



GL events - 2011 first half:
Revenue growth of 7.6%
Operating profit up 18%
New developments in convention organisation and venue management

GL events had revenue in the first half of €383.9 million, up 7.6%, with an 18% increase in operating profit to €28.8 billion. In an event market experiencing a gradual upturn though limited by the macroeconomic environment, the Group has maintained profitable growth momentum following the record year in 2010.

These performances confirm the pertinence of the Group's business model based on integration and increasing synergies across the event industry chain sustained by solid European foundations and international development in high potential regions for business tourism: Eastern Europe, Turkey, Brazil, Africa, the Middle East, India and China.

Consolidated income statement data (€m)	H1 10	H1 11	H1 11/10
Sales	356.8	383.9	+7.6%
Operating profit	24.4	28.8	+18.0%
<i>Operating margin</i>	<i>6.8%</i>	<i>7.5%</i>	<i>+0.7 pt.</i>
Net financial expense	(3.1)	(5.5)	
Profit before income tax	21.3	23.3	+9.4%
Corporate income tax	(6.8)	(6.7)	
Net income of consolidated operations	14.4	16.6	+15.3%
Income from equity-accounted investments	0.4	0.2	
Net income before non-controlling interests	14.9	16.9	+13.4%
Non-controlling interests	(1.8)	(3.0)	
Net income attributable to the Group	13.1	13.9	+6.1%

GOOD OPERATING PERFORMANCE IN FIRST HALF

GL events has well managed the period following the World Cup and the record year in 2010 with revenue of 7.6% to €383.9 million in the 2011 first half. The Group achieved good levels for revenue in Europe (+€61 million), highlighting an ability for development not restricted exclusively to major events alone and despite sluggish market conditions.

French operations expanded 21% with good volume for revenue for Trade Fairs with notably *SIRHA*, the integration of Brelet, and an increasing stake in Première Vision.

Revenue in Asia and the Americas remained stable, while Africa and the Middle East naturally registered declines in relation to the comparison base from the 2010 World Football Cup.

To support this expansion, the Group has pursued its efforts to recruit, train and motivate teams at every level of the organisation. GL events has also invested significantly its processes to achieve productivity gains, notably by basing events logistics operations at Gonesse for the greater Paris region (Ile de France).

Consolidated operating profit totalled €28.8 million, increasing 18%, for an operating margin of 7.5% representing a gain of 0.7 points.

Net financial expense included an exceptional financial provision of €2.7 million. After taking into account a modest decrease in the tax rate linked to the geographical mix and non-controlling interests for €3 million, net income amounted to €13.9 million

Cash flow amounted to €42.8 million. In line with expectations, the net source of funds (negative working capital) decreased in the first half to €65 million at 30 June 2011.

The Group's shareholders' equity amounted to €341.2 million at 30 June 2011 with gearing (net debt to equity ratio) limited to 0.70 and assets comprised of equipment, real estate and intellectual property of €650 million. On the strength of this solid financial base, the Group was able to obtain credit lines for €200 million from its banks at more favourable interest rate terms.

REVENUE AND OPERATING HIGHLIGHTS BY BUSINESS LINE

Highlights by business line break down as follows:

Revenue (€ millions)	H1 2010	H1 2011	Change H1 11/10	Change (organic growth) H1 11/10
Consolidated revenue	356.8	383.9	+7.6%	-
GL events Live	190.2	177.3	-6.8%	-11.8%
GL events Exhibitions	59.2	94.9	+60.3%	+25.3%
GL events Venues	107.3	111.7	+4.1%	+3.7%

GL events Live (formerly Event Organisation and Services for Events) had revenue of €177.3 million, down 6.8% from the 2010 first-half that included €36 million recognised by the Group from contracts for football competitions held in Africa.

Major events organised and equipped by the Group included the Africa Cup of Nations in Qatar, the RBS 6 Nations rugby championship and summit meetings for the French presidency of the G8 and G20.

GL events Live was also very active in the corporate segment for large customers: 100th anniversary of Nivea, inauguration in Le Mans of MMArena and a highway for Eiffage, Lancôme Convention, Saut Hermès at the Grand Palais, etc.

GL events Exhibitions (formerly Trade Fair, Congresses and Conventions) with revenue of nearly €95 million (up 60.3%), benefited from more positive trends for the organisation of trade fairs in France (good performances by *SIRHA* and the *Rendez-vous Bâtiment Energie Positive* devoted to clean energy in the construction industry in Lyon) and, in international markets, from success in the strategy of duplicating events (Turin International Book Fair, the Brazilian edition of the Première Vision textiles trade fair, the Moroccan edition of the CFIA food industry trade fair in Casablanca, etc.).

GL events Venues (formerly Venue Management) had revenue of €111.7 million, up 4.1%. With customers gradually renewing in interest exhibition and convention centres, at 30 June the Group had a satisfactory level of orders for the coming quarters.

GROWTH OPPORTUNITIES IN TURKEY WITH THE ACQUISITION OF SERENAS, THE LEADING PCO

The acquisition of 70% of Serenas, Turkey's leading PCO and the Group's local partner for the concession awarded for the Ankara Convention and Exhibition Centre, fully in line with the Group's international strategy, offers three major advantages:

- An addition to the Group of a leader in Turkey and 120 employees with expertise in organising conventions in a market expected to pursue strong growth. Furthermore, Serenas managers will retain an interest in ensuring the success of the company.
- By deploying the model for expansion already used for Rio de Janeiro, the Group will be able to rapidly develop "content" for this site and optimise the occupancy rate of the Ankara Convention and Exhibition Centre.
- Through Serenas' comprehensive global presence in Turkey, this acquisition will provide GL events with a solid base for exploring the most promising opportunities for development in this market. Located at the crossroads of Europe, Asia and the Middle East, sustained by robust economic growth and a rich cultural heritage, Turkey is ideally positioned to become a major destination for international business tourism.

With this structure, average annual sales for organisation services and venue management are thus expected to exceed €35 million.

VENUE MANAGEMENT AND EVENT ORGANISATION DEVELOPMENT IN LYON WITH LA SUCRIERE

GL events Venues portfolio of sites under management in Lyon now includes La Sucrière. This unique venue, providing a complementary fit with Eurexpo and the Convention Centre, has more than 7,000 m² of exhibition space over 4 levels dedicated to artistic and cultural events. Located at the heart of the Confluence district, this industrial building is perfectly adapted for hosting prestigious cultural and corporate events.

OUTLOOK

In the second half, GL events Live will contribute notably to the Test Events 2011, held in preparation of the 2012 London Olympic Games, the 2011 Rugby Cup in New Zealand and the 2011 Pacific Games in New Caledonia through contracts to provide engineering services and event installations.

GL events Live was also awarded the contract to organise the opening ceremony for the 28th Africa Cup of Nations to be held in January 2012 in Gabon and Equatorial Guinea, and is currently responding to a call for tenders for the closing ceremony.

After contributing to major worldwide events in 2010 (FIFA World Cup™, Commonwealth Games, World Expo), the Group confirms its leadership position achieved through team commitment, high-quality assets and a strong brand name.

These commercial performances along with the current order book provide the Group with a solid base to pursue balanced and profitable growth in 2011. GL events accordingly confirms its annual sales guidance of €770 million accompanied by improvements at different margin levels.

**Upcoming events:
Third-quarter sales, 18 October 2011 (after the close of trading)**

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About GL events(www.gl-events.com): GL events is an international event industry group providing integrated solutions covering three main market segments: Event Organisation, Venue Management and Event Services. The Group has a portfolio of more than 250 proprietary B2B and B2C trade fairs worldwide and a network of 36 venues under management that include convention centres, exhibition centres, concert halls and multipurpose facilities in France and international destinations. It currently has more than 3,500 employees and a network of more than 90 offices worldwide. GL events is listed in compartment B (Mid Caps) of NYSE Euronext Paris and is a component of the CAC Mid & Small index.