An established track record and reputation of technical know-how
  - The strength of strategically targeted international operating bases
  - A solid track record for every type of service
- **Positioned in markets requiring a combination 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, human resources, recurrent participation in Jumbo events**
  - Sustained growth in recurrent revenue (trade shows and fairs and proprietary brands)
  - Revenue streams secured by long-term contracts

# WORLD-CLASS RECURRENT EVENTS



**Proprietary brands with strong name recognition to replicate trade shows in international markets**

# STILL MANY INTERNATIONAL EVENTS IN THE PIPELINE



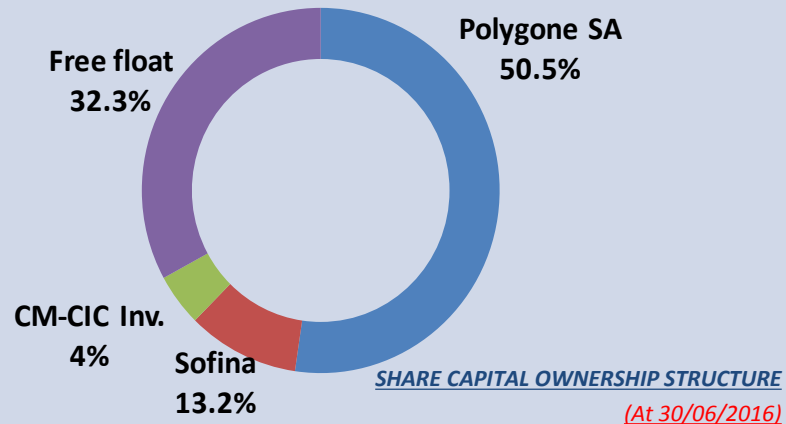
# GUIDANCE 2016: REVENUE GROWTH

- **2016, another year of growth**, driven in the second half by the Group's participation in the Rio Olympic Games, COP22 and recurrent trade shows and fairs

**GROWTH IN 2016, AHEAD OF A FY 2017  
THAT WILL FULLY BENEFIT FROM RETURNS ON INVESTMENTS COMPLETED  
AT SAO PAULO EXPO FOR THE BEGINNING  
OF A NEW CYCLE OF FREE CASH FLOW GENERATION**



# KEY STOCK MARKET DATA



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

*(At 30/06/2016)*

**ISIN CODE: FR0000066672**

**SYMBOL: GLO**

**MAIN INDEX: CAC ALL SHARES**

**MARKET: COMPARTMENT B (MID CAPS)**

*(NYSE EURONEXT PARIS)*

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

## **NEXT FINANCIAL EVENT:**

**18/10/2016: Q3 2016 REVENUE (AFTER THE CLOSE OF TRADING)**

16



BRINGING PEOPLE  
TOGETHER

H1 2016 RESULTS

7 SEPTEMBER 2016