



2014

**INTERIM
FINANCIAL
REPORT**

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> **BALANCE SHEET**

(€ thousands)	ASSETS	Notes	30/06/2014	31/12/2013
	Goodwill	4.1	446,663	429,487
	Other intangible assets	4.1	50,423	47,484
	Property, plant and equipment	4.2	85,268	58,683
	Other tangible fixed assets	4.2	41,794	44,042
	Rental assets	4.3	96,289	86,896
	Investments and other non-current assets	4.4	75,890	75,992
	Equity-accounted investments			46
	Deferred tax assets		23,264	22,592
	NON-CURRENT ASSETS		819,591	765,222
	Inventories and work-in-progress		39,727	43,715
	Trade receivables	4.5	196,080	147,732
	Other receivables	4.6	123,286	109,214
	Marketable securities	4.10	171,510	201,770
	CURRENT ASSETS		530,603	502,431
	TOTAL		1 350,194	1 267,653

(€ thousands) SHAREHOLDERS' EQUITY & LIABILITIES	Notes	30/06/2014	31/12/2013
Share capital	4.7	90,616	90,616
Reserves and additional paid-in capital	4.7	275,816	280,497
Translation adjustments	4.7	(27,983)	(33,469)
Net income for the period	5	19,745	10,104
Shareholders' equity, Group's share		358,194	347,747
Non-controlling interests		29,302	32,169
TOTAL SHAREHOLDER' EQUITY		387,495	379,916
Commitments and contingencies	4.8	7,805	7,870
Deferred tax liabilities		3,916	3,732
Non-current borrowings	4.10	349,212	353,915
NON-CURRENT LIABILITIES		360,934	365,517
Commitments and contingencies	4.9	17,902	17,943
Current borrowings	4.10	107,338	93,378
Short-term bank loans	4.10	47,141	17,610
Advances and down-payments on outstanding orders		17,778	12,497
Trade payables		155,961	142,679
Tax and employee-related liabilities		88,347	86,696
Other liabilities	4.11	167,296	151,418
CURRENT LIABILITIES		601,765	522,221
TOTAL		1 350,194	1 267,653

> INCOME STATEMENT

(€ thousands)	Notes	30/06/2014 6 months	30/06/2013 6 months
Sales	3	464,710	432,246
Other operating income	5.1	1,212	1,297
Operating income		465,921	433,543
Raw materials and consumables	5.2	(28,226)	(33,367)
External charges	5.2	(257,559)	(230,461)
Taxes and similar payments		(14,819)	(10,538)
Personnel expenses & employee profit sharing		(100,869)	(102,684)
Allowances for depreciation and reserves		(24,468)	(22,208)
Other operating expenses	5.3	(2,075)	(1,456)
Operating expenses		(428,017)	(400,714)
OPERATING PROFIT	3	37,904	32,829
Net interest expense	5.4	(4,936)	(2,945)
Other financial income and expense	5.4	(420)	(233)
NET FINANCIAL EXPENSE	5.4	(5,357)	(3,178)
PRE-TAX INCOME		32,547	29,651
Income tax		(11,392)	(9,785)
INCOME OF FULLY-CONSOLIDATED COMPANIES		21,156	19,866
Net income from equity-accounted investments		(434)	(23)
NET INCOME BEFORE NON-CONTROLLING INTERESTS		20,722	19,843
Non-controlling interests		977	3,408
NET INCOME		19,745	16,435
Average number of shares		22,653,920	22,653,920
Net earnings per share (in euros)		0.87	0.73
NET INCOME BEFORE NON-CONTROLLING INTERESTS		20,722	19,843
Impact of fair value measurement of financial documents		(1,245)	1,443
Total items transferable to profit and loss		(1,245)	1,443
Actuarial gains and losses		(316)	0
Currency translation adjustments		5,508	(6,079)
Total items not transferable to profit and loss		5,192	(6,079)
TOTAL COMPREHENSIVE INCOME		24,669	15,207
Total comprehensive income attributable to non-controlling interests		997	3,149
Total comprehensive income attributable to equity holders of the parent		23,672	12,058

> CASH FLOW STATEMENT

(€ thousands)	30/06/2014 6 months	30/06/2013 6 months	31/12/2013 12 months
Cash and cash equivalents at the beginning of the year	184,160	138,014	138,014
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Net income	19,745	16,435	10,104
Adjustments to reconcile profit (loss) to net cash provided by operating activities:			
Depreciation and provisions	16,471	18,920	44,728
Unrealised gains and losses from fair value adjustments			267
Expense and income in connection with stock options	1,396	(669)	89
Gains and losses on disposals of fixed assets	(84)	457	1,712
Non-controlling interests in consolidated subsidiaries' net income	977	3,408	4,538
Net income of companies consolidated by the equity method	434	383	1,157
Operating cash flows	38,938	38,934	62,595
Net interest expense	4,936	2,945	7,232
Income tax and deferred tax	11 392	9,785	16,070
Operating cash flows before net interest expense and income tax	55,266	51,664	85,895
Income tax paid	(8,739)	(7,602)	(18,551)
Change in inventories	4,838	(868)	(3,552)
Change in accounts receivable, deferred income	(27,847)	(24,171)	9,448
Change in accounts payable, deferred charges	(20,819)	8,064	4,054
Other changes	142	5,969	3,436
Changes in working capital requirements	(43,686)	(11,006)	13,386
Net cash provided by operating activities (A)	2,841	33,056	80,732
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of PPE and rental assets	(9,529)	(2,940)	(8,574)
Acquisition of intangible fixed assets	(43,065)	(29,254)	(67,543)
Disposal of tangible and intangible assets	376	28	1,710
Acq. of investments and other non-current assets	(1,813)	(2,211)	(5,312)
Disposal of investments and other non-current assets	1,634		773
Net cash flows from the acquisition and disposal of subsidiaries	(7,670)	(6,551)	(8,201)
Net cash used in investing activities (B)	(60,067)	(40,928)	(87,147)
<u>NET CASH FROM FINANCING ACTIVITIES</u>			
Capital Increase			
Dividends paid to shareholders			(13,099)
Dividends paid to the non-controlling shareholders of the consolidated companies			(10,573)
Other changes in equity	2	(20)	(6,711)
Net variance of loan	672	8,739	92,953
Net variance of loan interest expense	(4,936)	(2,945)	(7,232)
Net cash provided by financing activities (C)	(4,261)	5,744	58,312
Effect of exchange rate fluctuations on cash (D)	1,696	(2,322)	(5,751)
Net change in cash and cash equivalents (A+B+C+D)	(59,792)	(4,420)	46,146
Closing cash and cash equivalents	124,369	133,594	184,160

> CHANGES IN SHAREHOLDERS' EQUITY

(€ thousands and thousands of shares)	Number of shares ('000s)	Group before non-controlling interests					Non-controlling interests	Total
		Share capital	Addition al paid in capital	Retained earnings	Net income for the period	Total Group		
Balance as of 31/12/2012	22,654	90,616	172,638	97,090	21,980	382,325	31,850	414,175
Appropriation of comprehensive income N-1				21,980	(21,980)			
Distribution of dividends				(13,593)		(13,593)	(3,160)	(16,753)
Stock option expenses				1,375		1,375		1,375
Cancellation of treasury shares				(681)		(681)		(681)
Share of assets contributed by non-controlling interests				(832)		(832)	1,531	699
Comprehensive income					12,058	12,058	3,149	15,207
Balance as of 30/06/2013	22,654	90,616	172,638	105,339	12,058	380,651	33,369	414,020
Capital Increase								
Appropriation of comprehensive income N-1								
Distribution of dividends				494		494	(577)	(83)
Stock option expenses				324		324		324
Cancellation of treasury shares				(1,603)		(1,603)		(1,603)
Share of assets contributed by non-controlling interests				(13,470)		(13,470)	(875)	(14,345)
Comprehensive income					(18,649)	(18,649)	251	(18,398)
Balance as of 31/12/2013	22,654	90,616	172,638	91,085	(6,591)	347,747	32,169	379,916
Appropriation of comprehensive income N-1				(6,591)	6,591			
Distribution of dividends				(13,677)		(13,677)	(3,025)	(16,702)
Stock option expenses				669		669		669
Cancellation of treasury shares				(657)		(657)		(657)
Share of assets contributed by non-controlling interests				392		392	(839)	(446)
Other variance				48		48		48
Comprehensive income					23,672	23,672	997	24,669
Balance as of 30/06/2014	22,654	90,616	172,638	71,268	23,672	358,194	29,302	387,496

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The consolidated interim financial statements of GL events Group were adopted by the Board of Directors on 2 September 2014.

In compliance with IAS 34 "interim financial reporting" only selected explanatory notes are provided in these condensed financial statements. With the exception of the items mentioned below, the main accounting policies used herein are the same as those applied in the 2013 registration document filed with the French financial market authority (AMF) on 4 April 2014 under number D14-0285, except for the income tax and participation that are determined on the basis of a projection for the year (see Note 5.5).

GL events has applied to its IFRS financial statements all IFRS / IFRIC standards and interpretations in issue published in the Official Journal of the European Union at 31 December 2013 and whose application was mandatory as of 1 January 2014.

Adoption by the European Union's of the following standards and interpretations whose application became mandatory for periods commencing on or after 1 January 2014 has no impact on the Group's consolidated financial statements:

IFRS 10 & amendments: Consolidated Financial Statements

IFRS 11 & amendments: Partnerships (retrospective application)

IFRS 12 & amendments: Disclosure of Interests in Other Entities

IAS 27R: Separate Financial Statements

IAS 28R: Investments in associates and joint ventures

Amendment to IAS 27: Separate Financial Statements

Amendment to IAS 32: Presentation of Financial Statements

Amendment to IAS 36: Impairment of Assets

Amendment to IAS 28: Investments in Associates and Joint Ventures

These new laws have not had a material impact on the results and financial position of the group.

NOTE 2 – CONSOLIDATED COMPANIES

Changes in consolidated companies in the period were as follows:

Subsidiaries	Date of consolidation or deconsolidation
<ul style="list-style-type: none">GL events Field & Lawn	<ul style="list-style-type: none">First-time consolidation on 1 January 2014

Because changes in Group structure have not had any material effect on the consolidated financial statements, pro forma information is not provided.



> NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Companies	Place of registration or incorporation	Company Trade Registry number	Controlling interest %		Ownership interest %		
			2014	2013	2014	2013	
Parent company							
GL events	Brignais	351 571 757					
French subsidiaries							
Altitude Expo	Mitry Mory	379 621 220	100.00	100.00	100.00	100.00	FC
Alpha 1	Brignais	535 301 956	51.00	51.00	51.00	51.00	FC
Alice Evénements (5)	Brignais	518 247 283		100.00		100.00	FC
Auvergne Evénements	Cournon d'Auvergne	449 076 900	59.00	59.00	59.00	59.00	FC
Auvergne Evénements Spectacles	Cournon d'Auvergne	449 077 767	100.00	100.00	59.00	59.00	FC
Bleu Royal	Paris	750 800 625	70.00	70.00	70.00	70.00	FC
Brelet	Saint-Sébastien	857 803 084	100.00	100.00	100.00	100.00	FC
Brelet Centre Europe	Strasbourg	437 742 059	100.00	100.00	100.00	100.00	FC
Chorus	Vannes	414 583 039	100.00	100.00	100.00	100.00	FC
Décorama	Ivry sur Seine	612 036 996	100.00	100.00	100.00	100.00	FC
Comuniquiez (6)	Lyon	384 121 125	75.00	100.00	75.00	100.00	FC
Fabric Expo	Mitry Mory	379 666 449	100.00	100.00	100.00	100.00	FC
GL events Audiovisual	Brignais	317 613 180	100.00	100.00	100.00	100.00	FC
GL events Campus	Brignais	509 647 251	100.00	100.00	100.00	100.00	FC
GL events Cité Centre de Congrès Lyon	Lyon	493 387 963	100.00	100.00	100.00	100.00	FC
GL events Exhibitions	Chassieu	380 552 976	99.50	99.50	99.50	99.50	FC
GL events Management	Brignais	495 014 524	100.00	100.00	100.00	100.00	FC
GL events Parc expo Metz Métropole	Metz	493 152 318	100.00	100.00	100.00	100.00	FC
GL events Scarabée	Roanne	499 138 238	100.00	100.00	100.00	100.00	FC
GL events Services	Brignais	378 932 354	100.00	100.00	100.00	100.00	FC
GL events SI	Brignais	480 214 766	100.00	100.00	100.00	100.00	FC
GL events Support	Brignais	480 086 768	100.00	100.00	100.00	100.00	FC
GL Mobilier	Brignais	612 000 877	100.00	100.00	100.00	100.00	FC
Hall Expo	Brignais	334 039 633	100.00	100.00	100.00	100.00	FC
Live ! by GL events (5)	Paris	780 153 862	100.00	90.00	90.00	90.00	FC
Menuiserie Expo	Brignais	353 672 835	100.00	100.00	100.00	100.00	FC
Mont Expo	Brignais	342 071 461	100.00	100.00	100.00	100.00	FC
Modamont	Suresnes	309 121 788	49.00	49.00	49.00	49.00	FC
Omnivore (4)	Paris	450 370 929		50.00		50.00	FC
Package (5)	Lyon	401 105 069	100.00	100.00	100.00	100.00	FC
Polygone Vert	Brignais	320 815 236	100.00	100.00	100.00	100.00	FC
Première Vision (2)	Lyon	403 131 956	49.00	49.00	49.00	49.00	FC
Première Vision Manufacturing	Lyon	794 336 438	49.00	49.00	49.00	49.00	FC
Profil	Lyon	378 869 846	100.00	100.00	100.00	100.00	FC
Ranno Entreprise	Chilly Mazarin	391 306 065	100.00	100.00	100.00	100.00	FC
Sté exploit. de l'Acropolis de Nice	Nice	493 387 997	100.00	100.00	100.00	100.00	FC
Sté exploit. Centre Congrès Metz metropole	Metz	790 342 497	100.00	100.00	100.00	100.00	FC
Sté exploit. Centre Congrès Pierre Baudis	Toulouse	444 836 092	100.00	100.00	100.00	100.00	FC
Sté exploit. Centre Congrès St-Etienne	Saint Etienne	488 224 718	100.00	100.00	100.00	100.00	FC
Sté exploit. Hôtel Salomon de Rothschild	Paris	495 391 641	50.00	50.00	50.00	50.00	EM
Sté exploit. Palais Brongniart	Paris	518 805 809	100.00	100.00	100.00	100.00	FC
Sté exploit. Palais de la Mutualité	Paris	517 468 138	100.00	100.00	100.00	100.00	FC
Sté exploit. Parc des Expositions de Troyes	Troyes	510 029 648	90.00	90.00	90.00	90.00	FC
Sté exploit. d'Amiens Mégacité	Amiens	518 869 011	100.00	100.00	100.00	100.00	FC
Sté exploit. Château de Saint-Priest	Brignais	453 100 562	100.00	100.00	100.00	100.00	FC
Sté exploit. de Parcs d'Exposition	Paris	398 162 263	100.00	100.00	100.00	100.00	FC
Sté exploit. Polydome Clermont-Ferrand	Clermont-Ferrand	488 252 347	100.00	100.00	100.00	100.00	FC
Secil	Lyon	378 347 470	100.00	100.00	100.00	100.00	FC
Sepel (2)	Chassieu	954 502 357	46.25	46.25	46.25	46.25	FC
Sign'Expo	Brignais	492 842 349	100.00	100.00	100.00	100.00	FC
Spaciotempo	Flixecourt	380 344 226	100.00	100.00	100.00	100.00	FC
Toulouse Evenements (3)	Toulouse	752 926 923	99.00	49.00	99.00	49.00	FC
Toulouse Expo	Toulouse	580 803 880	90.23	90.23	90.23	90.23	FC
Vachon	Gentilly	343 001 772	85.00	85.00	85.00	85.00	FC



> NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Companies	Place of registration or incorporation	Company trade registry number	Controlling interest %		Ownership interest %		
			2014	2013	2014	2013	
Foreign subsidiaries							
Adors	Ankara	N/A	76.00	76.00	76.00	76.00	FC
Aedita Latina	Rio de Janeiro	N/A	100.00	100.00	100.00	87.50	FC
Ankara Uluslararası Kongre	Ankara	N/A	76.00	76.00	76.00	76.00	FC
CCIB Catering	Barcelone	N/A	40.00	40.00	32.00	32.00	EM
Eastern Exhibition Services	Iles Vierges	N/A	100.00	100.00	100.00	100.00	FC
Fagga Promoçao de eventos ¹⁾	Rio de Janeiro	N/A	100.00	100.00	100.00	100.00	FC
Frame	Ankara	N/A	76.00	76.00	76.00	76.00	FC
GL events Asia	Hong Kong	N/A	100.00	100.00	100.00	100.00	FC
GL events Algérie	Alger	N/A	90.00	90.00	90.00	90.00	FC
GL events Belgium	Bruxelles	N/A	100.00	100.00	100.00	100.00	FC
GL events Brazil Participacoes	Rio de Janeiro	N/A	100.00	100.00	100.00	100.00	FC
GL events Brussel Brussels	Bruxelles	N/A	85.00	85.00	85.00	85.00	FC
GL events CCIB	Barcelone	N/A	80.00	80.00	80.00	80.00	FC
GL events Centro de Convenções	Rio de Janeiro	N/A	100.00	100.00	100.00	100.00	FC
GL events Empreimentos Imobiliario	Rio de Janeiro	N/A	100.00	100.00	100.00	100.00	FC
GL events Exhibitions Shanghai	Shanghai	N/A	93.10	93.10	93.10	93.10	FC
GL events Field&Lawn (1)	Scotland	N/A	82.50		82.50		FC
GL events Food Turquie	Ankara	N/A	76.00	76.00	76.00	76.00	FC
GL events Fuarçilk	Ankara	N/A	76.00	76.00	76.00	76.00	FC
GL events Hong Kong	Hong Kong	N/A	85.00	85.00	85.00	85.00	FC
GL events Immigrantes	São Paulo	N/A	100.00	100.00	100.00	100.00	FC
GL events Italie	Bologne	N/A	100.00	100.00	100.00	100.00	FC
GL events Macau	Macau	N/A	99.00	99.00	99.00	99.00	FC
GL events Production LLC	Dubai Jebel Ali	N/A	100.00	100.00	100.00	100.00	FC
GL events PVT	New Delhi	N/A	100.00	100.00	100.00	100.00	FC
GL events Suisse	Satigny	N/A	85.00	85.00	85.00	85.00	FC
GL events Turquie	Istanbul	N/A	76.00	76.00	76.00	76.00	FC
GL events USA	New-York	N/A	100.00	100.00	100.00	100.00	FC
GL events Vostok	Moscou	N/A	100.00	100.00	100.00	100.00	FC
GL Furniture (Asia)	Hong Kong	N/A	60.00	60.00	60.00	60.00	FC
GL Litmus Events	New Delhi	N/A	70.00	70.00	70.00	70.00	FC
GL Middle East	Dubai Jebel Ali	N/A	100.00	100.00	100.00	100.00	FC
GL Middle East Tent & Trading	Dubai Jebel Ali	N/A	100.0	100.0	100.0	100.0	FC
GL events Oasys Consortium	Johannesburg	N/A	80.14	80.14	80.14	80.14	FC
Hungexpo	Budapest	N/A	100.00	100.00	100.00	100.00	FC
LPR	Londrina	N/A	100.00		100.00		FC
Maf Servizi	Bologne	N/A	100.00	100.00	100.00	100.00	FC
Museum Food	Bruxelles	N/A	60.00	60.00	60.00	60.00	FC
New Affinity	Bruxelles	N/A	100.00	100.00	100.00	100.00	FC
Oasys Innovations	Johannesburg	N/A	69.39	69.39	69.39	69.39	FC
Owen Brown	Derby	N/A	100.00	100.00	100.00	100.00	FC
Padova Fiere	Padoue	N/A	80.00	80.00	80.00	80.00	FC
Premiere Vision Brésil	Rio de Janeiro	N/A	74.50	74.50	74.50	74.50	FC
Premiere Vision Inc	New-York	N/A	100.00	100.00	49.00	49.00	FC
Serenas	Ankara	N/A	76.00	76.00	76.00	76.00	FC
Slick Seating System	Redditch	N/A	100.00	100.00	70.00	70.00	FC
Spaciotempo Arquitecturas Efimeras	Barcelone	N/A	100.00	100.00	100.00	100.00	FC
Spaciotempo UK	Uttoxeter	N/A	100.00	100.00	100.00	100.00	FC
Top Gourmet	Rio de Janeiro	N/A	100.00	100.00	100.00	87.50	FC
Traiteur Lorigers	Bruxelles	N/A	95.54	95.54	95.54	95.54	FC
Traiteur Lorigers Luxembourg	Bruxelles	N/A	70.00	70.00	66.88	66.88	FC
World Forum	La Haye	N/A	95.00	95.00	95.00	95.00	FC

(1) Consolidated for the first time 2014

(2) Sepel, 46.25%-held over which GL events exercises financial and operational control, is fully consolidated.

(3) Participation in society Toulouse events was increased to 99%

(4) The company Omnivore was merged into GL events Exhibitions at 31 December 2013

(5) Complete transfer of assets and liabilities of Alice and Package to Market Place which becomes company Live! by GL events

EM : Equity-accounting method

FC : Full consolidation

> NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 3 INFORMATION BY BUSINESS

GL events' activities are organized into three business units:

GL events Live groups together the full range of business lines and services for corporate, institutional and sports events;

GL events Exhibitions manages and coordinate the portfolio of 300 proprietary trade fairs;

GL events Venues manage operations for its current network of 37 event venues.

CONSOLIDATED SALES BY BUSINESS LINE

(€ thousands)	30/06/14	30/06/13	Change N / N-1	Change N / N-1 (%)
GL events Live	257,536	214,336	43,201	20.2%
GL events Exhibitions	78,503	93,923	(15,420)	(16.4%)
GL events Venues	128,671	123,987	4,683	3.8%
TOTAL GL EVENTS GROUP	464,710	432,246	32,464	7.5%

OPERATING PROFIT BY BUSINESS LINE

(€ thousands)	30/06/14	30/06/13
GL events Live	24,514	6,416
GL events Exhibitions	5,471	13,938
GL events Venues	7,919	12,475
TOTAL GL EVENTS GROUP	37,904	32,829

INVESTMENTS

Global services (€ thousands)	30/06/14	30/06/13
GL events Live	12,771	11,346
GL events Exhibitions	9,939	1,761
GL events Venues	29,507	19,060
TOTAL GL EVENTS GROUP	52,218	32,166

ALLOWANCES AND REVERSALS FOR DEPRECIATION AND RESERVES

Venue and event management (€ thousands)	30/06/14	30/06/13
GL events Live	12,094	13,539
GL events Exhibitions	(233)	296
GL events Venues	4,609	5,084
TOTAL GL EVENTS GROUP	16,471	18,920

> NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

GOODWILL:

See note 4.1 below.

Because Europe accounts for more than 63% of Group sales, further detail for geographical segment information is not material.

NOTE 4 BALANCE SHEET INFORMATION

4.1 INTANGIBLE ASSETS

(€ thousands)	31/12/13	Increases	Decreases	Translation adjustments	Changes in Group structure/reclassifications	30/06/14
Intangible assets						
Goodwill – Services	143,688	48		2,213		145,949
Goodwill – Exhibitions	236,116	15,000		530		251,647
Goodwill – Venues	49,683	0		(616)		49,067
Net value – goodwill	429,487	15,048		2,127		446,663
Other intangible assets	81,966	1,029	(196)	3,159	1,434	87,391
Amortization expenses	(34,483)	(2n192)	145	(439)	(1)	(36,969)
Net value	47,484	(1,163)	(51)	2,720	1,433	50,423
Net intangible assets	476,971	13,886	(51)	4,847	1,433	497,086

For unamortised intangible assets and goodwill, a depreciation test is carried out at least once year and whenever there is an indication of impairment. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset in question and its disposal at the end of its useful life. Estimated future cash flows are based on assumptions about economic conditions and forecasts by Group management of future operating conditions.

Impairment tests are conducted at the level of Cash Generating Units (CGUs) that represent a homogeneous group of assets generating cash inflows and outflows from continuing use largely distinct from cash inflows from other groups of assets. At GL events these cash generating units correspond to the business divisions. The breakdown of CGUs is in consequence based on the Group's operating segments in line with the provisions of IFRS 8.

At 30 June 2014, the Group has not identified any indications of impairment.

4.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment (€ thousands)	31/12/13	Increases	Decreases	Translation adjustments	Changes in Group structure/reclassifications	30/06/14
Lands	76			(2)		74
constructions	67,629	22,781		4,486		94,896
Total	67,705	22,781		4,484		94,970
Amortisation	(9,022)	(545)		(136)		(9,702)
Net total	58,683	22,236		4,348		85,268

> NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

4.3 OTHER TANGIBLE AND RENTAL ASSETS

(€ thousands)	31/12/13	Increases	Decreases	Translation adjustments	Changes in Group structure/ reclassifications	30/06/14
Other tangible assets	107,625	9,241	(955)	1,085	(6,561)	110,436
Capitalised rental assets	206,567	12,213	(1,330)	2,508	5,149	225,107
Cost	314,192	21,454	(2,285)	3,593	(1,412)	335,543
Amort.of tangible assets	(63,583)	(6,387)	954	(222)	598	(68,641)
Amort. of capitalised rental assets	(119,672)	(8,441)	1,162	(1,254)	(615)	(128,819)
Depreciation & amortisation	(183,255)	(14,828)	2,116	(1,476)	(17)	(197,460)
Net total	130,937	6,626	(169)	2,117	(1,429)	138,083

4.4 INVESTMENTS AND OTHER NON-CURRENT ASSETS

(€ thousands)	31/12/13	Increases	Decreases	Translation adjustments	Changes in Group structure/ reclassifications	30/06/14
Available-for-sale securities	45,735	223	(427)	8	(200)	45,338
Deposits and guarantees	33,809	1,518	(1,024)	(200)		34,104
Depreciation	(3,552)					(3,552)
Net total	75,992	1,741	(1,451)	(192)	(200)	75,890

4.5 TRADE RECEIVABLES

(€ thousands)	30/06/14	31/12/13
Trade receivables	208,796	159,186
Provision	(12,717)	(11,454)
Net trade receivables	196,080	147,732

4.6 OTHER RECEIVABLES

(€ thousands)	30/06/14	31/12/13
Advances and instalments	12,311	6,783
Social security receivables	6,694	1,132
Tax receivables	43,396	46,937
Current account advances to non-consolidated companies	16,041	14,873
Other trade receivables and equivalent	15,608	14,884
Deferred charges	30,714	25,576
Provisions for current accounts	(801)	(745)
Provisions for other receivables	(676)	(226)
Other receivables	123,286	109,214

4.7 SHAREHOLDER'S EQUITY

4.7.1 Capital stock

On 30 June 2014, the share capital was €90,615,680 divided by 22,653,920 shares at €4 per share.

4.7.2 Reserves and additional paid in capital

Paid in capital represents the difference between the face value of securities issued and contributions received in cash or in kind.

(€ thousands)	30/06/14
Reserves and additional paid in capital at opening	280,496
Appropriation of comprehensive income N-1	10,104
Dividends	(13,677)
Impact of fair value measurement of financial documents	(1,245)
Share of assets contributed by non-controlling interests	392
Amendment IAS 19	(314)
Cancellation of treasury shares	(658)
Stock option expenses	669
Other variance	48
Reserves and additional paid in capital	275,816

4.7.3 Translation adjustments

Translation adjustments represent the difference between the historic and average exchange rates and the closing rate. At 30 June, translation adjustments represented a negative currency difference of €27,983,000 (Cf. statement of changes in shareholders' equity).

> NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

4.7.4 Treasury shares

Within the framework of the share repurchase program renewed by the General Meeting of 25 April 2014, the following transactions were undertaken during the course of 2014:

(Number of shares)	31/12/13	acquisitions	disposals	30/06/14
- Treasury shares	263,466	50,000	(34,087)	279,379
- Liquidity agreement	5,154	139,911	(139,065)	6,000

The number of treasury shares and shares acquired in connection with a liquidity agreement totalled 285,379.

4.7.5 Analysis of capital and voting rights

At 30 June 2014, the total number of voting rights was 33,618,621.

Share capital is divided into two classes of shares, shares with single voting rights and shares with double voting rights.

The breakdown of share capital and voting rights, stock options and bonus share plans are described in the section "Information on the share capital" on pages 134 of the 2013 registration document of GL events.

To the best of the company's knowledge, share capital and voting rights broke down as follows:

	Number of shares	Percentage of capital	Percentage of voting rights
Polygone SA	12,002,201	52.98%	65.42%
Sofina	2,287,927	10.10%	6.80%
CM CIC Capital Investissements	1,044,924	4.61%	5.80%
Public	7,318,868	32.31%	21.98%
TOTAL	22,653,920	100%	100%

4.8 PROVISIONS FOR RETIREMENT SEVERANCE PAYMENTS

(€ thousands)	30/06/14	31/12/13	Income statement items impacted by this recognition
Opening Balance	7,870	7,835	
Service costs – Benefit payments	(653)	207	Operating profit
Expense recognised under income	(653)	207	
Translation adjustments	542	(172)	
Changes in consolidation scope and reclassifications	46		
Provisions for retirement severance payments	7,805	7,870	

> NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

4.9 COMMITMENTS AND CONTINGENCIES

(€ thousands)	31/12/13	Increase	Decrease		Translation adjustments	Changes in Group structure / reclassifications	30/06/14
			Provisions used in the period	Reversal of unused provisions			
Provisions for employee-related risks	796	472	(382)			147	1,033
Provisions for tax contingencies	6		(6)				0
Equity-accounting method		112				281	393
Other provisions (*)	17,141	935	(1,468)		14	(146)	16,476
Total	17,943	1,519	(1,856)		14	282	17,902

(*) A provision of € 15.7 million for country risk was established in 2011 at the request of the Board, following the suspension by the Organising Committee and the Delhi Development Authority of payments to suppliers as part of the Commonwealth Games that were held in 2010 in India. There have been no significant developments in the first half.

4.10 LOANS AND BORROWINGS

(€ thousands)	31/12/13	Increase	Decrease	Translation adjustments	Changes in Group structure / reclassifications	30/06/14
Non-current borrowings	438,571	71,418	(73,317)	4,117		440,788
Financial instruments	5,960	1,867				7,827
Other loans and borrowings	2,762	6,463	(1,337)	46		7,934
Long term financial debt⁽¹⁾	447,293	79,748	(74,654)	4,163		456,550
Short term bank loans	17,610	29,341		190		47,141
Total Loans and borrowings	464,903	109,090	(74,654)	4,353		503,691
Marketable investments securities	(75,329)	27,094		(51)		(48,286)
Bank and cash	(126,441)	5,106		(1,846)	(43)	(123,224)
Cash and cash equivalents	(201,770)	32,200		(1,897)	(43)	(171,510)
Net debt	263,133	141,290	(74,654)	2,456	(43)	332,181

⁽¹⁾ At 30/06/2014
 Non current loans and borrowings 349,212
 Current loans and borrowings 107,338

4.11 OTHER LIABILITIES

(€ thousands)	30/06/14	31/12/13
Current accounts and Payables on fixed assets	22,198	7,114
Other payables	54,573	45,930
Prepaid income	90,525	98,374
Total	167,296	151,418

NOTE 5 INCOME STATEMENT INFORMATION

5.1 OTHER OPERATING INCOME

"Other operating income" breaks down as follows:

(€ thousands)	30/06/14	30/06/13
Investment grants	1,212	810
Other income		487
Total	1,212	1,297

5.2 RAW MATERIALS, CONSUMABLES AND OTHER EXTERNAL CHARGES

(€ thousands)	30/06/14	30/06/13
Raw materials and consumables	(28,226)	(33,367)
Subcontracting and external personnel	(135,575)	(128,835)
Equipment property rental	(46,985)	(40,031)
Travel and entertainment expenses	(17,198)	(13,538)
Other purchases and external charges	(57,800)	(48,057)
Total	(285,785)	(263,828)

5.3 OTHERS OPERATING EXPENSES

Others operating expenses breaks down as follow:

(€ thousands)	30/06/14	30/06/13
Gain or loss in value of fixed assets disposals	(44)	829
Others incomes and others charges	(2,031)	(2,285)
Others operating expenses	(2,075)	(1,456)

5.4 NET FINANCIAL INCOME (EXPENSE)

(€ thousands)	30/06/14	30/06/13
Net income from the sale of marketable securities	473	884
Interest expense	(5,409)	(3,829)
Net interest expense	(4,936)	(2,945)
Financial income from participating interests	12	47
Currency gains/losses	(119)	20
Allowances for depreciation and reserves	(313)	(260)
Other financial income and expense	(420)	(233)
Net financial income	(5,357)	(3,178)

5.5 CORPORATE INCOME TAX

In accordance with IAS 34, the effective rate is 35% projected

NOTE 6 OFF BALANCE SHEET COMMITMENTS

6.1 COMMITMENTS

Categories of commitments (€ thousands)	30/06/14
Commitments given	
- Medium-term guarantees	1,444
- Joint security, miscellaneous guarantees	
Commitments received	

In compliance with the principles for preparing notes to consolidated financial statements that include only Group commitments to third parties and unconsolidated companies, off-balance sheet commitments existing between consolidated companies are eliminated like inter-company transactions and balances.

6.2 CONCESSION ROYALTIES AND PROPERTY LEASE PAYMENTS – NON-CANCELLABLE PORTIONS

As there have been no material changes with respect to these commitments as of 30 June 2014, refer to note 8.2 page 111 of the 2013 registration document.

6.3 DEBT GUARANTEED BY COLLATERAL

Items (€ thousands)	Guaranteed debt	Nature of the guarantee
- Bank guarantees	9,324	Pledge of financial instruments

6.4 OTHER INVESTMENT COMMITMENTS

Investment commitments by maturity are analysed below:

(€ thousands)	< 1 year	1 - 5 years	> 5 years
Capital expenditure commitments	44,003	56,514	13,090

NOTE 7 INFORMATION ON RELATED PARTIES TRANSACTIONS

The consolidated financial statements include all companies within the scope of consolidation (cf. note 2). Société Polygone SA is the parent company. Related party transactions concerned primarily management services invoiced by Polygone SA to GL events, where Olivier Ginon, Olivier Roux and Erick Rostagnat served as directors for both companies, and property rental costs invoiced by Foncière Polygone to the group, with Olivier Ginon serving as chairman, Gille Gouedard Compte and Erick Rostagnat as managing directors of this company.

There exist no other commitments concerning retirement or equivalent benefits in favour of other members or former members of the Board of Directors and corporate executives. In addition, no advances or loans have been granted to Board of Directors members and corporate executives.

Summary of transactions with related parties in first half year 2014:

Nature	Income (expenses)
General management services	(1,403)
Travel allowances and expenses, insurance	220
Property lease payments and land taxes	(9,433)
	Balance at 30/06/2014
Security deposit ⁽¹⁾	24,468
Current account	(12,684)
Supplier	(1,842)

⁽¹⁾ Rent deposit guarantees correspond to one year's rent.

MANAGEMENT DISCUSSION AND ANALYSIS

1 2014 INTERIM REVIEW OF OPERATIONS

The Group remains a front-line provider of solutions and services for large international events. On that basis, GL events teams present at the World Cup in Brazil, the FEI World Cup finals in Lyon (dressage and show jumping), the commemorations for the 70th anniversary of the Normandy landings, contributed to the commercial achievements of the first half.

TURNOVER ANALYSIS

GL events had half-year revenue of €464.7 million, up 7.5% on a reported basis or 13% at constant exchange rates. Particularly unfavourable foreign exchange trends in the first half generated a shortfall in revenue of €23.6 million.

The breakdown of net sales by major business line was as follows:

CA semestriel (€ thousands)	2013 published	2014 at cc*	2014 published	Var.14/13	Var.14/13 (cc)
Live	214,300	276,800	257,500	20.2%	29.1%
Exhibitions	93,900	78,900	78,500	-16.4%	-16.0%
Venues	124	132,600	128,700	3.8%	7.0%
TOTAL GL EVENTS GROUP	432,200	488,300	464,700	7.5%	7.5%

(*) cc = constant exchange rates (using the 2013 exchange rates)

OPERATING PROFIT ANALYSIS

Consolidated operating profit in the 2014 first half rose to €37.9 million, up 15.5% from last year's same period (+26% from H1 2012).

The operating margin accordingly reached 8.2% (up 0.6 points from H1 2013), on track with Group targets and a return to pre-crisis standards.

The breakdown of operating profit by major business line was as follows:

(€ thousands)	30/06/14	30/06/13
GL events Live	24,500	6,400
GL events Exhibitions	5,500	13,900
GL events Venues	7,900	12,500
TOTAL GL EVENTS GROUP	37,900	32,800

GL events Live benefited from the World Cup Brazil effect with €80 million in sales revenue and an operating margin (above 12%) enhancing Group earnings. Overall, first-half revenue came to €257.5 million (+20.2% on a reported consolidated basis and +29.1% at constant exchange rates) with operating profit of 24.5% and a margin of 9.5%.

GL events Exhibitions in large part concentrated the comparison base resulting from the biennial schedule of SIRHA, whose next edition will be held in January 2015. This business unit had revenue of €78.5 million in the first half with operating profit of €5.5 million (operating margin of 7%).

GL events Venues also achieved growth in the first half with revenue of €128.7 million, up 3.8% (+7% at constant exchange rates) with an operating margin of 6%. Also noteworthy is the ramping up of Palais Brongniart and Maison de la Mutualité with their operating margins in line with targets.

NET FINANCIAL AND PRE-TAX INCOME ANALYSIS

Net financial expense (-€5.4m) was impacted by increased borrowing costs linked to the €50 million bond issue of July 2013. Profit before tax amounted to €32.5 million, up 10% from the 2013 first half and 26% from the same period in 2012.

INCOME TAX AND NET RESULT ANALYSIS

Despite a higher tax rate resulting from the geographic mix (35%), net income attributable to Group shareholders reached €19.7 million, up 20% from the 2013 first half.

FINANCIAL SITUATION AND NET DEBT ANALYSIS

Cash flow amounted to €38.9 million corresponding to a ratio of sales consistent with Group standards.

Shareholders' equity stood at €387 million. The Group's net debt amounted to €332 million, reflecting sustained capital expenditures, namely for the Grand Hôtel Mercure of Rio de Janeiro as well as World Cup related sales volume with the inflows to be received in the third quarter (€60 million).

2 POST-CLOSING EVENTS

The Group is not aware of any significant post closing events that have occurred since 1 July with a potential impact on its assets and liabilities or financial position.

3 OUTLOOK AND UNCERTAINTIES

GL events intends to capitalise on both its diverse product offering and its innovative regional bases today providing it with high added value positions and legitimacy.

The high degree of responsiveness of the commercial team in Latin America largely contributed to the success of the call for tender for the Cop 20 (Conference of the Parties), the climate change conference to be held in Lima (Peru) in December 2014 (US\$44m); the major share of the temporary installations to be used (56,000 m²) originate from the World Cup in Brazil.



> **MANAGEMENT DISCUSSION AND ANALYSIS**

This is also the case for the contracts won for the next G20 Brisbane Summit in Australia, where the Group has maintained a presence since the Sydney Olympic Games of 2000.

In a worldwide market that remains under-equipped in terms of event infrastructure, the Group is continuing to roll out event solutions for major principal/decision-makers, from its regional bases in Turkey for Central and Eastern Europe and Brazil for Latin America.

The calendar of international events will support this positive momentum: The Rio de Janeiro 450th anniversary celebration, the Olympic Games in Brazil, annual meeting of directors of the IMF and the World Bank Group, the APEC Summit in Peru, the Universal Exhibition in Milan, Italy in 2015...

Based on the positive international momentum as well as the good performance for France excluding the biennial effect of SIRHA, the Group raises its full-year target for organic growth in revenue to +10%.



> **RESPONSIBILITY STATEMENT**

RESPONSIBILITY STATEMENT FOR THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the best of my knowledge, and in accordance with applicable reporting principles for interim financial reporting, the interim consolidated financial statements of GL events for the period ending 30 June 2014 give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the interim management statement includes a fair view of material events having occurred in the first six months, their impact on the interim financial statements, the main transactions with related parties and a description of the key risks and uncertainties for the remaining six months.

Lyon, 2 septembre 2014

Olivier Ginon
Chairman of the Board of Directors

AUDITORS' REPORT ON THE PRESENTATION OF 2014 INTERIM FINANCIAL INFORMATION

The English version of the interim financial statements has not been audited by the Statutory Auditors. This is a free translation into English of the statutory auditors' report issued in the French language and is consequently provided solely for the convenience of English speaking readers. Only the original French version of the Statutory Auditors' report is legally binding.

To the shareholders,

In our capacity as Statutory Auditors, and in accordance with Article L 232-7 of the French commercial code, and L. 451-1-2 III of the French monetary and financial code, we performed:

- A limited review of the attached consolidated interim financial statements of GL events for the six-month from 1 January to 30 June 2014;
- A verification of the information given in the interim management report.

These interim financial statements are prepared under the responsibility of, and have been approved by, the Board of Directors. It is our responsibility, on the basis of our review, to present our opinion on these financial statements.

1. Conclusion on financial statements

We conducted our review in accordance with professional standards applicable in France. These standards require that we perform limited procedures to obtain reasonable assurance, below the level resulting from a full audit, that the interim consolidated financial statements do not contain any material misstatements. These procedures that involve principally meeting with management and conducting an analytical review thus provide a lower level of assurance than an audit and consequently do not result in the issuance of an audit opinion.

Based on our limited review, nothing has come to our attention to suggest that the condensed interim financial statements do not comply with IAS 34, the IFRS as adopted by the European Union governing interim financial reporting.

2. Specific verifications

We have also reviewed the information given in the interim report accompanying the consolidated financial statements that were the subject of our limited review.

We have nothing to report with respect to the fairness of such information and its conformity with the financial statements.

Villeurbanne and Oullins, 2 septembre 2014

The Statutory Auditors,
[French original signed by]

MAZARS
Christine DUBUS

MAZA SIMOENS
Sebastien BELMONT