



2019 INTERIM FINANCIAL REPORT

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2019 EXCLUDING IFRS 16

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Translation disclaimer: This document is a free translation of the original French language version of the interim financial report (rapport semestriel) provided solely for the convenience of English-speaking readers. This report should consequently be read in conjunction with, and construed in accordance with French law and French generally accepted accounting principles. While all possible care has been taken to ensure that this translation is an accurate representation of the original French document, this English version has not been audited by the company's statutory auditors and in all matters of interpretation of information, views or opinions expressed therein, only the original language version of the document in French is legally binding. As such, the translation may not be relied upon to sustain any legal claim, nor be used as the basis of any legal opinion and GL events expressly disclaims all liability for any inaccuracy herein.

> CONSOLIDATED STATEMENT OF FINANCIAL POSITION - BALANCE SHEET

(€ thousands)	Notes	30/06/2019	31/12/2018
Goodwill	4.1	716,476	519,642
Other intangible assets	4.1	51,800	49,841
Land and buildings	4.2	312,238	287,029
Other tangible assets	4.2	41,185	38,693
Capitalised rental equipment	4.2	110,662	112,277
Financial assets	4.3	65,189	64,335
Equity-accounted investments	4.4	74	164
Deferred tax assets		24,248	23,993
NON-CURRENT ASSETS		1,321,871	1,095,974
Inventories & work in progress		47,723	39,290
Trade receivables	4.5	184,446	190,433
Other receivables	4.6	182,578	165,571
Cash and cash equivalents	4.10	370,539	272,144
CURRENT ASSETS		785,286	667,438
TOTAL		2,107,156	1,763,412

(€ thousands)	Notes	30/06/2019	31/12/2018
Share capital	4.7	119,931	119,931
Reserves and additional paid in capital	4.7	438,266	432,687
Translation adjustments	4.7	(109,613)	(112,928)
Net income		30,436	42,237
Shareholders' equity attributable to the Group		479,020	481,928
Non-controlling interests		73,223	60,099
TOTAL SHAREHOLDERS' EQUITY		552,243	542,027
Provisions for retirement severance payments	4.8	12,969	11,521
Deferred tax liabilities		11,359	10,853
Financial debt	4.10	537,089	421,492
NON-CURRENT LIABILITIES		561,417	443,866
Current provisions for contingencies and expense	4.9	18,809	19,289
Current financial debt	4.10	191,284	208,622
Current bank facilities and overdrafts	4.10	20,402	11,180
Advances and instalments		56,112	31,156
Trade payables		223,196	211,151
Tax and employee-related liabilities		123,653	106,232
Other liabilities	4.11	360,039	189,888
CURRENT LIABILITIES		993,496	777,519
TOTAL		2,107,156	1,763,412

> CONSOLIDATED INCOME STATEMENT

(€ thousands)	Notes	30/06/2019	30/06/2018
Revenue	3	595,878	544,983
Purchases consumed	5.1	(34,214)	(30,351)
External charges	5.1	(303,704)	(293,808)
Taxes and similar payments (other than on income)		(9,502)	(8,659)
Personnel expenses and employee profit sharing		(148,108)	(132,711)
Allowances for depreciation and amortisation, provisions		(30,174)	(27,376)
Other current operating income	5.2	3,153	2,372
Other current operating expenses	5.2	(3,681)	(1,350)
Operating expenses		(526,230)	(491,883)
EBIT (CURRENT OPERATING INCOME)	3	69,648	53,100
Other operating income and expenses	5.3	(2,060)	(8,869)
OPERATING PROFIT		67,588	44,231
NET FINANCIAL EXPENSE	5.4	(5,746)	(7,217)
EARNINGS BEFORE TAX		61,842	37,014
Income tax	5.5	(19,975)	(10,586)
NET INCOME OF CONSOLIDATED COMPANIES		41,867	26,428
Share in income of equity affiliates	4.4	(92)	(141)
NET INCOME		41,775	26,287
Attributable to non-controlling interests		11,339	3,792
NET INCOME		30,436	22,495
Average number of shares		29,982,787	23,402,711
Net earnings per share (in euros)		1.02	0.96

(€ thousands)	Notes	30/06/2019	30/06/2018
NET INCOME		41,775	26,287
Hedging instruments		(1,814)	81
Other comprehensive income that may be recycled subsequently to profit and loss		(1,814)	81
Actuarial gains and losses		(823)	32
Gains and losses from the translation of financial statements of foreign operations		3,430	(25,389)
Other comprehensive income that may not be recycled subsequently to profit and loss		2,606	(25,358)
TOTAL COMPREHENSIVE INCOME		42,567	1,011
Total comprehensive income attributable to non-controlling interests		11,339	3,494
Comprehensive income attributable to equity holders of the parent		31,228	(2,483)

> CONSOLIDATED CASH FLOW STATEMENT

(€ thousands)	30/06/2019	30/06/2018
Cash and cash equivalents at the beginning of the year	260,963	194,938
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	30,436	22,495
Amortisation, depreciation and provisions	33,338	27,181
Other non-cash income and expenses	2,545	1,589
Gains and losses on disposals of fixed assets	1,232	1,006
Non-controlling interests in consolidated subsidiaries' net income	11,339	3,792
Share in income of equity affiliates	92	141
Cash flow	78,982	56,203
Cost of net financial debt	6,968	7,784
Tax expense (including deferred taxes)	19,975	10,586
Cash flow before net interest expense and tax	105,925	74,573
Income tax payments	(16,784)	(7,539)
Change in working capital requirements	(39,441)	(15,744)
Net cash provided by operating activities (A)	49,700	51,290
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of intangible fixed assets	(2,670)	(3,510)
Acquisition of tangible assets and capitalised rental equipment	(24,673)	(31,816)
Disposals of tangible and intangible assets	402	369
Acquisitions of financial assets	(1,255)	(608)
Disposal of investments and other non-current assets	442	815
Net cash flows from the acquisition and disposal of subsidiaries	(17,232)	(16,612)
Net cash used in investing activities (B)	(44,986)	(51,363)
NET CASH FROM FINANCING ACTIVITIES		
Capital increase		
Dividends paid to shareholders of the parent		
Dividends paid to non-controlling shareholders of consolidated comp	(350)	
Other changes in equity	(4,089)	2,516
Change in borrowings	95,686	20,464
Cost of net financial debt	(6,968)	(7,784)
Net cash provided by financing activities (C)	84,278	15,197
Effect of exchange rate fluctuations on cash (D)	180	(521)
Net change in cash & cash equivalents (A + B + C + D)	89,173	14,602
Cash and cash equivalents at year-end	350,136	209,540

> CONSOLIDATED STATEMENT OF FINANCIAL POSITION - BALANCE SHEET IFRS 16

(€ thousands)	Notes	30/06/2019 IFRS 16	31/12/2018
Goodwill	4.1	716,476	519,642
Other intangible assets	4.1	51,800	49,841
IFRS 16 concessions and leases	4.1	436,744	
Land and buildings	4.2	312,238	287,029
Other tangible assets	4.2	41,185	38,693
Capitalised rental equipment	4.2	110,662	112,277
Financial assets	4.3	65,189	64,335
Equity-accounted investments	4.4	74	164
Deferred tax assets		25,059	23,993
NON-CURRENT ASSETS		1,759,426	1,095,974
Inventories & work in progress		47,723	39,290
Trade receivables	4.5	184,446	190,433
Other receivables	4.6	182,578	165,571
Cash and cash equivalents	4.10	370,539	272,144
CURRENT ASSETS		785,286	667,438
TOTAL		2,544,712	1,763,412

(€ thousands)	Notes	30/06/2019 IFRS 16	31/12/2018
Share capital	4.7	119,931	119,931
Reserves and additional paid in capital	4.7	438,266	432,687
Translation adjustments	4.7	(109,613)	(112,928)
Net income		29,107	42,237
Shareholders' equity attributable to the Group		477,692	481,928
Non-controlling interests		72,861	60,099
TOTAL SHAREHOLDERS' EQUITY		550,553	542,027
Provisions for retirement severance payments	4.8	12,969	11,521
Deferred tax liabilities		11,359	10,853
Financial debt	4.10	537,089	421,492
Non-current IFRS 16 debt on concessions and leases		398,127	
NON-CURRENT LIABILITIES		959,544	443,866
Current provisions for contingencies and expenses	4.9	18,809	19,289
Current financial debt	4.10	191,284	208,622
Current IFRS 16 debt on concessions and leases		41,119	
Current bank facilities and overdrafts	4.10	20,402	11,180
Advances and instalments		56,112	31,156
Trade payables		223,196	211,151
Tax and employee-related liabilities		123,653	106,232
Other liabilities	4.11	360,039	189,888
CURRENT LIABILITIES		1,034,615	777,519
TOTAL		2,544,712	1,763,412

(€ thousands)	Notes	30/06/2019 IFRS 16	30/06/2018
Revenue	3	595,878	544,983
Purchases consumed	5.1	(34,214)	(30,351)
External charges	5.1	(279,433)	(293,808)
Taxes and similar payments (other than on income)		(9,502)	(8,659)
Personnel expenses and employee profit sharing		(148,108)	(132,711)
Allowances for depreciation and amortisation, provisions		(50,754)	(27,376)
Other current operating income	5.2	3,153	2,372
Other current operating expenses	5.2	(3,681)	(1,350)
Operating expenses		(522,538)	(491,883)
EBIT (CURRENT OPERATING INCOME)	3	73,339	53,100
Other operating income and expenses	5.3	(2,060)	(8,869)
OPERATING PROFIT		71,279	44,231
NET FINANCIAL EXPENSE	5.4	(11,942)	(7,217)
EARNINGS BEFORE TAX		59,337	37,014
Income tax	5.5	(19,161)	(10,586)
NET INCOME OF CONSOLIDATED COMPANIES		40,176	26,428
Share in income of equity affiliates	4.4	(92)	(141)
NET INCOME		40,084	26,287
Attributable to non-controlling interests		10,977	3,792
NET INCOME		29,107	22,495
Average number of shares		29,982,787	23,402,711
Net earnings per share (in euros)		0.97	0.96

(€ thousands)	Notes	30/06/2019 IFRS 16	30/06/2018
NET INCOME		40,084	26,287
Hedging instruments		(1,814)	81
Other comprehensive income that may be recycled subsequently to profit and loss		(1,814)	81
Actuarial gains and losses		(823)	32
Gains and losses from the translation of financial statements of foreign operations		3,430	(25,389)
Other comprehensive income that may not be recycled subsequently to profit and loss		2,606	(25,358)
TOTAL COMPREHENSIVE INCOME		40,876	1,011
Total comprehensive income attributable to non-controlling interests		11,060	3,494
Comprehensive income attributable to equity holders of the parent		29,817	(2,483)

(€ thousands)	30/06/2019 IFRS 16	30/06/2018
Cash and cash equivalents at the beginning of the year	260,963	194,938
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net income	29,107	22,495
Amortisation, depreciation and provisions	53,918	27,181
Other non-cash income and expenses	(15,531)	1,589
Gains and losses on disposals of fixed assets	1,232	1,006
Non-controlling interests in consolidated subsidiaries' net income	10,977	3,792
Share in income of equity affiliates	92	141
Cash flow	79,796	56,203
Cost of net financial debt	13,164	7,784
Tax expense (including deferred taxes)	19,161	10,586
Cash flow before net interest expense and tax	112,121	74,573
Income tax payments	(16,784)	(7,539)
Change in working capital requirements	(39,441)	(15,744)
Net cash provided by operating activities (A)	55,896	51,290
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of intangible fixed assets	(2,670)	(3,510)
Acquisition of tangible assets and capitalised rental equipment	(24,673)	(31,816)
Disposals of tangible and intangible assets	402	369
Acquisitions of financial assets	(1,255)	(608)
Disposal of investments and other non-current assets	442	815
Net cash flows from the acquisition and disposal of subsidiaries	(17,232)	(16,612)
Net cash used in investing activities (B)	(44,986)	(51,363)
<u>NET CASH FROM FINANCING ACTIVITIES</u>		
Capital increase		
Dividends paid to shareholders of the parent		
Dividends paid to non-controlling shareholders of consolidated comp	(350)	
Other changes in equity	(4,089)	2,516
Change in borrowings	95,686	20,464
Cost of net financial debt	(13,164)	(7,784)
Net cash provided by financing activities (C)	78,082	15,197
Effect of exchange rate fluctuations on cash (D)	180	(521)
Net change in cash & cash equivalents (A + B + C + D)	89,173	14,602
Cash and cash equivalents at year-end	350,136	209,540

> STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€ thousands)	Number of shares (thousands)	Attributable to the Group					Attributable to non-controlling interests	Total
		Share capital	Additional paid-in capital	Reserves	Comprehensive income	Total Group		
Equity at 31/12/17	23,403	93,611	180,860	108,519	(6,328)	376,662	53,342	430,004
Capital increase	6,580	26,320	92,588			118,908		118,908
Comprehensive income appropriation for N-1				(6,328)	6,328	0		0
Distribution of dividends				(15,151)		(15,151)	(4,577)	(19,728)
Cancellation of treasury shares				1,277		1,277		1,277
Stock option expenses				(1,192)		(1,192)		(1,192)
Change in ownership interests in subsidiaries				(2,704)		(2,704)	1,292	(1,411)
Other changes				(5,878)		(5,878)	(183)	(6,062)
Comprehensive income					10,006	10,006	10,225	20,232
Equity at 31/12/2018	29,983	119,931	273,447	78,543	10,006	481,928	60,099	542,027
Capital increase						0		0
Comprehensive income appropriation for N-1				10,006	(10,006)	0		0
Distribution of dividends				(19,489)		(19,489)	(3,963)	(23,452)
Cancellation of treasury shares				(3,281)		(3,281)		(3,281)
Stock option expenses				1,008		1,008		1,008
Change in ownership interests in subsidiaries				(12,032)		(12,032)	5,665	(6,367)
Other changes				(258)		(258)	1	(258)
Comprehensive income					29,817	29,817	11,060	40,876
Equity at 30/06/2019	29,983	119,931	273,447	54,497	29,817	477,692	72,861	550,553

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF CONSOLIDATION

On 23 July 2019, the Board of Directors reviewed the condensed interim consolidated financial statements for the six-month period ending 30 June 19.

The interim consolidated financial statements of GL events and its subsidiaries ("The Group") were prepared in compliance with IAS 34. As condensed financial statements, they do not include all information required by IFRS to produce annual financial statements and as such must be read in conjunction with the consolidated annual financial statements of the Group prepared in accordance with IFRS (International Financial Standards), as adopted by the European Union on 31 December 2018.

The accounting methods applied are identical to those used to prepare the consolidated financial statements for the period ended 31 December 2018, with the exception of that relating to corporate income tax and the application of new accounting standards having entered into force.

The tax expenses are calculated for the interim consolidated financial statements by applying to profit for the period the average income tax rate estimated for the fiscal year in progress for each entity or the tax group.

The Group has adopted the following amendments and interpretations which entered into force on 1 January 2019. Their application date coincides with that of the IASB:

- Amendment to IFRS 9,
- IFRS 16 – Leases,
- IFRIC 23 Uncertainty over income tax treatments,
- IFRS annual improvements – 2015-2017 cycle;
- Amendments to IAS 28 – Long-term interests in associates and joint ventures
- Amendments to IAS 19, Plan amendment, curtailment or settlement.

In the 2019 first half, the Group finalised its analysis of the impact of IFRS 16 and updated the basis for restatement in accordance with changes in the scope of consolidation.

IFRS 16 – Leases was applied by the Group on 1 January 2019 according to the simplified retrospective method. On that basis, prior financial statements have not been restated.

Assets concerned by this standard include notably concession agreements, commercial leases and long leases (*baux emphytéotiques*). On 1 January 2019, based on the simplified retrospective method, remaining lease expenses with the application of a weighted incremental borrowing rate were capitalised in exchange for recognising a financial liability. The restated amounts represent fixed lease payments.

The variable portion of these payments and related services are not included in the restated amount. The terms adopted for the lease/concession agreements in progress were as follows:

- Concession agreements: remaining term of the agreements,
- Commercial leases with a fixed term: the remaining term until the end of the firm period, with a minimum of 5 years,
- For contracts with remaining terms of less than 5 years with an extension option by the lessee, an extension period is then restated under IFRS 16.

For the record, this standard had no impact on the calculation of the financial covenants. Loan agreements provide that the financial ratios must be calculated excluding IFRS 16-related debt.

Impacts of this standard are presented below:

In €m	30/06/2019 before IFRS 16	Impact of IFRS 16	30/06/2019 IFRS 16
Purchases and external charges	-337.9	24.3	-313.6
EBITDA	99.8	24.3	124.1
Amortisation, depreciation and provisions	-30.2	-20.6	-50.8
EBIT	69.6	3.7	73.3
Borrowing costs	-7.0	-6.2	-13.2
Net financial income (expense)	-5.7	-6.2	-11.9
Income before tax	61.8	-2.5	59.3
Taxes & equity-accounted investees	-20.1	0.8	-19.3
Net income	41.8	-1.7	40.1
Non-controlling interests	-11.3	0.4	-11.0
Net income attributable to shareholders	30.4	-1.3	29.1

On 30 June 2019, the Group registered an "IFRS 16 asset" in the balance sheet in the amount of €437 million and a debt of €439 million, including €398 million of more than one year and €41 million less than one year.

NOTE 2 – CONSOLIDATED COMPANIES

Changes in the Group's structure in 2018 first half were as follows:

Subsidiaries	Business	Country	Date of consolidation or deconsolidation
Caen Evenements	Venues	France	- Created on 1 January 2009
GL events Live Shenzhen (ZZX)	Live	China	- Fully consolidated as of 1 January 2019
Reims Expo Congrès Events	Venues	France	- Created on 1 January 2019
Saint Etienne	Venues	France	- Fully consolidated as of 1 January 2019
Modul France	Live	France	- Merged into Sodem on 1 January 2019
Dogan	Live	South Africa	- Fully consolidated as of 1 February 2019
Johannesburg Expo Center (JEC)	Live	South Africa	- Fully consolidated as of 1 February 2019
CIEC Union	Exhibitions	China	- Fully consolidated as from 1 March 2019
GL events Exhibitions:	Exhibitions	China	- Created on 1 March 2019
GL events Fashion Source	Exhibitions	China	- Created on 1 May 2019
Fashion Source	Exhibitions	China	- Fully consolidated as from 1 May 2019

Because changes in Group structure have not had any material effect on the consolidated financial statements, no pro forma information has been provided in consequence.

Subsidiaries	Location of registration or incorporation	Company trade registration number	Controlling interest (%)		Ownership interest (%)		
			2019	2018	2019	2018	
Parent company							
GL events	Lyon	351571757					
French subsidiaries							
Adecor	Chilly Mazarin	378 230 569	100.00	100.00	100.00	100.00	FC
Agence CCC	Paris	433 592 813	100.00	100.00	100.00	100.00	FC
Alpha 1	Brignais	535 301956	5100	5100	5100	5100	FC
Altitude Expo	Mitry Mory	379 621220	100.00	100.00	100.00	100.00	FC
Auvergne Evénements	Courmon d'Auvergne	449 076 900	59.00	59.00	59.00	59.00	FC
Auvergne Evénements Spectacles	Courmon d'Auvergne	449 077 767	100.00	100.00	59.00	59.00	FC
Bleu Royal	Paris	750 800 625	100.00	100.00	100.00	100.00	FC
Brasserie du Lou (ex. SEPEA Troyes)	Troyes	510 029 648	100.00	100.00	100.00	100.00	FC
Brelet	Nantes	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
Caen Evenements ⁽¹⁾	Caen	844 876 367	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
Even Pro	MonFlanquin	489 895 375	100.00	99.50	100.00	99.50	FC
Fabric Expo	Mitry Mory	379 666 449	100.00	100.00	100.00	100.00	FC
Financière Jaulin	Chilly Mazarin	414 121731	100.00	100.00	100.00	100.00	FC
Fonction Meubles	Chilly Mazarin	378 230 676	100.00	100.00	100.00	100.00	FC
FSO	Mouans Sartoux	403 427 776	100.00	100.00	100.00	100.00	FC
GL events Accounting	Brignais	824 808 489	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 Cité Centre de Congrès Lyon	Lyon	493 387 963	100.00	100.00	100.00	100.00	FC
GL events Cité Centre de Congrès Lyon New Co	Lyon	840 400 188	100.00	100.00	100.00	100.00	FC
GL events Equestrian Sport	Brignais	453 100 562	89.16	89.16	89.16	89.16	FC
GL events Exhibitions ⁽³⁾	Chassieu	380 552 976	100.00	99.50	100.00	99.50	FC
GL events Live	Brignais	378 932 354	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 SI	Brignais	480 214 766	100.00	100.00	100.00	100.00	FC
GL events Sport	Lyon	450 511209	89.16	89.16	89.16	89.16	FC
GL events Support	Brignais	480 086 768	100.00	100.00	100.00	100.00	FC
GL events Venues	Lyon	495 014 524	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
Jaulin	Chilly Mazarin	335 187 605	100.00	100.00	100.00	100.00	FC
Live! by GL events	Paris	780 153 862	100.00	100.00	100.00	100.00	FC
Lou Rugby ⁽⁴⁾	Lyon	432 723 559	86.77	83.44	86.77	83.44	FC
Lou Academy ⁽⁴⁾	Lyon	844 349 464	86.77	83.44	86.77	83.44	FC
Lou Support - Venues ⁽⁴⁾	Lyon	844 374 751	86.77	83.44	86.77	83.44	FC
Medobjectif	Paris	529 065 864	100.00	100.00	100.00	100.00	FC
Menuiserie Expo	Brignais	353 672 835	100.00	100.00	100.00	100.00	FC
Modul France ⁽²⁾	Saint Geneviève des Bois	431618 826		100.00		100.00	FC
Mont Expo	Brignais	342 071461	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	Lyon	403 131956	49.00	48.76	49.00	48.76	FC
Première Vision Digital	Lyon	828 722 629	49.00	48.76	49.00	48.76	FC
Profil	Lyon	378 869 846	100.00	100.00	100.00	100.00	FC
PV Corporate	Lyon	807 946 181	49.00	48.76	49.00	48.76	FC
Ranno Entreprise	Chilly Mazarin	391306 065	100.00	100.00	100.00	100.00	FC
Reims Expo Congrès Events ⁽¹⁾	Reims	842 522 351	100.00		100.00		FC
Restaurant du Palais Brongniart	Lyon	831478 623	49.00	49.00	49.00	49.00	EM
Saint Etienne Evénements ⁽¹⁾	Saint Etienne	844 935 957	66.67		66.67		FC
SCI JDL Parking	Lyon	844 514 695	82.61	82.61	82.61	82.61	FC
SCI JDL 3	Lyon	839 911013	86.77		86.77		FC
SCI JDL 4	Lyon	839 879 111	86.77		86.77		FC
Secil	Lyon	378 347 470	100.00	100.00	100.00	100.00	FC
Sepel	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
Sté exploit. Centre Congrès Metz métropole	Metz	790 342 497	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. Centre Congrès Valenciennes	Anzin	817 786 460	100.00	100.00	100.00	100.00	FC
Sté exploit. d'Amiens Mégacité	Amiens	518 869 011	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. Palais Brongniart	Paris	518 805 809	100.00	100.00	100.00	100.00	FC
Sté exploit. Maison de la Mutualité	Brignais	517 468 138	100.00	100.00	100.00	100.00	FC
Sté exploit. Polydôme Clermont Ferrand	Clermont-Ferrand	488 252 347	100.00	100.00	100.00	100.00	FC
Strasbourg Evenements	Strasbourg	384 911 129	46.36	46.36	46.36	46.36	FC
Toulouse Evenements	Toulouse	752 926 923	99.00	99.00	99.00	99.00	FC
Toulouse Expo	Toulouse	580 803 880	92.02	92.02	92.02	92.02	FC
Vachon	Gonesse	343 001772	85.00	85.00	85.00	85.00	FC

Subsidiaries	Location of registration or incorporation	Controlling interest (%)		Ownership interest (%)		
		2019	2018	2019	2018	
Foreign subsidiaries						
Adors	Ankara	86.36	76.00	86.36	76.00	FC
Aedita Latina	Rio de Janeiro	100.00	100.00	100.00	100.00	FC
Aganto	Newbury	100.00	100.00	100.00	100.00	FC
Aichi International Convention & Exhibition Center	Aichi	51.00	51.00	51.00	51.00	FC
Ankara Uluslararası Kongre	Ankara	86.36	76.00	86.36	76.00	FC
AVS Congrès LTEE	Port Louis	100.00	100.00	100.00	100.00	FC
Cabestan	Monaco	100.00	100.00	100.00	100.00	FC
CIEC Union ⁽¹⁾	Beijing	52.02		52.02		FC
Diagonal Food	Barcelona	92.00	92.00	92.00	92.00	FC
Dogan ⁽¹⁾	Johannesburg	100.00		58.69		FC
Editiel	Port Louis	100.00	100.00	100.00	100.00	FC
Fagga Promoção de eventos	Rio de Janeiro	100.00	100.00	100.00	100.00	FC
Fashion Source ⁽¹⁾	Shenzen	56.67		56.67		FC
Fisa	Santiago de Chile	60.00	60.00	60.00	60.00	FC
Flow Holding	Abu Dhabi	70.00	70.00	70.00	70.00	FC
Flow Solutions Air & Power	Abu Dhabi	70.00	70.00	70.00	70.00	FC
Frame	Ankara	86.36	76.00	86.36	76.00	FC
GL events Algérie	Algiers	90.00	90.00	90.00	90.00	FC
GL events Asia	Hong Kong	100.00	100.00	100.00	100.00	FC
GL events Belgium	Brussels	100.00	100.00	100.00	100.00	FC
GL events Brazil Participacoes	Rio de Janeiro	100.00	100.00	100.00	100.00	FC
GL events Brussels	Brussels	85.00	85.00	85.00	85.00	FC
GL events CCIB	Barcelona	80.00	80.00	80.00	80.00	FC
GL events Centro de Convenções	Rio de Janeiro	100.00	100.00	100.00	100.00	FC
GL events Chili	Santiago de Chile	100.00	99.50	100.00	99.50	FC
GL events Empreendimentos Imobiliario	Rio de Janeiro	100.00	100.00	100.00	100.00	FC
GL events Exhibitions China ⁽¹⁾	Hong Kong	95.00		95.00		FC
GL events Exhibitions Shanghai ⁽⁵⁾	Shanghai	100.00	93.10	100.00	93.10	FC
GL events Exhibitions Fuarcilik	Ankara	100.00	99.50	100.00	99.50	FC
GL events Exponet	Sydney	100.00	50.00	100.00	50.00	FC
GL events Fashion Source ⁽¹⁾	Hong Kong	95.00		95.00		FC
GL events Field&Lawn	Edinburgh	82.50	82.50	82.50	82.50	FC
GL events Food Turquie	Ankara	86.36	76.00	86.36	76.00	FC
GL events Fuarcilik	Ankara	86.36	76.00	86.36	76.00	FC
GL events Hong Kong	Hong Kong	85.00	85.00	85.00	85.00	FC
GL events Italia	Bologna	100.00	100.00	100.00	100.00	FC
GL events Japan Kabushiki Kaisha	Tokyo	100.00	100.00	100.00	100.00	FC
GL events Live Chile	Las Condes	100.00	100.00	100.00	100.00	FC
GL events Live Shenzen (ZZX) ⁽¹⁾	Shenzen	51.00		51.00		FC
GL events Macau	Macau	99.00	99.00	99.00	99.00	FC
GL events Maroc	Casablanca	100.00	100.00	100.00	100.00	FC
GL events Production LLC	Dubai Jebel Ali	100.00	100.00	100.00	100.00	FC
GL events South Africa	Johannesburg	69.39	69.39	69.39	69.39	FC
GL events Turquie	Istanbul	86.36	76.00	86.36	76.00	FC
GL events UK	Derby	100.00	100.00	100.00	100.00	FC
GL events USA	New York	100.00	100.00	100.00	100.00	FC
GL events Venues UK	Castle Donington	100.00	100.00	100.00	100.00	FC
GL events Vostok	Moscow	100.00	100.00	100.00	100.00	FC
GL events Yuexiu Guangzhou Development	Guangzhou	50.00	50.00	50.00	50.00	FC
GL Furniture (Asia)	Hong Kong	60.00	60.00	60.00	60.00	FC
GL Litmus events	New Delhi	70.00	70.00	70.00	70.00	FC
GL Middle East	Dubai Jebel Ali	100.00	100.00	100.00	100.00	FC
Grand Hôtel Mercure	Rio de Janeiro	100.00	100.00	100.00	100.00	FC
Hungexpo	Budapest	100.00	100.00	100.00	100.00	FC
Imagine Labs	Hong Kong	51.00	51.00	51.00	51.00	FC
Istanbul Fuarcilik	Istanbul	24.50	24.50	24.50	24.50	EM
Johannesburg Expo Center (JEC) ⁽¹⁾	Johannesburg	59.63		41.74		FC
Logistics Fair	Brussels	100.00	100.00	100.00	100.00	FC
LPR	Londrina	100.00	100.00	100.00	100.00	FC
New Affinity	Brussels	100.00	100.00	100.00	100.00	FC
Padova Fiere	Padua	100.00	100.00	100.00	100.00	FC
Perfexpo	Brussels	100.00	100.00	100.00	100.00	FC
Premiere Vision Inc.	New York	49.00	48.76	49.00	48.76	FC
Sao Paulo Expo	Sao Paulo	100.00	100.00	100.00	100.00	FC
Serenas	Ankara	86.36	76.00	86.36	76.00	FC
Spaciotempo Arquitecturas Efimeras	Barcelona	100.00	100.00	100.00	100.00	FC
Tarpulin Ingeniería de Protección SPA	Santiago de Chile	63.20	63.20	63.20	63.20	FC
Tarpulin Montajes SPA	Santiago de Chile	63.20	63.20	63.20	63.20	FC
Top Gourmet	Rio de Janeiro	100.00	100.00	100.00	100.00	FC
Traiteur Lorient Luxembourg	Luxembourg	70.00	70.00	70.00	70.00	FC
Unique Structure Holding	Abu Dhabi	70.00	70.00	70.00	70.00	FC
Wicked Tents	Abu Dhabi	70.00	70.00	70.00	70.00	FC
World Forum	The Hague	100.00	100.00	100.00	100.00	FC

⁽¹⁾ First-time consolidation in 2019

⁽²⁾ Modul was merged into Sodem

⁽³⁾ The shareholding interests in GL events Exhibitions companies were increased to 100%

⁽⁴⁾ The shareholding interests in Lou Rugby, Lou Academy, Lou Support were increased to 86.77%

⁽⁵⁾ The shareholding interests in GL events Exhibitions Shanghai were increased to 100%

EM: Equity-accounted method

FC: Full consolidation

NOTE 3 SEGMENT REPORTING

GL events Group is organised into three business divisions:

GL events Live offers expertise covering all business line specialisations and services for corporate, institutional and sports events to provide turnkey solutions from consulting and design to staging the event itself.

GL events Exhibitions manages and coordinates the Group's large portfolio of trade shows and consumer fairs covering a wide range of sectors (food industry, culture, textiles, etc.)

GL events Venues manages a network of venues that includes convention centres, exhibition centres, concert halls and multi-purpose facilities located in major French cities and international destinations.

REVENUE

(€ thousands)	30/06/19	30/06/18	Change 2019/2018	
GL events Live	275,386	283,581	(8,195)	-2.9%
% of Total Revenue	46.2%	52.0%		
GL events Exhibitions	147,124	98,689	48,435	49.1%
% of Total Revenue	24.7%	18.1%		
GL events Venues	173,368	162,713	10,655	6.5%
% of Total Revenue	29.1%	29.9%		
Revenue	595,878	544,983	50,894	9.3%

With respect to geographic segment information, Europe as a region accounts for 78 % of Group revenue, China 8% and Brazil 5 %.

CURRENT OPERATING INCOME (EBIT)

(€ thousands)	30/06/19	30/06/18	30/06/2019 IFRS 16
GL events Live	11,798	23,712	12,214
GL events Exhibitions	32,428	13,424	32,693
GL events Venues	25,422	15,965	28,432
EBIT	69,648	53,100	73,339

NET INVESTMENTS IN THE PERIOD IN PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(€ thousands)	30/06/2019 IFRS 16	30/06/18
GL events Live	16,950	23,141
GL events Exhibitions	360	180
GL events Venues	9,631	11,637
Net investments	26,940	34,957

ALLOWANCES AND REVERSALS OF AMORTISATION, DEPRECIATION AND PROVISIONS

(€ thousands)	30/06/2019 IFRS 16	30/06/18
GL events Live	(26,956)	(18,468)
GL events Exhibitions	(2,578)	(84)
GL events Venues	(25,225)	(8,629)
Amortisation, depreciation and provisions	(54,760)	(27,181)

GOODWILL

Goodwill is presented below by sector of activity in Note 4.1.

NOTE 4 BALANCE SHEET INFORMATION

4.1 INTANGIBLE ASSETS

(€ thousands)	31/12/18	Increase	Decrease or impairment	Translation adjustments	Changes in Group structure & reclassifications	30/06/19
Goodwill - GL events Live	194,840	8,897		348		204,085
Goodwill - GL events Exhibitions	257,533	184,771		1,943		444,247
Goodwill - GL events Venues	67,269	1,000		(125)		68,144
Goodwill	519,642	194,668	0	2,166	0	716,476
Other intangible assets	88,417	2,570	(71)	784	1,322	93,022
Amortisation, depreciation and impairment	(38,576)	(2,018)	80	(146)	(562)	(41,222)
Other intangible assets	49,841	551	9	638	760	51,800
Intangible assets	569,483	195,219	9	2,804	760	768,276

(€ thousands)	31/12/18	Increase	Decrease or impairment	Translation adjustments	Changes in Group structure & reclassifications	30/06/19
IFRS 16 right-of-use assets	0	457,765	0	(445)	0	457,320
Amortisation and depreciation	0	(20,627)	0	52	0	(20,576)
IFRS 16 right-of-use assets	0	437,137	0	(393)	0	436,744

For unamortised intangible assets and goodwill, a depreciation test is carried out at least once a year at the end of the annual reporting period or whenever there is an indication of impairment. Value in use is the present value of estimated future cash flows to be generated by the assets tested for impairment. Estimated future cash flows are based on assumptions about economic conditions and forecasts by Group management of future operating conditions.

The CGUs consist of operating companies. For the purpose of impairment tests, goodwill is allocated at the level of groups of CGUs defined as homogeneous groups of assets generating cash inflows and outflows from continuing use largely distinct from cash inflows from other CGUs.

These CGUs are classified on this basis according to the Group's three business divisions: Live, Exhibitions, Venues This approach is consistent with the Group's internal organisation, strategic priorities and monitoring of performance.

At 30 June 2019, the Group has not identified any indications of impairment. Budget assumptions adopted in connection with the construction of impairment tests at 31 December 2018 have not been altered to date.

Changes in the period concerned mainly the acquisitions of ZZX, CIEC Union and Fashion Source.

4.2 PROPERTY, PLANT AND EQUIPMENT

(€ thousands)	31/12/18	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	30/06/19
Land	6	0	0	0	0	6
Buildings	331,376	6,199	(104)	4,683	20,217	362,371
Total	331,381	6,199	(104)	4,683	20,217	362,377
Amortisation, depreciation and impairment	(44,352)	(5,459)	119	(446)	0	(50,139)
Land and buildings	287,029	740	16	4,236	20,217	312,238

Translation adjustments are mainly the result of the Brazilian real's rise in value in relation to the euro between 31 December 2018 and 30 June 2019. The change in the period concerned mainly the integration of Johannesburg Expo Center.

(€ thousands)	31/12/18	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	30/06/19
Installations, machinery and equipment	42,189	656	(1,115)	(62)	2,341	44,009
Other fixed assets	88,782	5,758	(626)	82	310	94,307
Fixed assets under construction	2,193	1,922	(3,511)	0	2,168	2,773
Capitalised rental equipment	292,690	10,138	(5,105)	704	9,186	307,612
Total – gross	425,854	18,474	(10,357)	724	14,005	448,701
Installations, machinery and equipment	(28,456)	(1,265)	1,369	33	(1,743)	(30,061)
Other fixed assets	(66,014)	(4,801)	736	10	227	(69,842)
Capitalised rental equipment	(180,413)	(11,449)	3,378	(269)	(8,198)	(196,950)
Total depreciation and impairment	(274,883)	(17,515)	5,484	(225)	(9,714)	(296,854)
Property, plant and equipment	150,971	959	(4,873)	499	4,291	151,847

4.3 FINANCIAL ASSETS

(€ thousands)	31/12/18	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	30/06/19
Available-for-sale securities	39,029	1,033	(775)	12	(101)	39,198
Loans and receivables	27,169	242	(20)	(8)	(0)	27,384
Impairments	(1,864)	(30)	501			(1,393)
Financial assets	64,335	1,246	(294)	4	(101)	65,189

4.4 EQUITY-ACCOUNTED INVESTMENTS

(€ thousands)	30/06/19	31/12/18
Value of securities at opening	164	284
Translation differences	1	(28)
Share of income in associates	(92)	(92)
Investments in associates	74	164

4.5 TRADE RECEIVABLES

(€ thousands)	30/06/19	31/12/18
Trade receivables	206,654	211,313
Impairment	(22,208)	(20,880)
Trade receivables	184,446	190,433

4.6 OTHER RECEIVABLES

(€ thousands)	30/06/19	31/12/18
Advances and instalments	31,471	25,807
Social security receivables	5,044	4,419
Tax receivables	76,247	73,614
Current account advances to non-consolidated companies	6,297	8,121
Other trade receivables and equivalent	18,349	13,152
Prepaid expenses	48,402	43,209
Provision for current accounts	(2,215)	(2,215)
Provision for other receivables	(1,018)	(535)
Other receivables	182,578	165,571

4.7 SHAREHOLDERS' EQUITY

4.7.1 Capital stock

The share capital at 30 June 2019 of GL events was €119,931,148 divided by 29,982,787 issued and fully paid-up shares of €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.

In the 2019 first half, changes in "Reserves and additional paid in capital" broke down as follows:

(€ thousands)	30/06/19	31/12/18
Opening reserves and additional paid in capital	432,687	328,384
Capital increase		92,588
Net income appropriation	42,237	35,097
Dividends	(19,489)	(15,151)
Impact of fair value measurement of financial instruments	(1,814)	245
Portion of assets contributed by non-controlling interests	(12,032)	(2,704)
IAS 19 amendment	(791)	22
Cancellation of treasury shares	(3,281)	1,277
Stock option expenses	1,008	(1,192)
Other changes	(258)	(5,878)
Closing reserves and additional paid in capital	438,266	432,687

4.7.3 Translation adjustments

Translation adjustments represent the difference between the historic and average exchange rates and the closing rate. At 30 June 2019, currency translation adjustments represented a negative currency difference of €109,613,000.

4.7.4 Treasury shares

Within the framework of the share repurchase programme, renewed by the General Meeting of 26 April 2019, transactions occurring in the 2019 first half were as follows:

(number of shares)	31/12/18	Acquisitions	Disposals	30/06/19
- Treasury shares	211,188	175,704	(29,100)	357,792
- Liquidity agreement	12,729	97,930	(97,833)	12,826
Total	223,917	273,634	(126,933)	370,618

At 30 June 2019, the number of shares held in treasury and within the framework of the liquidity agreement was 370,618.

4.7.5 Analysis of capital and voting rights

At 30 June 2019, the total number of voting rights was 43,310,733.

Share capital is comprised of one class of shares including shares with both single voting rights and double voting rights.

Information on the breakdown for share capital and voting rights, stock options and restricted stock unit plans is provided in the chapter "Shareholder information" on pages 189 of the 2018 registration document.

At 30 June 2019, ownership of the share capital was as follows:

	Number of shares	Percentage of capital	Percentage of voting rights	Number of voting rights
Olivier Ginon*	4,500	0.02%	0.02%	9,000
Le Grand Rey SAS *	53,418	0.18%	0.25%	106,808
Olivier Roux*	4,200	0.01%	0.02%	8,400
Polygone SA *	16,316,184	54.42%	63.50%	27,501,588
Sofina *	4,768,057	15.90%	15.56%	6,740,739
Concert parties subtotal	21,146,359	70.53%	79.35%	34,366,535
Treasury shares	370,618	1.24%	0.00%	
Free float	8,465,810	28.24%	20.65%	8,944,198
Total share capital	29,982,787	100.00%	100.00%	43,310,733

*Shareholders agreement / Action in concert Olivier Ginon, Olivier Roux, Le Grand Rey, Sofina, Polygone

4.8 PROVISIONS FOR RETIREMENT SEVERANCE PAYMENTS

Liabilities for retirement severance benefits are recognised in the consolidated financial statements under non-current provisions. These liabilities are calculated according to the projected unit credit method and take into account the related social charges.

This method takes into account factors that include projected trends for wage increases, employee turnover, mortality rates and a discount rate.

The assumptions applied for the calculation of retirement severance benefits (*indemnités de fin de carrière*) that concern primarily French companies of the Group were as follows:

- Discount rate: alignment with the current market rate, i.e. 25-year OAT TEC of 1.05% compared to 1.48% at 31/12/2018.
- Average rate for salary increases: 2%,
- Retirement age: 67 for all categories of personnel, taking into account changes regarding the legal retirement age
- Rate for employers social contributions of 40%;
- The turnover rate is calculated by employee age bracket. Shareholders agreement / Action in concert: Olivier Ginon, Olivier Roux, Le Grand Rey, Sofina, Polygone

(€ thousands)	30/06/19	31/12/18	Relevant heading
Opening balance	11,521	12,179	
Service costs – benefit payments	247	(669)	Operating profit
Expense recognised under income	247	(669)	
Actuarial gains or losses of the period from changes in assumptions	742	(46)	
Changes in Group structure and reclassifications	459	58	
Provisions for retirement severance benefits	12,969	11,521	

4.9 CURRENT PROVISIONS FOR CONTINGENCIES AND EXPENSES

(€ thousands)	31/12/18	Increase	Decrease		Translation adjustments	Changes in Group structure & reclassifications	30/06/19
			Provisions used in the period	Reversal of unused provisions			
Provisions for employee-related contingencies	1,392	155	(342)		(9)		1,196
Other provisions ⁽¹⁾	17,898	789	(1,297)		28	195	17,613
Current provisions	19,289	944	(1,639)	0	20	195	18,809

(1) A provision of €15.7 million for country risk was recorded in 2011 after the Organising Committee and the Delhi Development Authority suspended payments of amounts owed to suppliers for the Delhi Commonwealth Games held in India in 2010. Of this initial provision, €4.6 million have been used at 30 June 2019. At 31 December 2016, this provision amounted to €11.1 million.

4.10 FINANCIAL LIABILITIES

(€ thousands)	31/12/18	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	30/06/19
Non-current borrowings	559,967	163,500	(52,908)	182	(43)	670,697
Financial instruments	3,662	2,489				6,151
Other financial liabilities	4,486	4,396	(712)	(33)	389	8,525
Long-term financial debt ⁽¹⁾	568,114	170,385	(53,621)	149	346	685,373
Other short-term borrowings	62,000	43,000	(62,000)			43,000
Cash liabilities	11,180	9,409		(187)	0	20,402
Total financial liabilities	641,294	222,794	(115,621)	(38)	346	748,775
Marketable securities	(28,002)	(33,933)		(145)	(4)	(62,085)
Bank and cash	(244,141)	(41,916)		(235)	(22,161)	(308,454)
Cash and cash equivalents	(272,144)	(75,850)	0	(380)	(22,166)	(370,539)
Change in net debt excl. IFRS 16	369,150	146,945	(115,621)	(418)	(21,820)	378,237

⁽¹⁾ Of which at 30 June 2019
 Non-current portion of medium and long-term debt €537,089
 Current portion of long and medium term debt €191,284

(€ thousands)	31/12/18	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	30/06/19
IFRS 16 debt	0	457,765	(18,123)	(396)		439,246

4.11 OTHER FINANCIAL LIABILITIES

(€ thousands)	30/06/19	31/12/18
Other payables	256,343	33,816
Deferred revenue	103,696	156,071
Other liabilities	360,039	189,888

Other payables are comprised mainly of debt relating to Chinese acquisitions and paid in July 2019.

NOTE 5 INCOME STATEMENT INFORMATION

5.1 RAW MATERIALS, CONSUMABLES AND EXTERNAL CHARGES

Raw materials, consumables and external charges break down as follows:

(€ thousands)	2019	2018	2019 IFRS 16
Purchases consumed	(34,214)	(30,351)	(34,214)
Subcontracting and external personnel	(163,517)	(151,244)	(163,517)
Equipment and property rentals	(48,310)	(51,142)	(24,038)
Travel and entertainment expenses	(22,192)	(23,471)	(22,192)
Other purchases and external expenses	(69,686)	(67,950)	(69,686)
Purchases and other external charges	(337,919)	(324,159)	(313,647)

5.2 OTHER CURRENT OPERATING INCOME AND EXPENSES

Other current operating income and expenses break down as follows:

(€ thousands)	2019	2018
Operating grants	2,905	1,348
Other income and expenses	(3,432)	(326)
Other current operating income and expenses	(528)	1,023

5.3 OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses consist mainly of fees linked to acquisitions in China and South Africa.

5.4 NET FINANCIAL INCOME (EXPENSE)

(€ thousands)	2019	2018	2019 IFRS 16
Net income from the sale of marketable securities	1,280	386	1,280
Interest expense	(8,248)	(8,170)	(14,444)
Net interest expense	(6,968)	(7,784)	(13,164)
Other investment income	924	212	924
Currency gains and losses	361	358	361
Provision on financial assets	(63)	(4)	(63)
Other financial income and expenses	1,222	566	1,222
Net financial income (expense)	(5,746)	(7,217)	(11,942)

5.5 INCOME TAX EXPENSE

In accordance with IAS 34, the estimated effective tax rate for fiscal 2019 is 32.3 %.

NOTE 6 OFF-BALANCE SHEET COMMITMENTS

6.1 COMMITMENTS

No commitments (security, guarantees) to third parties and unconsolidated companies had been given or received at 30 June 2019.

Off-balance sheet commitments between consolidated companies are eliminated as are all intercompany transactions and balances.

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

Firm commitments for concessions and property rental payments are henceforth included in the balance sheet in line with application of IFRS 16. However, the variable portion of fees and lease payments as well as options for renewal are not included in the IFRS 16 restatement.

6.3 DEBT GUARANTEED BY COLLATERAL

(€ thousands)	Guaranteed debt	Nature of the guarantee
- Bank borrowings	2,000	Pledge of financial instruments
- Bank guarantees	14,798	Pledge of financial instruments

6.4 OTHER CAPITAL COMMITMENTS

Capital investments are broken down below by the budgeted period of expenditure:

(€ thousands)	< 1 year	1-5 years	> 5 years
Capital commitments	7,488	33,527	65,710

NOTE 7 TRANSACTIONS WITH RELATED PARTIES

The consolidated financial statements include all companies within the Group structure of consolidated operations (see Note 2). Related party transactions concern primarily management services invoiced by Polygone SA to GL events, where Olivier Ginon, Olivier Roux and Erick Rostagnat serve as directors for both companies, and property rental costs invoiced by Foncière Polygone to the Group, with Olivier Ginon serving as Chair, Anne-Sophie Ginon, Managing Director and Erick Rostagnat as Deputy Managing Director of this company.

There are no other pension liabilities or similar benefits in favour of current and former directors and officers. In addition, no advances or loans have been granted to directors and officers.

Summary of transactions with related parties in the 2019 first half:

Nature	Income (expenses)
General management services ⁽¹⁾	(1,879)
Allowances and expenditures for missions, travel expenses and insurance	39
Purchase of development rights	(3,035)
Property lease payments and land taxes ⁽²⁾	(8,366)
	Balance at 30/06/2019
Rent deposit guarantees ⁽³⁾	19,057
Trade receivables	20
Trade payables / Prepaid expenses	4,775
Current account	425

⁽¹⁾The costs of general management services consisted notably of compensation charged for Messrs. Ginon and Roux, compensation charged for employees of Polygone SA, travel expenses and other costs incurred in connection with the performance of general management duties. This agreement is renewed year by tacit renewal and approved by the annual general meeting under regulated agreements.

⁽²⁾Rental payments concern 13 operating sites including the Turin exhibition centre that Foncière Polygone acquired from GL events in 2009. These rental amounts were determined on an arm's-length basis at market prices according to rental yields or prices per square meter for comparable properties.

⁽³⁾The amount for deposit guarantees corresponds to one year's rent including tax.

INTERIM MANAGEMENT REPORT

1 MATERIAL EVENTS AND OPERATING HIGHLIGHTS OF H1 2019

The Group has continued to develop in line with the strategy presented in connection with the capital increase of October 2018. The Group has accelerated its development in Asia and Africa by acquiring majority stakes in the following:

- Dogan & Johannesburg Expo Center, in South Africa,
- GL events Shenzhen (ZZX), CIEC Union & Fashion Source, in China.

To finance these acquisitions, and supplementing the funds raised by the capital increase, the Group implemented a new private placement bond programme (Euro PP) in the amount of €130 million. This issue consists of 2 tranches: a €64 million 7-year tranche with a 3% annual coupon and a €66 million 8-year tranche with a 3.25% annual coupon.

ANALYSIS OF KEY INCOME STATEMENT AGGREGATES AND PERFORMANCE MEASURES

The Group's performance measures highlight a positive trend.

(€ thousands)	30/06/19	30/06/18	30/06/2019 IFRS 16	Change N/N- 1
Revenue	595,878	544,983	595,878	9.3%
EBITDA(*)	99,821	80,477	124,093	24.0%
EBIT	69,648	53,100	73,339	31.2%
Organic growth	1.9%	-1.9%	1.9%	
Operating margin	11.7%	9.7%	12.3%	1.9
EBITDA margin	16.8%	14.8%	20.8%	2.0
Net financial income (expense)	-5,746	-7,217	-11,942	20.4%
Income before tax	61,842	37,014	59,337	67.1%
Net income	41,775	26,287	40,084	58.9%
Net income attributable to shareholders	30,436	22,495	29,107	35.3%
Net margin	5.1%	4.1%	4.9%	1.0
ROCE:	7.7%	6.7%		1.0

* EBITDA: (Earnings before Interest, Tax Depreciation and Amortisation): EBIT (Current Operating Income) + Amortisations and Provisions
=> refer to distinct P&L line items, same for 2018

In comparison to 30 June 2018, the Group registered growth of 9.3%, including organic growth of 2%. At 30 June 2019, international markets accounted for 46% of revenue compared to 49% one year earlier.

In the 2019 first half, EBITDA (excluding IFRS 16) rose 24% from 30 June 2018 to €99.8 million and consolidated current operating income (excluding IFRS 16) rose 31 % from the last year's same period to €69.6 million. The operating margin (excluding IFRS 16) rose in consequence 2 points to 11.7% in relation to the 2018 first half.

The improvement in operating results is notably a consequence of the positive biennial effect (SIRHA, Global Industrie Lyon), the accretive effect of acquisitions and cost controls over operating expenses on a day-to-day basis (subcontracting, transportation, staff costs, etc.).

Net financial expense (excluding IFRS 16) amounted to €5.7 million compared to €7.2 million at 30 June 2018. This improvement is mainly attributable to an increase in dividends received and income from the investment of proceeds from the capital increase and Euro PP. Payments for the acquisitions of the Exhibitions division (CIEC Union et Fashion Source) were made in July 2019.

Income before tax (excluding IFRS 16) amounted to €61.8 million compared to €37 million at 30 June 2018. For the record, the improvement in income before tax also reflects the termination of the lease management agreement for Padova Fiere (> €6 million).

In light of a tax rate of 32.3 % and losses from equity-accounted investees, net income (excluding IFRS 16) amounted to €41.8 million compared to €26.3 million for the 2018 first half. After minority interests, net income attributable to the equity holders of the parent came to €30.4 million compared with €22.5 million one year earlier (+35%).

Change in ROCE

The Group's ROCE, restated to eliminate the impact of IFRS 16, improved in relation to 30 June 2018 from 7.3% to 7.7%.

The Group intends to maintain efforts for improving this indicator. A breakdown is provided below of this calculation:

Calculation of ROCE at 30/06/2019	30/06/19	30/06/18	31/12/18	EBIT year-on-year (1)
EBIT restated to eliminate the impact of IFRS 16	69,648	53,100	97,353	113,901
EBIT net of income tax				77,453
Goodwill plus fixed assets *	1,227,823			
WCR **	-218,753			
Capital employed (2)	1,009,070			
ROCE (1/2)	7.7%			

* Fixed assets: tangible, intangible and financial (see consolidated balance sheet at 30 June 2019)

** WCR: Trade receivables + Other receivables + Inventory - Advances & Down Payments - Trade payables - Tax and social security payables - Other payables (see consolidated balance sheet at 30 June 2019)

INCOME STATEMENT HIGHLIGHTS BY BUSINESS

The breakdown of revenue was as follows:

(€ thousands)	30/06/19	30/06/18
GL events Live	275,386	283,581
% of Total Revenue	46.2%	52.0%
GL events Exhibitions	147,124	98,689
% of Total Revenue	24.7%	18.1%
GL events Venues	173,368	162,713
% of Total Revenue	29.1%	29.9%
Revenue	595,878	544,983

GL events Live had revenue of 275.4 million at 30 June 2019, down 2.9% from one year earlier. For the record, H1 2018 revenue included €50 million from contracts for mega events. Excluding this impact, revenue grew 18%. In 2019, mega events will impact the second half. Activity in the first half continued to be marked by the line-up of recurrent events and trade shows which provided an opportunity for the Group teams to demonstrate their expertise and ability to deliver quality services within the deadlines: Maison et Objet, Dassault Convention, SIHH in Geneva, the Paris Agricultural Fair, the Paris Air Show, the Cannes Film Festival, Roland Garros, the Grand Prix of Le Castellet. In addition, prestige events illustrating the teams' technical know-how were produced in the period: the sale of grandstand seating and VIP spaces for the Spa Francorchamps motor-racing circuit and delivery of a temporary exhibition park in Strasbourg.

GL events Exhibitions had revenue of €147.1 million in the 2019 first half, up 49.1% from 30 June 2018, with organic growth of 13%. This performance reflects the biennial effect of SIRHA and the development of major exhibitions and acquisitions in China (CIEC exhibitions and the spring edition of Fashion Source).

GL events Venues had first-half revenue of €173.4 million, up 6.5%. Events hosted by the division included notably Industry Days, Agro/Mashexpo and the World Table Tennis Championships in Budapest, The Barcelona International Convention Centre (CCIB) hosted the Kingfomarket, SAP Hariba and Cinéurope conventions. The destination of Brazil registered a satisfactory performance with noteworthy events including Automec, Batimat, ExpoMafe. The other destinations of Lyon, Paris, The Hague were also characterised by positive business momentum.

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

(€ thousands)	30/06/19	30/06/18	30/06/2019 IFRS 16
GL events Live	11,798	23,712	12,214
GL events Exhibitions	32,428	13,424	32,693
GL events Venues	25,422	15,965	28,432
EBIT	69,648	53,100	73,339

The trend for profitability of the divisions is directly aligned with the level of business. In addition, the Venues division incurred expenses for launching and taking over the sites of Saint-Etienne, Caen, Reims, Aichi and Guangzhou.

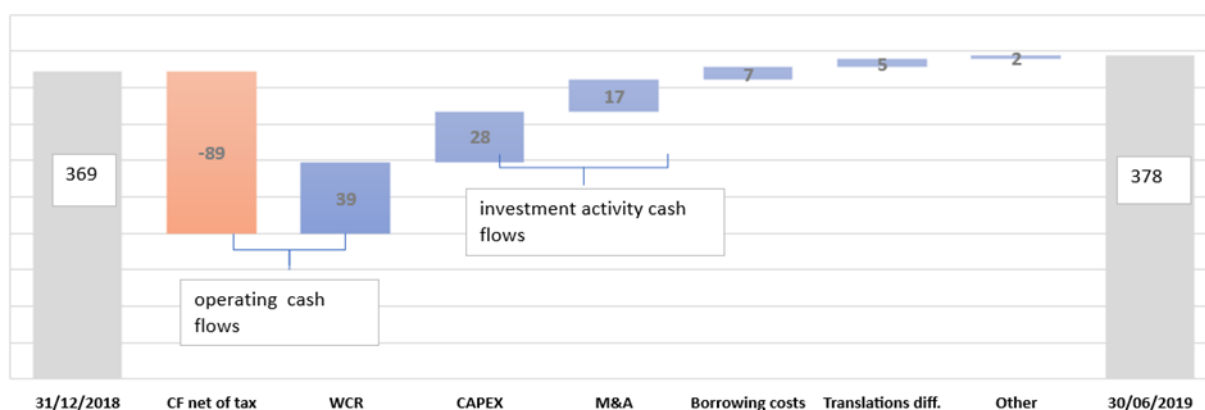
FINANCIAL POSITION HIGHLIGHTS

Group cash flow before net interest expense and tax amounted to €89.1 million (or 15 % of revenue, excluding the IFRS 16 restatement), up €22 million from 30 June 2018 (€67 million).

Investments in the first half (€45 million) concerned in part the renewal of rental equipment of the Live division, renovation work for the Venues division (€9 million), namely for Riocentro and finally, acquisitions (€17 million), GL events Shenzhen (ZZX), Johannesburg Expo Center & Dogan.

Net debt (excluding IFRS 16) remained stable reflecting notably the payment calendar for Chinese acquisitions of the Exhibitions division. At 30 June 2019, net debt amounted to €378 million compared to €369 million at 31 December 2018.

Changes in debt break down in consequence as follows:



2 SUBSEQUENT EVENTS

Acquisition of Interwine in China

Subject to MOFCOM¹ approval, GL events acquired 60% of the shares of Interwine, the organising company of international wine and spirits exhibitions. The historic managers retain 40% of the share capital and are integrated within the business plan.

The company operates under the Interwine trademark an exhibition devoted to the wine and spirits sector held twice a year in Beijing:

- a fall version which will bring together around 600 exhibitors within a gross space of more than of 25,000 sqm at its next edition in November 2019;
- a spring version, with a minimum of 800 exhibitors in a space of more than of 37,000 sqm for the June 2020 edition.

In addition to the main trade shows, the company organises year-round some 60 roadshows across China which propose a smaller event/meeting format with regional wine and spirits industry stakeholders.

Interwine has thirty-five employees and is expected to generate €7 million in annual revenue in 2019 with an operating margin of more than 35%.

This acquisition will complete GL events' strategic presence in the Chinese market and its Food Services sector expertise deployed in five continents with the Sirha, Sirha Green, Omnivore, Europain and Bocuse d'Or exhibitions for which the 2020 Asia-Pacific selection will be held in China.

GL events venues expands its network in Brazil

GL events was awarded a 25-year management concession by the municipality of Salvador de Bahia (Brazil) to operate its new convention centre. The city of Salvador fully financed the construction work of the new convention centre which is scheduled for delivery at the end of 2019. This site includes a 15,000 sqm functional building and a 12,000 sqm outdoor space with a capacity to host up to 20,000 attendees. GL events' investment over the term of the concession will be less than €5 million for a site expected to generate more than €100 million in revenue.

This new destination provides the Group with a foothold in another major Brazilian city which will strengthen Group's commercial offering for its customers and increase its business volume in this country.

Salvador is Brazil's fourth most populous city. It is the largest city in the northeast Brazil and historically the country's third business tourism destination after São Paulo and Rio de Janeiro. The city is fully equipped with infrastructure to host large-sized conventions and events. This includes a hotel capacity of 20,000 rooms and an airport with a capacity for 12 million passengers per year, providing solid foundations for business growth.

3 OUTLOOK AND UNCERTAINTIES

In light of the momentum of the first half and favourable calendar of events (COP 25 & Pan American Games) already confirmed by contracts, the Group confirms its target for annual growth of 9% based on an equivalent exchange rate and an improvement in profitability. In addition, the Group is expected to achieve a leverage ratio (excluding IFRS 16) of less than 2.9.

¹ Ministry of Commerce of the People's Republic of China



RESPONSIBILITY STATEMENT

RESPONSIBILITY STATEMENT FOR THE FRENCH VERSION THE INTERIM FINANCIAL REPORT

I hereby declare that to the best of my knowledge the condensed financial statements presented for the first six months were prepared in accordance with applicable accounting standards and give a true and fair view of the financial position and results of the Company and its consolidated subsidiaries and that the interim management report included herein presents a true and fair view of the important events occurring during the first six months of the fiscal year, their impact on the interim financial statements, the main transactions with related parties and the principal risks and uncertainties for the remaining six months of the fiscal year.

Lyon, 25 July 2019

Olivier Ginon
Chair



> STATUTORY AUDITORS' REPORT

STATUTORY AUDITORS' REPORT ON INTERIM FINANCIAL INFORMATION

This is an unsigned free translation into English of the auditor's review report issued in the French language and is provided solely for the convenience of English speaking readers. This report should thus be read in conjunction with, and is construed in accordance with, French law and professional standards applicable in France.

To the shareholders of GL events,

Pursuant to our appointment as statutory auditors by your Shareholders' Meeting and in accordance with article L. 451-1-2 III of the French monetary and financial code ("*Code Monétaire et Financier*"), we hereby report to you on:

- The limited review of the accompanying interim condensed consolidated financial statements of GL events SA for the six-month period from 1 January to 30 June 2019;
- The verification of the information given in the interim management report.

These interim condensed financial statements were prepared under the responsibility of your Board of Directors. Our responsibility is to express a conclusion on these statements based on our limited review.

I – Review of the financial statements

We have conducted our limited review in accordance with the professional standards applicable in France.

A limited review consists mainly of making inquiries with persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France. As such, it provides a moderate assurance that the financial statements as a whole are free of material misstatements lower than that which would result from an audit. Based on our review, nothing has come to our attention that causes us to believe that the interim accompanying condensed consolidated financial statements were not prepared in all material respects in accordance with IAS 34 – standard of the IFRS as adopted by the European Union governing interim financial reporting.

Without qualifying the above conclusion, we draw your attention as an emphasis of matter to note 1 to the interim condensed consolidated financial statements which describes the procedures adopted for IFRS 16 first-time application.

II – Specific procedures and disclosures

We have also verified the information in the interim management report commenting on the interim condensed consolidated financial statements that were the subject of our limited review.

We have no matter to report regarding its fair presentation and consistency with the interim condensed consolidated financial statements.

Villeurbanne and Oullins, 25 July 2019

The Statutory Auditors

[French original signed by]

MAZA SIMOENS

Sébastien Belmont
Partner

MAZARS

Paul-Armel Junne
Partner

Thierry Colin
Partner