



Lyon, 5 March 2014

## **STRONG GROWTH IN BRAZIL (+98% in BRL) AND TURKEY (+64% in TRY)**

### **EBITDA (€89m) AND CURRENT OPERATING INCOME (€50m) IN LINE WITH EXPECTATIONS**

#### **Solid commercial performances in 2013**

The Group demonstrated its capacity in 2013 for maintaining positive growth momentum in a complex international environment. At constant exchange rates (with 2012 rates) revenue came to €833.7m.

Consolidated sales revenue was impacted by the depreciation of selected currencies and came in at €809.1m compared with €824.2m in 2012.

Sales in France grew 1.1%, accounting for 49% of consolidated revenue. International sales (51%) were impacted by an unfavourable comparison base from the 2012 London Olympic Games and the Africa Cup of Nations though partially offset by the Confederation Cups and WYD Rio 2013.

#### **Steady EBITDA (€89m) and current operating margin (6.1%)**

The gross margin rose 1.7 points in 2013<sup>(1)</sup>, bolstered by ongoing Group efforts to adjust costs and improve productivity, despite the Bologna Motor Show's cancellation.

EBITDA amounted to €89m and current operating income €49.7m. The consolidated current operating margin remained steady relative to the prior year at 6.1%. Currency effects had a negative impact of €3m on current operating income and 0.15 points on the operating margin.

As a direct consequence of the economic crisis in the automotive sector in Italy, the Group cancelled the Bologna Motor Show and recorded a provision as announced in October 2013. By decision of the Board of Directors, the amount recorded for this exceptional provision on goodwill was €11.4m. The Group has also continued to implement structural adjustments and measures to streamline its organisation.

Operating profit for 2013 amounted to €38.3m.

<b>Consolidated income statement highlights IFRS (€m)</b>	<b>2013</b>	<b>2012</b>
Revenue	809.1	824.2
<b>Current operating income</b>	<b>49.7</b>	<b>50.6</b>
<i>Current operating margin (%)</i>	6.1%	6.1%
Exceptional provision	(11.4)	-
<b>Operating profit</b>	<b>38.3</b>	<b>50.6</b>
Net financial expense	(6.8)	(5.4)
<b>Profit before income tax</b>	<b>31.5</b>	<b>45.2</b>
Income tax	(16.1)	(14.3)
Associates	(0.8)	0.4
Non-controlling interests	(4.5)	(3.1)
<b>Net income attributable to the shareholders of the parent</b>	<b>10.1</b>	<b>28.2</b>

(1) *Gross Margin = Sales - Purchases & External Charges*

### **New investments to capture emerging country growth**

The Group had operating cash flow of €80.7m, benefiting from a significant positive change in working capital requirements (+€13.4m). To secure new sources of funding, the Group carried out a €50m private placement with institutional investors.

GL events on this basis invested in new installations and activities in Brazil (LPR, RioCentro), with long-term sources of funds to finance long-term assets.

In light of capital expenditures, Group net debt amounted to €263.1 at 31 December 2013, with a gearing of 69%.

### **Profitability by BU**

**GL events Live** had revenue of €411.4m, with a marginal biennial effect in 2013 with respect to the calendar of major events. The operating margin for the period was 3.6% (4% at constant exchange rates).

**GL events Exhibitions**, with revenue of €161.5m in 2013, up sharply 18.7% from 2012, delivered a solid performance for the year, driven notably by the quality of SIRHA in Lyon and developments by Première Vision and other trade shows in France and international markets.

**GL events Venues** achieved further improvements in operating performance despite lower revenue in 2013 (€236.2m). Operating profit came to €17m, up from €15m, for a 12 months gain in the margin of 1.1 points, reflecting growing post-investment contributions from the major operating units and the gradual turnaround as break-even points are lowered.

## Creation of "LIVE! By GL events"

Alice Evénements, Market Place and Package, GL events Group's event communications consulting agencies, joined forces to create a new agency combining their full range of expertise in France and international markets. This new entity, "LIVE! by GL events", with a staff of 100 that began operations on 1 January of this year, plans to organise more than 250 events in 2014.

## Developments in Brazil:

The Group's geographical mix should allow it to benefit from the long-term vitality of countries like Brazil, still under-equipped in terms of event infrastructure, and the economic recovery of developed countries, providing the foundations for the rebalancing of global growth expected in 2014.

The Group is thus well-positioned for the World Football Cup to be hosted by Brazil in 2014, having already signed contracts for more than BRL 210m in revenue for:

- The temporary installation of hospitality areas;
- Hospitality services and installations for the Broadcast Centre at Rio Centro;
- Rental of the Organising Committee offices;
- Providing additional overlay services for the different stadiums.

Following 98% growth in local currency (BRL) in 2013, GL events will achieve minimum growth of 30% in BRL to reach BRL 420m in sales revenue (or €136m at current exchange rates). The operating margin anticipated for this country in 2014 will be in the range of 15%.

## 2014: guidance for 4% growth

Significant contracts have been signed for the Glasgow Commonwealth Games, the FEI World Cup finals in Lyon (dressage and show jumping) and all Group commercial teams are working towards the signature of major additional contracts in Brazil but also other projects such as the production of modular stadiums.

For 2014, annual growth of 4% at current exchange rates is expected.

## Proposal for a dividend of €0.60 per share

The Board of Directors' meeting of 28 February 2014 decided to propose a dividend of €0.60 per share at the next General Meeting. This dividend, corresponding to a yield of 3% based on the closing price of 4 March 2014, will reward shareholders for their confidence and loyalty.

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**Upcoming events:  
2014 first-quarter revenue, 22 April 2014 (after the close of trading)**

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