



Lyon, 29 July 2010

2010 first-half: GL events continues strong profitable growth

Revenue up nearly 19%
High leverage effect on net income: +23.4%

Consolidated income statement data (€m)	H1 09	H1 10
Revenue	300.6	356.8
Operating profit	25.4	24.4
<i>Operating margin</i>	8.5%	6.8%
Net financial expense	(6.3)	(3.1)
Profit before income tax	19.1	21.3
Corporate income tax	(6.8)	(6.8)
Net income of fully consolidated companies	12.3	14.4
Income from equity-accounted investments	0.4	0.4
Net income before non-controlling interests	12.7	14.9
Non-controlling interests	(2.0)	(1.8)
Net income attributable to the Group	10.7	13.1

GOOD FIRST-HALF OPERATING RESULTS

GL events' consolidated revenue grew 18.7% in the 2010 first half to €356.8 million. Like-for-like¹, revenue was up 9%.

The Group's two main divisions were marked by comparable trends with accelerations in the second quarter of nearly 48% (including organic growth of 30%) on consolidated revenue of €165.9 million.

These performances in a market that remains challenging for the event industry confirm the strength of the Group's business model based on international expansion and integration and increasing synergies across the event industry chain. To support this expansion, the Group has pursued efforts to recruit, train and motivate teams at every level of the organisation accompanied by significant investments, particularly in Services for events.

Consolidated operating profit totalled €24.4 million, representing a marginal decline primarily from changes in the Group's portfolio of real estate assets. In light of reduced interest expense resulting from the disposal of real estate assets in Budapest and Turin, income before tax represents a better indicator for measuring the Group's operating performance in the first half. Pre-tax income thus increased 11.4% to €21.3 million.

SERVICES: A PARTICULARLY STRONG PERFORMANCE

Revenue from Services surged 28.8% to €162.5 million. First-half operating income for this business increased by a multiple of 3.6 year-on-year to €15.1 million.

In effect, in this period the Group achieved a "grand slam" in the sports events sector as a contributor to the Africa Cup of Nations, the FIFA 2010 World Cup South Africa™, in addition to being awarded a large contract for the Commonwealth Games to be held in October in Delhi, India. The Group has also been a partner of several organisations for the 2010 Shanghai World Expo with a particularly innovative pavilion management offering.

¹ Comparable structure and exchange rates.

For these events, GL events has invested in equipment that has contributed to building portfolio of premium assets in advance of the 2011-2012 calendar and beyond, expected to be a particularly promising period for international sports events. The Group also intends to build on its strong base of customer satisfaction in preparing for the next major worldwide events.

CONTINUED DEVELOPMENT OF VENUE MANAGEMENT & EVENTS

Sales for Venue Management & Events grew 11.4% to €194.3 million (55% of total Group revenue).

This Division had operating income in the period of €9.3 million and pre-tax income of €7.6 million. The first half operating margin for this business and year-on-year trends do not however accurately represent normalised results. In effect, reported results reflect the combined effects of the economy-driven downturn on space rental and corporate events, the negative impact of €1.3 million from the disposal of real estate assets, costs incurred for implementing new venues managed and finally a negative comparison base from the biannual schedule of certain trade fairs.

And while the context remains challenging for corporate events and selected trade fairs, Venue Management & Events has nevertheless benefited from positive contributions from venues recently added to the portfolio or inaugurated: the Square Brussels meeting centre, The World Forum Congress Centre of The Hague, excellent performances by the *Maison de la Mutualité* of Paris, before its closure for work and the Amiens *Mégacité* Exhibition and Convention Centre. And while the opening of these new venues has adversely affected margins in the short term, their commercial deployment has highlighted their significant potential and allowed the Group to acquire strategic positions at major destinations.

The Group also registered excellent performances for those trade fairs with a limited exposure to economy-driven trends, such as the Renewable Energy Exhibition held at the Porte de Versailles Exhibition Centre that increased threefold in relation to the previous edition held in Paris and has clearly established its position as a major sustainable development industry event.

Despite the biannual effect from the scheduling of events, the food industry sector was distinguished by very good performances in the first half. In effect, the strategy of replicating proprietary events enabled the Group to develop its offering in international markets, focusing in priority on venues under management, exemplified by the Bocuse d'Or Asia in Shanghai as well as in Budapest, Hungary. The Foods & Goods trade fair, the CFIA packaging and technologies trade fair in Rennes and Sirest Ideas, the Paris trade fair for culinary innovation headed by Joël Robuchon, and its special competitions, the "French Desert Open" and the *Concours National de Cuisine Artistique*, have continued their expansion.

Other noteworthy events in the first half have included the addition to the Group's network of the Oran Exhibition Centre through a management concession granted by its owner, Sonatrach. This facility represents a high-quality venue inaugurated at the beginning of the year with the 16th International Conference on Liquefied Natural Gas. It includes 20,000 m² of exhibition space, a convention centre with a capacity for 3,000 people, a five-star hotel plus a restaurant with seating capacity for 2,000.

FINANCIAL SOLIDITY INTACT

Consolidated cash flow after tax amounted to €37.6 million with operating cash flow of €23.6 million. This cash flow has provided the Group with resources to finance major capital investment programmes.

Group shareholders' equity amounted to €332.8 million at 30 June, with gearing ⁽²⁾ limited to 0.56% and leverage ⁽³⁾ of 2.6 on an annual basis. On this basis, the Group remains in full compliance with the terms of its bank covenants.

⁽²⁾ Gearing: ratio of net debt to equity

⁽³⁾ Leverage: ratio of net financial debt to EBITDA.

GOOD VISIBILITY FOR THE SECOND HALF

Visibility for the 2010 second half is good with very positive prospects for growth for all the Group's businesses.

Event Organisation is expected to benefit from a favourable calendar of trade shows as well as more positive underlying trends for its activity. The Bologna Motorshow will achieve both growth in revenue and profitability while the horse show Equita is expected to continue its expansion. In addition, GL events was selected to design, stage and produce shows in Congo and Gabon for the commemoration ceremonies for the 50th anniversary of their independence.

The Group has also renewed its partnership with Hermès and been selected for a series of major corporate and institutional events. Venue Management will also benefit from contributions for the full six-month period from concessions recently awarded as well as the inauguration of the new modernised and enlarged Lyon Eurexpo venue.

Finally, the Commonwealth Games, the BWF World Badminton Championship in Paris in late August, the France-Argentina Coupe Davis semi-finals at the Lyon Palais des Sports indoor sports arena and the 2010 Shanghai World Expo also offer very promising growth prospects for Services in the second half.

In light of this good visibility, the Group confirms guidance for full-year sales expected to exceed €680 million.

GL EVENTS WELL-PREPARED FOR THE MARKET REBOUND

GL events has successfully established its position in a recessionary environment as a partner capable of proposing innovative and high-quality solutions to customers organising major worldwide events and local and regional governments.

Along with political, cultural, and sports events whose exposure to broader economic trends remains limited, corporate events represent a major media for promoting business development at a time of resumption in growth in world trade.

As the economic environment progressively improves, with a significant number of calls for tenders for venue concessions and a significant calendar of major worldwide events in 2011-2012, the Group is confident in the outlook for continued international growth.

The interim financial report is available at the web site of GL events (www.gl-events.com).

Upcoming events:

2010 net sales third-quarter: 20 October 2010 (after the close of trading)

Investor relations

Erick Rostagnat
Tel.: +33 (0)4 72 31 54 20
infos.finance@gl-events.com

Media Relations

Stéphanie Stahr
Tel.: +33 (0)1 45 96 77 83
stahrst@cmcics.fr

ISIN FR0000066672 - Bloomberg GLO FP - Reuters GLTN.PA - FTSE 581