ANNUAL REPORT

REGISTRATION DOCUMENT

01

GL EVENTS, 2012 in Review

GL events is a worldwide provider of integrated solutions and services for events covering the market's three main segments:
- congresses and conventions;
- cultural, sports and political events;
- trade fairs and exhibitions for professionals and the general public.

Intervening on behalf of a large range of institutional and private companies in France and worldwide, GL events' mission is assisting companies, institutions, and event organisers at every stage of the process from the definition of their event strategies to final implementation in the field.
Providing a base for this global coverage, the Group has operations on all five continents in more than 19 countries. Listed in Segment B of NYSE-Euronext Paris, with revenue of €824 million in 2012, it has 3,896 employees.

GL events' operations are organised into three major business units:

GL events Live groups together the full range of business lines and services for corporate, institutional and sports events; From consulting services and design to producing the event itself, GL events Live's teams provide turnkey solutions to major worldwide event customers.

GL events Exhibitions manages and coordinates the Group's portfolio of 300 proprietary trade fairs covering a wide range of sectors: food industry, books, textiles…

GL events Venues manages operations for a network of 36 venues that include convention centres, exhibition centres, concert halls and multi-purpose facilities located in major French cities and international destinations: Lyon – Paris - Toulouse - Clermont-Ferrand - Saint-Étienne – Vannes – Metz – Troyes - Nice - Amiens - Barcelona – Brussels - Budapest – London – Padua - Rio de Janeiro – Shanghai – Turin – Ankara – Istanbul – The Hague.

AN INTERNATIONAL GROUP

Development in international markets has become an important pillar in the Group's strategy. It is based on several strengths:
- a presence in 19 countries through more than 90 sites – branches, sales offices or venues managed under concession agreements – managed by means of alliances with top-tier local partners or through acquisitions of structures with strong positions in their market;
- participation in large global events: Olympic Games, World Cups, international meetings… for which GL events has successfully established a position as a major service provider;
- The capacity to manage multi-national projects and teams.

CONTINUING GROWTH MOMENTUM

Since its creation, GL events has developed by pursuing a strategy of coherent, selective and opportunistic expansion, based on a number of key strengths:
- its integrated business model leveraging synergies from the Group's three major business units for optimised performances and maximum benefits from their complementarity, throughout the world;
- a solid base in its domestic market that has expanded from France to Europe, building on the strengths of mature markets;
- highly effective logistics capabilities that today cover the full event production cycle from sourcing, manufacturing to assembly, making it possible to produce and deliver equipment within very tight deadlines;
- capacity for innovation in all its areas of intervention: creation of new products adapted to sustainable development requirements, incorporating the latest communication technologies into our offerings, closely monitoring future trends, ongoing collaboration with creators, designers, architects, etc.

COMPELLING INTANGIBLE ASSETS

GL events also has decisive intangible assets that bolster its image as a market leader, provide differentiation in the worldwide event landscape and contribute to the confidence of its stakeholders:
- a brand offering name recognition that conveys an image combining the strengths of rigorous standards, consistency in meeting commitments and high quality services;
- cutting-edge know-how covering every facet of event organisation;
- trade shows brands with strong name recognition.

KEY FIGURES AT 31/12/2012

- 3,896 employees – 56 nationalities
- Revenue: €824 million
  (50% from international markets)
- +90 locations worldwide
- 300 proprietary trade shows
- 36 venues under management (with a combined public access area of more than 1 million m²)
- +4,000 events staged in 2012
- +11 million visitors and exhibitors

JANUARY 2012

Bocuse d'Or USA, a stage in world tour

Organised by GL events Exhibitions, the Bocuse d'Or is an international cooking competition open to every country. It showcases the very latest trends in world cuisine. The Bocuse d'Or is now synonymous with culinary excellence and demands highly rigorous preparation by each national team to best represent the culinary level of the competing country. With this objective, the Bocuse d'Or USA competitions took place at the Culinary Institute of America in New-York where the winner won the right to compete in the final of Bocuse d'Or France.

Qatar Motor Show in Doha, an increasingly popular event

Another success for a GL events spin-off event, the second edition of Qatar Motor Show held at the Doha exhibition centre was organised by the Qatar Tourism Authority, in partnership with Q.media events and GL events. It offered motor sports enthusiasts a thrill with the first demonstration in this country by the Scuderia Ferrari racing team along the coastal road of Doha! Fans were also offered previews of the latest models from top Italian designers who presented their latest creations in a specially-dedicated area at the Show.

African Cup of Nations 2012, excellence at work

Jointly organised by Gabon and Equatorial Guinea, CAN brings together Africa's top men's football teams. For this event, GL events was tasked with providing a large range of overlay services for the two stadiums in Gabon in Libreville and Franceville. GL events also won a contract with each of the two Organising Committees for the opening ceremony in the Bata Stadium in Equatorial Guinea and for the closing ceremony in Stade d'Angondjé in the Gabonese capital of Libreville.

FEBRUARY 2012

Première Vision, the world's leading fashion- textiles show

50,000 professionals representing 106 nationalities come together twice year in Paris, the world fashion capital. No less than 700 fabric-makers from 28 countries present their collections responding to the latest demands of the fashion market and the calendar requirements of the clothing industry. For this new season, Première Vision launched the PV Global Meetings. Supported by an important international base of offices, Première Vision actively fulfils its role as a platform for exchange and high-level discussions.
Its concept has furthermore been successfully exported throughout the world: Sao Paolo, New York, Moscow and Shanghai.

Gourmet becomes Sirha Geneva

After its widely recognised success in 2010, the Gourmet Fair has expanded and turned into Sirha Geneva to offer an even broader and more diverse range of products and services. The Swiss selection for the Bocuse d'Or will take place at Sirha Geneva and be presided by the Swiss chef, Franck Giovannini, elected Best Swiss Chef in 2010. This prestigious competition will pave the way to the Bocuse d'Or Europe and the grand finals to be held in Lyon in 2013. A new highlight at this year's fair was the "*Chef & Designer Dessert à l'assiette 2012*" a competition with 8 teams comprised of a pastry chef and a designer calling upon all their creativity and know-how to come up with the best "patisserie" design project.

MARCH 2012

Saut Hermès, a renewed mark of confidence

After the success of the first two events, the Saut Hermès international show jumping competition was held at the Grand Palais in Paris. Over these three days, the world's greatest riders came together to take part in an international CSI5* show-jumping competition under the glass nave of this legendary Parisian monument. Once again this year, the competition's organiser, Hermès, renewed its partnership with GL events Group for the production of this event. All of GL events' teams were deployed to ensure the very best reception for the international riders and design specially adapted installations and fittings for this unique equestrian event.

The Maison de la Mutualité undergoes a major transformation

Two years of work have culminated in a true rebirth for the Maison de la Mutualité, signed by architect Jean-Michel Wilmotte. The new conference centre includes an auditorium with seating capacity for 1,800, a modular space of 800 m² that can be divided into three areas and nine meeting rooms. It also now features the "Terroir Parisien", quickly becoming one of the capital's gourmet destinations where chef Yannick Alléno proposes his interpretations of Paris cuisine. Since it was reopened in March 2012, this Art Deco monument has once again become one of the landmark sites of Paris life.

15,000 participants attended World Water Forum

Marseille was the site of the 6th World Water Forum attended by more than 15,000 participants. The programme focused on goals and targets for water access, management and use in the world's major regions and setting set concrete commitments for all stakeholders. GL events' expertise was deployed in the organisation of the event: reception services management (15,000 registered participants, hotel reservations, management services for more than 100 official delegations and sponsors) management of hospitality services at different locations (Parc Chanot, airport, train station, hotel), assistance and general coordination, coordinating transportation services for officials, security and hostesses.

APRIL 2012

The World Figure Skating Championships, a challenge of major dimensions

GL events hosted the world figure-skating championships at its Nice Acropolis convention centre. Step by step, teams of GL events, the City of Nice and the French figure skating federation worked in tandem for the layout and installation of this exceptional competition. This undertaking involved not less than 600 tonnes of material for the grandstands, blocking the penetration of daylight for 6,000 m² of ceiling, and groundwork to re-level the floor… A performance of high precision!

Piscine Middle East, a successful spin-off event in a new region

Organised by GL events, the first edition of Piscine Middle East, was an enormous success, exceeding all expectations.
Cityscape of Abu Dhabi counted more than 3,100 visitors: a promising beginning for this trade show as one of the flagship events for the pool and spa industry in the Middle East. Already highly developed, this sector is very interested in the critical role of innovation on economic development.
This event provided opportunities to discover worldwide launches of innovations, product tests in real conditions, a selection of sustainable development solutions and presentations of pools incorporating unique technologies.

MAY – JUNE 2012

GL events Brazil invests in sustainable solutions for Rio +20

GL events Brazil deployed a team of 1,380 to manage sustainable development solutions for Rio+20 Summit. The objective? Meet the needs of the event as an official supplier of the United Nations Conference on Sustainable Development. To this purpose, several major projects were carried out at the Riocentro site, the largest exhibition centre in Latin America: dredging the pond and the Camorim river bottoms, waste water treatment, waste separation collection, biodegradable equipment, usage of nearly 90,000 meters of recycled carpet (or 9,928 PET plastic bottles) and eco-friendly paints and canvases for all visual communications media... A challenge carried off with flying colours by the teams on-site!

Gourmet World Shanghai becomes Sirha Shanghai!

With this new brand, our goal is to establish Sirha Shanghai as the only premium trade show dedicated to top-of-the-range catering, gourmet food trades and the luxury hotel industry This third edition featured a wider offering and world-renowned gastronomic events, the Bocuse d'Or Asia, of course, as well as Omnivore Shanghai, which brought together great international chefs and up-and-coming local talents for a new-wave cuisine show. A creative initiative that resulted in the birth of a leading gastronomic event in Shanghai.

JULY – AUGUST 2012

London Olympic Games, services of unprecedented scale

For the London Olympics, GL events implemented an industrial and logistics project of unprecedented scale. It represents one of the largest projects ever undertaken by GL events in terms of size, innovation, investment and human resources: GL events' intervention involves work at 89 event sites, requiring more than 500 people, including sub-contractors, and a project-specific management and organisational approach. In terms of upstream preparation, the provision of tents and grandstands for the event involved one of the most significant design operations the Group ever conducted, with around 2000 drawings produced in barely six months. At the same time, a huge programme was launched to manufacture 165,000 m² of tents and 95,000 grandstand seats. For five months, Group companies operated 24/7 to produce the temporary structures, ranging from single-floor to triple-decker Absolute structures.

The UEFA Super Cup , strength from unifying Group efforts!

In 2012, Prague provided the venue for the UEFA Super Cup that for the last 14 years has been held at Louis II Stadium in Monaco. For this 37th Super Cup, GL events teams worked simultaneously on two sites. In less than ten days, GL events completed the overlays and fittings for the different spaces at the Louis II Stadium, including 400 m2 of offices for the organising teams and the Chapiteau de Fontvieille, the venue for the UEFA evening events before and after the match. Our services included lighting, sound, waste-management, layout and decoration. The event required more than 5,000 m2 of carpet, 1,500 m2 of fabric, and 5,000 metres of electrical cables.

OCTOBER 2012

Rio Hair Beauty, a meeting in high style

Brazil is the world's third-largest market for beauty care where it is a fast-growing sector. This positive backdrop ensured the success of the 6th edition of Hair Beauty, the major trade show devoted to hairstyling, beauty and aesthetics. Organised by GL events, it brought together hairdressers, hair-colourists, make-up professionals, manicure and pedicure specialists, masseurs as well as distributors and investors from around the world and was attended by as many as 30,000 visitors. And while this event contributed to further boosting this dynamic sector, it was also a key event for promoting investment in infrastructures and services in Brazil.

NOVEMBER 2012

City Events, Where cities and sport come together

The goal of the City Events annual conference, held this year in Lausanne, is to provide an opportunity for representatives of cities seeking to attract sports events to meet with sports federations and event organisers. For the last three years, this has been the event where officials in charge of promoting their regions as destinations come to meet representatives of international sports events. This year, the event's programme of conferences, workshops and B2B meetings enabled participants to enter the competition to host an event with an even higher chance of success. This meeting, organised by GL events, has established a position as the leading sports event of its kind; today, this is where tomorrow's world of sport begins!

Equita' Lyon: a show full of surprises!

The latest edition of Equita'Lyon brought together the world's top riders and horses for an event that is evolving to become one of the world's top equestrian shows. While Equita' represents the very best in the world, it is also the showcase for national and regional riding competitions! Dressage, show jumping, shows for children, photo exhibits, meetings with renowned authors, … among the event's many highlights that completed its successful programme with the Slavic-themed show, Donskaya. Original special effects and a breath-taking light show transported the public to the Steppes of Central Asia!

GL events, the official supplier to the International Jewellery Week in Dubai

More than 250 jewellers from 25 countries attended the four-day event at the Dubai World Trade Centre to develop contacts and conclude sparkling deals. Having been organised for 17 years and the largest event in the jewellery sector in the Middle East, it welcomes over 20,000 wealthy visitors from around the world.

DECEMBER 2012

Perfectly synchronised management for the World Parachuting Championship

More than 800 parachutists took part in the World Championships in Dubai. The event was a genuine success: the number of participating countries, parachutists and competitions exceeded all expectations! For this occasion, GL events was tasked with building the temporary reception structures for the event as well as providing the furniture. More than 100 people worked on the project each day in order to deliver impeccable finished structures within the deadlines.

The Pavillon M: destination Marseille-Provence

Since January 2013, Marseille has been the European Capital of Culture. Numerous shows and exhibitions are planned throughout the year. The "M Pavilion" (Pavillon M) is destined to serve as the central information point to guide visitors during this enormous year-long festival. GL events teams were first tasked with its design and production in 2012, and then supervising, operating and managing this major project, right through to the dismantling stage. This 3000 m2 structure is made exclusively from re-usable materials and was designed to allow light to flow into the building. In the form of a succession of bridges clad in wood and covered in polycarbonate panels letting in daylight, this pavilion is emblematic of the event, while the fun and contemporary use of video walls, olfactory cabins, 3D holograms and films unveil the programme for Marseille-Provence 2013.

IN 2012, GL EVENTS REAPED THE BENEFITS OF ITS INTEGRATED BUSINESS MODEL.

POSITIVE GROWTH MOMENTUM IN 2012: +5.3%

Following 35% growth over the two-year period between 2009 and 2011, GL events achieved further gains in 2012, with revenue of more than €824 million, up 5.3%, (up 4% like-for-like*).

The Group continued its forward momentum by leveraging:

- Its presence at the London Olympic Games, RIO+20 summit and the African Cup of Nations;
- Its European leadership to develop recurrent business in a more competitive market environment;
- Key positions in the most attractive business tourism destinations. On that basis, Group revenue rose 33% in Brazil and South America and 47% in the Middle East with a 66% gain in Turkey;
- The full-year contribution of Serenas, Turkey's leading PCO, and to a lesser degree, Brelet and Slick.

International Markets (excluding Europe) accounted for 21% of total consolidated sales (increasing 2 points in the revenue mix), Europe excluding France 32% (up 5 points) and France 47%. On this momentum, Group revenue from all international markets combined rose 21% in 2012.

REVENUE AND OPERATING HIGHLIGHTS BY STRATEGIC BUSINESS UNIT

GL events Live had annual revenue of €440 million, up 11% on 2011. In the fourth quarter, Group achievements included overlay services for the *Rendez-Vous Oseo Excellence* (the Oseo Excellence Meeting), the World Parachuting Championships and the International Jewellery Show in Dubai and the Lyon Festival of Lights.

GL events Exhibitions, with revenue in 2012 of €136 million, performed well in the period when factoring in the unfavourable biennial schedule of events, representing a decline of 20% (-18% like-for-like).
In 2012 events organised by this business unit included Equita Lyon, the Wine and Gastronomy Trade Fairs, Première Vision China, Piscine, Habitat interior design shows, the Enova industrial exhibition combining at a single major event CiEN (components) and RF & Hyper (fibre optics) in Paris, the Bologna Motor Show, City Events in Lausanne and editions of the Omnivore World Tour in San Francisco, Istanbul and Sydney. Other noteworthy achievements included the successful launches of certain shows such as Success Food and ExpoBiaz in Paris as well as other Brazilian trade shows.

GL events Venues had revenue of €248 million for the full year with strong growth of 15% (17% like-for-like). At the end of the year the Footecon, Construir and Hair & Beauty trade fairs as well as the Brazil Trade Summit of Rio, Piscine and Pollutec in Lyon, several scientific conventions such as the European Congress on Treatment & Research on Multiple Sclerosis in Lyon, the Osteopathy Convention in Toulouse, the Móvil Forum conference for corporate innovation and mobility technologies in Barcelona, the Convention for the Mutualité Française in Nice, as well as a number of concerts at the end of the year, in particular in Rio de Janeiro, along the lines of the performance of the top DJ, David Guetta, were hosted at venues managed by the Group.

The offering of event venues was further strengthened by the ten-year concession awarded to the Group for the Metz Convention Centre.

*Organic growth defined as at constant structure and exchange rates

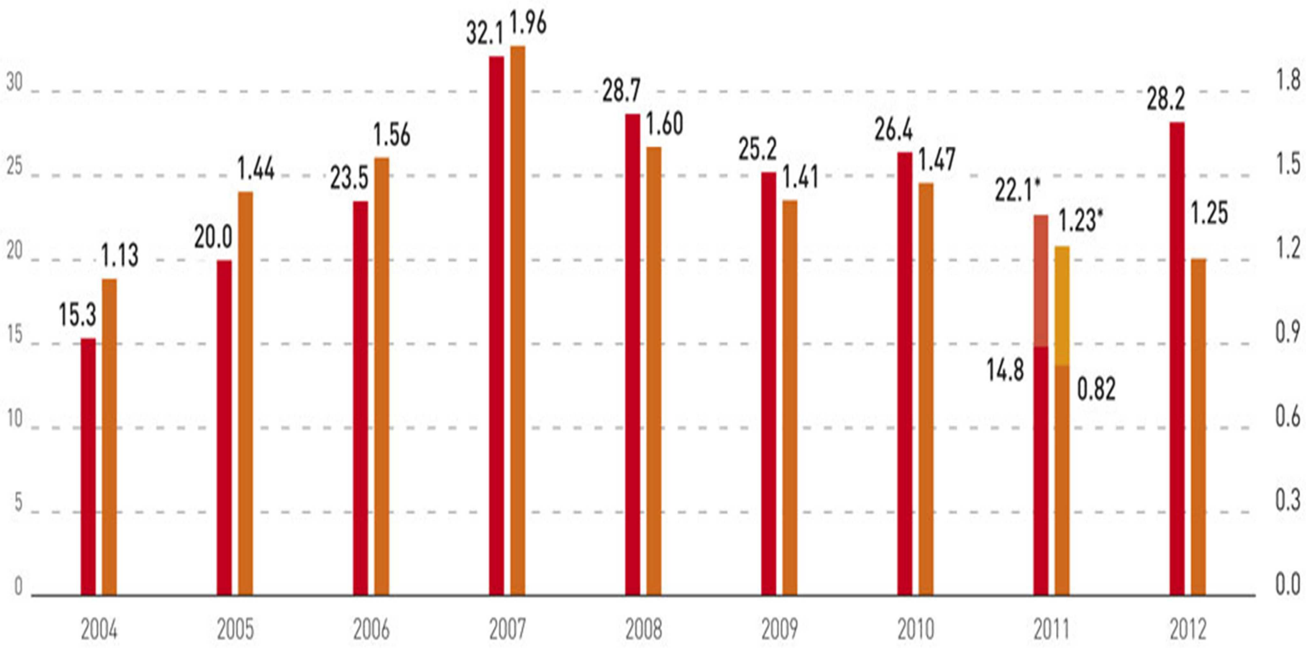
INCOME STATEMENT HIGHLIGHTS

- Improved gross margin and team productivity performances
- Amortisation/depreciation expenses in 2012 of 12% like-for-like

	2012	2011(*)	CHANGE	2011
REVENUE	**824.2**	**782.7**	**5%**	**782.7**
OPERATING PROFIT	50.6	48.1	5%	35.4
NET FINANCIAL EXPENSE	– 5.4	– 6.7		– 6.7
TAX	– 14.3	– 13.4		– 7.9
NET INCOME OF CONSOLIDATED OPERATIONS	**30.9**	**28.1**	**10%**	**20.7**
INCOME FROM EQUITY-ACCOUNT INVESTMENTS	0.4	0.8		0.8
NON-CONTROLLING INTERESTS	– 3.1	– 6.8		– 6.8
NET INCOME ATTRIBUTABLE TO THE GROUP	**28.2**	**22.1**	**28%**	**14.8**
NET MARGIN	3.4%	2.8%		1.9%

** Excluding the business disposal capital gains and the impact of the exceptional provision for the 2010 Commonwealth contract.*

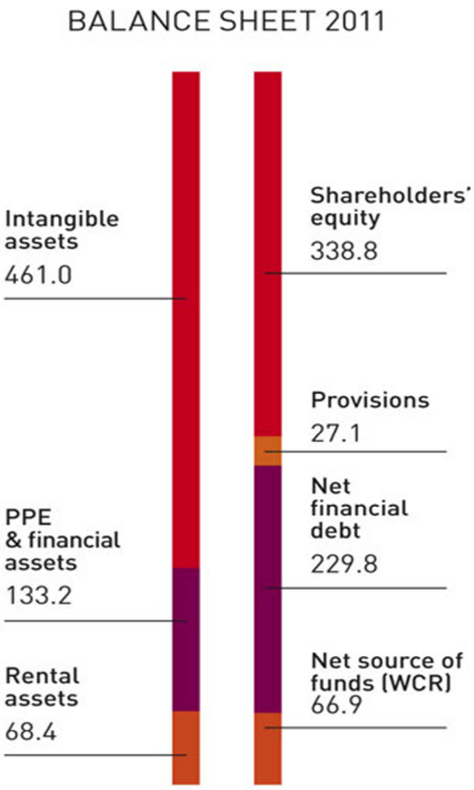
NET INCOME ATTRIBUTABLE TO THE GROUP (€M) AND NET EARNINGS PER SHARE (€)

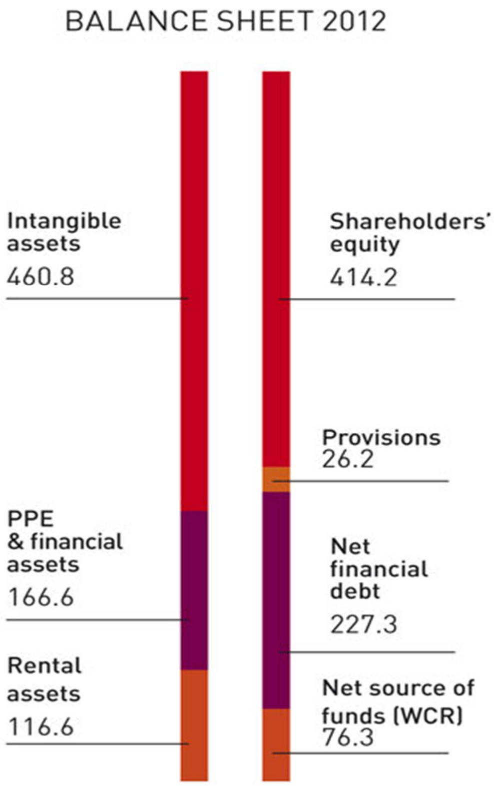


(*) Restated for net proceeds from a business disposal and the exceptional provision for the 2010 Commonwealth Games contract.

BALANCE SHEET HIGHLIGHTS

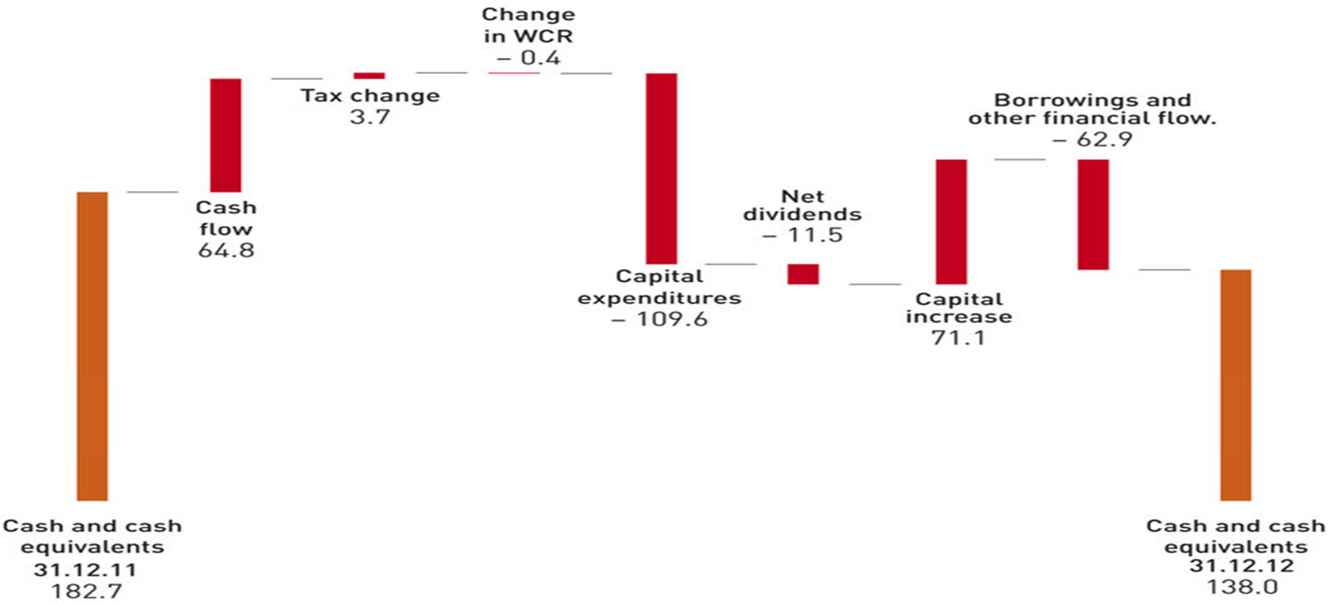
The balance sheet shows gains in Net Sources of Funds (negative WCR) of €9.4 million to €76.3 million with gearing of 0.52 combined with a portfolio of high-quality assets to give the Group an unrivalled position in the event industry.



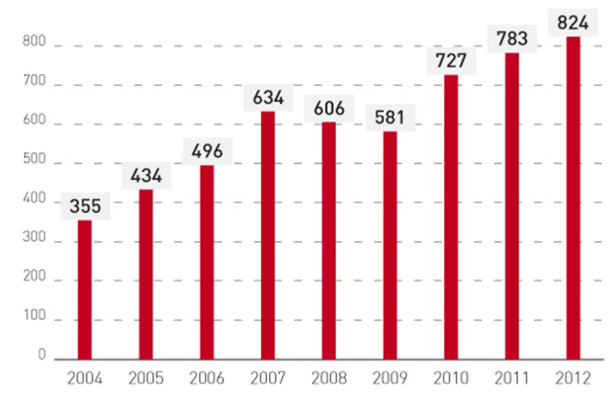


CASH FLOW HIGHLIGHTS

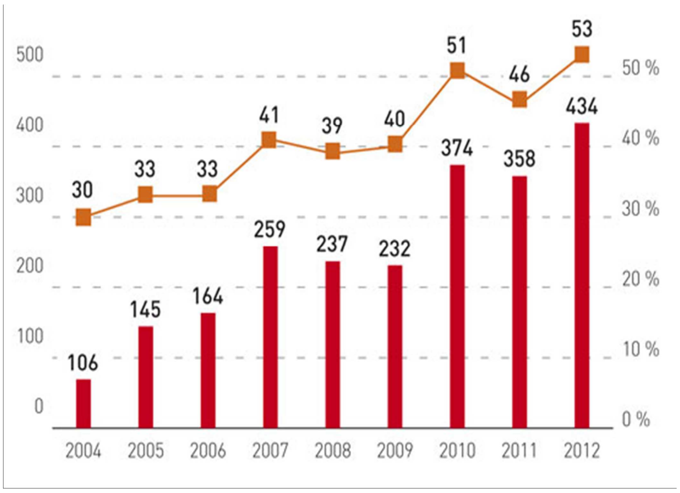
- Well-managed WCR in a more difficult environment in terms of settlement periods
- Operating capital expenditures in preparation for an exceptional calendar of worldwide events



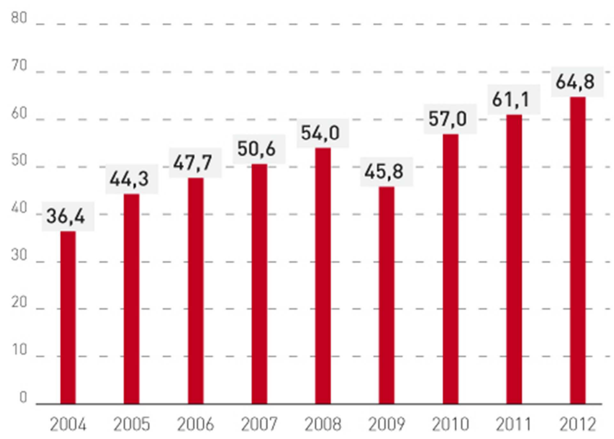
REVENUE GROWTH (€M)



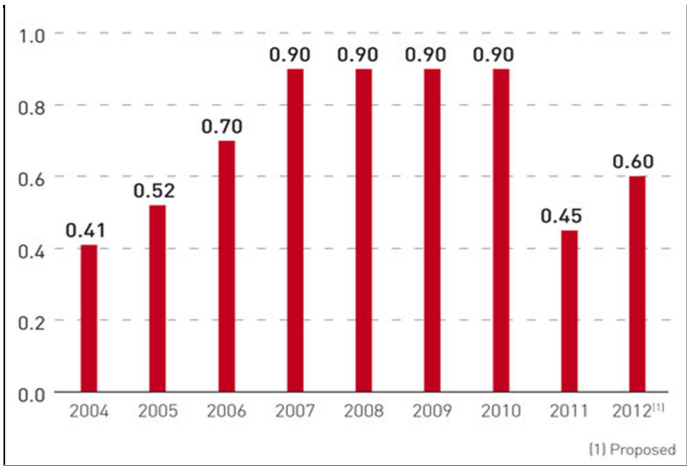
INTERNATIONAL REVENUE (€M-%)



CASH FLOW (€M)



GROSS DIVIDEND PER SHARE (€)



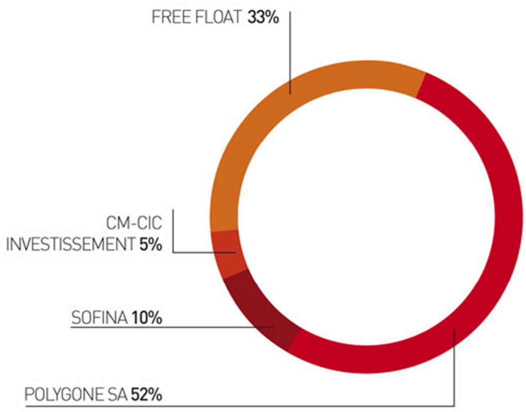
GL EVENTS' CAPITAL INCREASE A SUCCESS

GL proposed a capital increase to accelerate development in the markets of emerging powers for worldwide events.

The Group decided to submit a proposal to its shareholders to strengthen its equity by approximately €71 million through two successive capital increases. The first for €28.5 million was reserved for Sofina and the second was for a maximum amount of €43.4 million maintaining the pre-emptive subscription rights of shareholders. Sofina and Polygone SA took up this second issue for the amounts of their respective pre-emptive subscription rights.

In line with its strategy, GL events Group intends to leverage its status as a European leader to effectively manage its costs and margins, while taking advantage of development opportunities, particularly in venue management. On this basis, it today intends to accelerate its expansion in major international regions outside of Europe, by developing solid bases in "emerging powers" like Brazil, Russia, China, and selected African and Middle Eastern countries, with Turkey as a priority.

SHAREHOLDER STRUCTURE AT 28/02/2013



MARKET

NYSE Euronext Paris- Compartment B (Mid Caps).
ISIN code: FR 0000066672
Bloomberg code: GLOFP
REUTERS code: GLTN.PA
FTSE code: 581

Since its initial public offering, GL events has applied a communications strategy committed to promoting strong investor relations. The following information can be found on the company's website (www.gl-events.com) in a special section for shareholders (www.gl-events.com, under "Group Financial Information"):

- Recent and past press releases;
- A calendar of financial publications;
- A shareholders' guide;
- Downloadable annual reports and financial publications;
- Key figures;
- Recordings of management interviews.

Email: infos.finance@gl-events.com

PRESS RELEASES

GL events' press releases are posted on the company's website, www.gl-events.com (under "Group>Financial Information") after 6 p.m. on the evening preceding their publication date. They are systematically sent by e-mail, fax or the post to all persons having so requested (faxes are sent the same evening, while documents sent through the post are subject to mail delivery schedules)

ANNUAL REPORTS

Copies of the GL events' annual reports can be obtained on request or downloaded in electronic form from the company's website. Previous press releases and annual reports (since the company was listed) are also available on the company's website.
English translations of GL events' financial publications are available in electronic form at its website www.gl-events.com (Group>Financial Information) or may be obtained on request from the investor relations department.

INVESTOR RELATIONS

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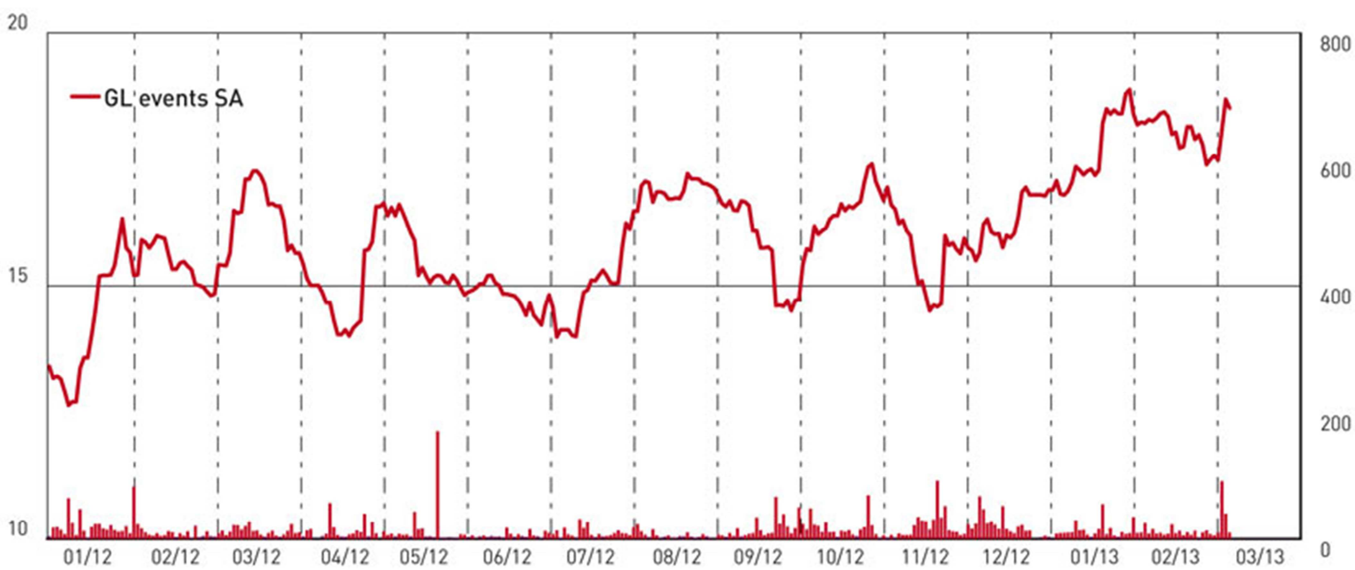
2013 INVESTOR CALENDAR

23 April 2013: after the close of trading - 2013 1st quarter sales
26 April 2013: General Meeting
25 July 2013: after the close of trading -2013 1st half results
15 October 2013: after the close of trading - 2013 3rd quarter sales

SHARE PRICE DATA



1978-1989

• Sarl Polygone Services is created by Olivier Ginon and three partners (Olivier Roux, Gilles Gouédard-Comte and Jacques Danger).

• Alliance between Polygone Group (No. 1 in France for the installation of exhibitions and events) and Cré-Rossi (rental of trade show furniture, accessories and surfaces).

• Adoption of the name of Générale Location.

1990-1997

• Eight years of growth. Générale Location strengthens its strategy of providing global solutions through acquisitions and creations in the sectors of general installations for exhibitions, furniture rental, premium stands, signage, fixtures for mass retailers and museums, hosting services.

• Générale Location launches its international development with the opening of an office in Dubai.

1998 - 2003

• Six formative years of major transformation. After its initial public offering on the *Second Marché* of the Paris Stock exchange, Générale Location takes its first steps in the sector of large international events (Football World Cup in France, Heads of State Summit, and Cannes Film Festival, etc.).

• Major projects for the Group: Olympic Games in Sydney; the European Heads of State Summit (coinciding with the French EU Presidency); and several second millennium events.

• A new name for Générale Location: GL events. The venue management and event organisation business registers very strong growth and, to pursue its expansion in the event market, the Group launches a rights issue of €15.4 million.

2004-2009

• In addition to the acquisition of Market Place, a specialised event communications agency and Temp-A-Store in the United Kingdom (temporary structures), Promotor International and AGOR (organisation specialist), GL events registers very strong growth in the B2B segment with the acquisition of six new industry trade fairs.

• The Group develops its international network of venues, acquiring Hungexpo, the operating company of the Budapest Exhibition Centre and wins management concessions for the Riocentro Convention Centre of Rio de Janeiro, Pudong Expo for the city of Shanghai, the Brussels Square meeting centre, the Turin Lingotto Fiere exhibition centre, Curitiba Estaçao Embratel Convention Centre and the Rio de Janeiro Aréna in Brazil and the World Forum Congress Centre of The Hague.

In 2005 and 2007, the Group launches two rights issue that raised €35.7 million and €77.6 million.

• In France, GL events wins concessions for the Metz Exhibition Centre, the Nice Acropolis Convention Centre, the Roanne Scarabée multifunctional hall, the Troyes Convention Centre, the Maison de la Mutualité in Paris and the Megacité Exhibition and Convention Centre in Amiens.

• GL events acquires Traiteur Loriers to accelerate the development of its Food & Beverage strategy.

2010

• The creation of GL events Exhibitions on 1 January 2010 enables the Group to strengthen the level of service provided to exhibitors and visitors alike, in coordination with the different event industry players and professionals.

In France, GL events is selected to manage the Palais Brongniart in Paris.

• GL events wins a historic contract for 2010 FIFA World Cup South Africa™. The Group also strengthens its position by contributing to a number of international events such as the Shanghai World Expo.

2011

• GL events expansion continues with contributions to a number of international events: 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, etc.

• In addition to the acquisitions of Brelet, a top-tier French provider of services for events, and Slick Seating Systems Ltd, a UK-based specialist in the design and manufacture of grandstands and seating solutions in the UK and Commonwealth countries, GL events also acquires Serenas, Turkey's leading PCO.

• With the management concession for the Ankara Convention and Exhibition Centre in Turkey and La Sucrière in Lyon, GL events continues to build its international network of premium venues.

2012

• GL events' management of the Toulouse Exhibition Centre is renewed with a 20-year concession.

• GL events proposes a capital increase to accelerate its development in the markets of emerging powers for worldwide events and in particular in Brazil with an unprecedented line-up of major events between now and 2016. Sofina becomes a shareholder of GL events and its holding company Polygone

• The Group confirms its leadership for large events and continues its expansion with noteworthy contributions to the London Olympic Games, the RIO+20 summit, the African Cup of Nations.

• With its Paris venues, and especially Maison de la Mutualité, the Group develops its Food & Beverage activity.

• The strategy of exporting proprietary events to different geographical regions confirms its effectiveness in generating high added value for the Group, in particular with the editions of Première Vision in New York, Sao Paulo and Moscow, the Bocuse d'Or in New York, Sirha in Shanghai and Geneva or the Qatar Motor Show in Doha and Piscine in Abu Dhabi.

02

GL EVENTS, businesses and markets

AN INTEGRATED BUSINESS MODEL DRIVING DEVELOPMENT

An integrated and international business model

GL events Group was formed and has developed through an original business model. Building from its initial core business of services, the Group pursued a strategy of coherent growth based on integrating two complementary businesses: event organisation and venue management. This strategy enabled it acquire the stature of a global player with an established reputation among major principals-customers such as regional and local governments.

Representing a unique model in the market, this rationale of integration promotes synergies across different business lines. In this manner, the delivery of high added value services can be coordinated from a single entry point. The Group's identity is also strengthened by a unified image offering greater visibility and legibility for stakeholders.

Finally, it contributes to a steadier performance in terms of margins by promoting the turnover of assets across business lines while safeguarding the overall level of Group business from cyclical and seasonal factors.
The success of this business model was established from the outset by creating forward momentum for both internal and external growth.

It structures the international strategy of GL events deployed in all markets it enters. This approach is exemplified by its development in Brazil where the acquisition of Fagga eventos, the country's leading event organiser was successfully combined with the management of the HSBC, Arena and Riocentro venues. The growth trajectory in this market over the last seven years reflects the benefits of this complementarity.

In South Africa, it was event structures and engineering that led the way in 2010 with the World Football Cup, providing a point of entry in turn for corporate events; opportunities for venue concessions are currently being explored to complete the deployment of this model and in this way establish a lasting base in this country.

GL EVENTS LIVE: EVERY TYPE OF EVENT

GL events Live provides a comprehensive range of services for events from organisation to overlay services, assembly, equipment supply, catering services and hostesses, etc. This represents GL events' original core business. Its mission: assist companies, governments or associations in defining and implementing their event communications strategy.

To achieve this objective, this business unit combines experience, know-how, highly effective logistics capabilities (with a well-stocked inventory, strategically located warehouses and highly responsive and ready to deploy transport delivery) a solid track record in successfully managing multi-cultural teams and value chain efficiencies. Furthermore, today the Group has its own production sites for temporary installations. This is the case for the manufacture of Absolute structures or Slick Systems in the United Kingdom that is specialised in the design and manufacture of grandstands and seating solutions.
In the area of logistics, the Group has a high-performance system for managing its equipment offering with the Gonesse platform launched in 2011. With nearly 20,000 m² of space, it is equipped with a warehouse management software tool unique in France and a new organisation for optimised time savings.

Constantly evolving venues

Services proposed range from the more traditional services (equipment leasing, decoration, heating/air conditioning, etc.) to the more complex: modular custom-designed hospitality pavilions, the deployment of new communications technologies, etc.. Since its creation, the Group has been constantly evolving both in quantitative terms, to broaden its scope of services in line with customer demands, and qualitative, by introducing innovations and original offerings (eco-design, designer equipment, etc.).
By combining design, consulting and equipment for large events into an integrated offering, the Group has acquired a position as a global leader in this sector. On this basis, it contributes to major cultural, political and economic events…: the Cannes Film Festival, Summit Meetings of Heads of State such as the G20, etc.

A pre-eminent position in the universe of sports

For more than ten years, GL events has also acquired a pre-eminent position in the segment of major international sports events: Olympic Games, World Football, Rugby or Cricket Cups, Formula 1 Grand Prix, equestrian competitions…

This high potential market, as highlighted by the London Olympic Games, is distinguished by a growing need for premium event structures. Sustainable development criteria are increasing the level of requirements of project specifications. In response, dedicated teams for large international projects have been reinforced by the addition of new expertise.

A major line-up of future opportunities

In the United Kingdom, positions acquired by the Group open up interesting possibilities for upcoming events: the Commonwealth Games to be held in Glasgow in 2014, the 2015 Rugby World Cup, the 2017 World Athletics Championship in London.

In France: Euro 2016…

In Spain: the Men's Handball World Championship in 2013…

In Brazil: World Youth Day Rio in 2013, FIFA World Cup in 2014, the Summer Olympic Games of 2016…

GL EVENTS LIVE: MARKETS AND TRENDS

(Source: OJS statistics agency – 2011 quantified report)

With increasing pressure on budgets, the recovery for corporate events is still sluggish. Against this backdrop, new formats are nevertheless emerging. Events for single-brand and "proprietary trade shows" (organised by mass retailers for their networks to present new products) are experiencing strong development. Another sign of recovery is the return of conventions for more than 5,000 participants.

Congresses

Figures derived from the analysis of data for activities of sites staging events point to extremely positive signs for the strength of in the segment of congresses organised and hosted in France. On the basis of a constant scope for venues, their number has risen sharply and the average number of participants has increased from 892 to 950 or 6.4%. For the B2B segment, this medium remains attractive because of the quality of content offered: Note: options are currently being explored to adapt the current method of organisation to develop fine-tuned responses to participants in order to further optimise returns on investments and better leverage expertise acquired from the event.

Corporate events

According to a study conducted by Anaé (an association of event communications agencies) and Bedouk, events organised for staff experienced strong growth in 2011 (8%), in this way moving ahead of corporate events for external audiences and reflecting the need by companies in the current market environment to "mobilise their troops" .
In this context, the share of corporate events for external audiences that in 2010 represented 31% declined by 5 points.
The size of events is also evolving with those destined for 50 to 200 attendees declining 10% in 2011 in favour of:
- events for less than 50 participants, (up 8%);
- and events for more than 500 participants (up 6%).

GL EVENTS LIVE: 2012, A MILESTONE YEAR FOR SUSTAINABLE DEVELOPMENT

Organised in London, the 2012 Olympic Games will go down in history for their exceptional achievements. With high attendance, high quality equipment, top-level world-class sports events... they were also historic as the first "Sustainable Games "in Olympic history. For GL events this involved implementing a new approach pioneered for its most important project today in the world of sports. The figures give an idea of the dimensions of the event: 89 sites, more than 500 employees deployed, 165,000 m² of tents and 95,000 grandstand seats, produced by manufacturing sites that operated 24/7…

And while the "Sustainable Games" strengthened GL events' position as a major contributor to global sports events, the Group was also present at all other important events: Africa Cup of Nations, World Parachuting Championships in Dubai, Formula 1 Grand Prix, Saut Hermes international show jumping competition at the Grand Palais, ATP Tour Tennis Championships, World Figure Skating Championships in Nice…

Other noteworthy segments: cultural, corporate, institutional and political events. The many prestigious events equipped by the Group included the Lyon Festival of Lights that tracks every year more than 2 million visitors, the Oseo Excellence Meetings, the International Jewellery Show of Dubai, City Events in Lausanne, the 6th World Water Forum held in March with more than 36,000 participants in Marseille, the "2013 European Capital of Culture" for which GL events was also selected as a contributor to the city's celebrations.

GL EVENTS EXHIBITIONS TRADE SHOWS

GL events Exhibitions organises more than 250 trade shows with a balanced mix covering major business sectors:

- Food industry
- Industry
- Construction
- Sports and leisure
- Home and interior design
- Fashion
- Agriculture
- Environment
- Automotive
- Retail and distribution
- Watchmaking
- Healthcare

Its portfolio in addition includes major international fairs such as those of Padua or Budapest.
This geographical mix of events is consistent with and reflects GL events international deployment in Asia, Latin America and across Europe.
This dual segmentation by business sector and geographical market contributes to stable long-term revenue streams while offsetting the biennial effect of certain major trade shows. It also benefits from the greater solidity of certain sectors less exposed to cyclical market swings during recessionary periods.

Another competitive advantage:

The export of our concepts of proprietary events highlighted by the example of Bologna Motor Show, a leading international automotive event, with a spin-off in Qatar, or Première Vision that is today present in six major cities throughout the world.

GL events Exhibitions' strategy is based on two key areas:
- focusing on world-class trade shows and accelerating their growth potential;
- developing sector-based franchises and new events adapted to market trends.

Quality and innovation

It is also based on a permanent focus on excellence to strengthen the level of services provided to exhibitors and visitors alike, in coordination with the different event industry players and professionals.

Among the Group's most recent innovations, City Events inaugurates a new meeting format offering professionals a venue for creating the sports events of tomorrow, by bringing together international sporting events participants and major customers that include international sports federations, associations and local authorities,

In the universe of culinary arts and drawing on synergies with Sirha and the Bocuse d'Or, the Group has partnered with the founder of the Omnivore World Tour to promote creative cuisine. Combining creativity and gastronomic pleasure, this travelling gourmet food festival was staged over 2012 in twelve cities including Geneva, Brussels, Rio de Janeiro, Moscow, San Francisco Sydney...

GL EVENTS EXHIBITIONS MARKETS AND TRENDS

(Sources: AMR - Globex market report/UFI - The 2011 world map of exhibition venues)

The global exhibition organising market was worth $US25bn in 2010. Worldwide, the French market ranked third, behind the US and Germany. In large part as a consequence of the financial crisis, the market has been in a downtrend since 2007. Trends stabilised in 2009 on expectations for renewed growth, driven notably by the strength of emerging countries like Brazil and Russia. However, this recovery remains fragile and the gap is widening between mature markets where caution and budgetary restrictions continue to prevail, and emerging markets, that even though still impacted by the effects of the crisis, offer good opportunities for organisers.

In value, the most remarkable performance in terms of growth has been delivered by China. The world's fifth-largest market globally in 2010, it is expected to overtake Germany to become the second-largest market in 2015 driven by domestic demand.
For growth in percentage terms, Turkey and Brazil – both strategic markets for GL events – experienced strong growth in 2010 (nearly 20% for Turkey and 12% for Brazil). Robust gains for the latter have been largely driven by the professionalization of the industry and market entries of organisers from Western countries whose financial resources have increased prices per square meter. While negative in 2010, market trends in France were expected to improve in 2011. Overall, Europe registered a downturn, with the exception of Germany, though figures may vary between 2010 and 2011, reflecting the weight of biennial events.
By 2015, strong growth is expected in BRIC countries, Turkey and Gulf Countries.

The ranking of organisers

With revenue of €136 million in 2012 for trade show related activities GL events ranked among the leading organisers along with Reed Exhibitions. The Group has a 13% share of the French market for exhibition organisers, highlighting the growing international dimension of its events.

In a market still highly fragmented where many players but also governments and associations hold non-negligible shares of trade shows, the trend is to seek out development opportunities in non-BRIC "tier two" emerging markets: Turkey, Indonesia, Vietnam, Thailand, South Africa, Mexico.

The sectors

At the worldwide level, and measured in surface area, interiors, furniture and lighting, building and construction and machinery and manufacturing are among the largest sectors in mature and emerging markets. In emerging markets and as consumer spending increases, the leisure and sports segments, already occupying key positions in mature markets, are expected to grow in importance.
Energy, driven partly by the underlying renewable energy sector, continues to perform well in all markets. Other sectors with strong potential include medical and pharma, safety and security and the environment.

In France, a new trend has arisen for trade shows (non-consumer): organisers note in a number of cases a decoupling between economic trends for the sector represented by the trade show and the results of the event itself, notably in B2B sectors (construction, manufacturing, subcontracting, etc.) where, if the drop in the number of visitors is real, companies retain their purchasing power hence the motivation of exhibitors to participate at these promising events.
Highlighting this trend, despite increasing fragility of the corresponding economic sectors, the success of certain trade shows leaders in exporting their events to emerging countries (Interfilière Hong Kong; Shanghai Mode Lingerie …). Examples of this development include Première Vision or Maison et Objet, true laboratories of innovation with cutting-edge positions in their markets. (Source: OJS statistics agency – 2011 report).

The rise of social networks and expertise sharing through Web-based communities

Regardless of the countries or economic contexts, one underlying trend should be noted: face-to-face encounters between visitors continue to be considered essential. The development of social networks within commercial relations does not constitute a fundamental threat to trade shows. On the contrary virtual events can help strengthen relations and attract new categories of visitors.
These technologies occupy an increasingly important place at trade shows, combined with demonstrations of expertise and the sharing of knowledge also of growing importance. This trend is highlighted by the increasing number of events incorporating workshops, conferences and seminars. Our digital society also now offers the possibility for trade shows to continue to operate 365 days a year, outside of the constraints of space and time, while proposing true Web community content, magazines, theme-based publications...
In the competitive landscape, the service offering for organisers and exhibitors is becoming a decisive advantage.

GL EVENTS EXHIBITIONS
EXPANDING INTERNATIONAL GROWTH:

Leveraging its portfolio of proprietary trade shows by spin-off events to support its international expansion represents is a key focus of Group development. Noteworthy examples of this strategy include the Qatar Motor Show, Piscine Middle East, whose first edition in Abu Dhabi, in April 2012, had 60 exhibitors and more than 2,000 visitors, or Première Vision, with spin-off events staged in Shanghai, New York, Moscow and Sao Paulo.

For the Brazilian venues, 2012 was a particularly dynamic year. Riocentro and HSBC Arena hosted the Rio+20 Summit, an event that commemorated the 20th anniversary of the original summit that inaugurated the formal definition of sustainable development and for which GL events was a strategic partner. Another large-scale event was the Rio de Janeiro International Book fair, a major literary gathering in Brazil whose 22nd edition held in Sao Paulo brought together more than 300 publishers.

GL events' domestic base of France remains a solid market, as highlighted by the successes of the Europain/Success Food in Paris or the ENOVA industrial exhibition combining within a single event several trade shows devoted to cutting-edge technologies such as instrumentation and laser optics. And, as every year, Equita' Lyon attracts a very large public to the equestrian universe, with world-class competitions and shows of the highest quality organised at a single site over a five-day period.

GL EVENTS VENUES: THE NETWORK

GL events manages a network of 36 venues spanning the globe: convention centres, exhibition centres, reception facilities, concert halls and multi-purpose facilities, each with different but complementary purposes. This allows the Group to develop its hub concept of "destinations" based on a network of several sites covering a single city or region. Examples of this model include Rio de Janeiro (Riocentro/HSBC Arena), Lyon (Centres des Congrès/Eurexpo/La Sucrière/Le château de Saint-Priest) or Paris (Palais Brongniart, Maison de la Mutualité, Hôtel Salomon de Rothschild).

While the contractual framework for management concession services may vary according to country, the goal is always the same: support local authorities granting the concession to develop attractive solutions for business tourism within an economic and financial climate that is sometimes challenging.

Constantly evolving venues

In Paris, the reopening of Maison de la Mutualité, after two years of work and a reconversion signed by architect Jean-Michel Wilmotte, has returned this building its former stature as a capital landmark.

Despite the severe impact of the current economic crisis in Spain, CCIB Barcelona international convention centre maintained excellent performances, benefiting in particular from its considerable attraction among key accounts from the Anglo-American corporate segment.

In Turkey, GL events was awarded the concession in 2012 for the Congresium Ankara convention and exhibition centre.

In Brazil, Riocentro has benefited from large-scale installations including 10,000 m² of rental space equipped by the Group with the latest communication technologies. This site will house the headquarters for the FIFA World Cup Organising Committee until 2014.
In partnership with Accor Group, GL events is participating in a project to build a 308 room Grand Hôtel Mercure, in order to respond to the hotel capacity shortage of Rio de Janeiro scheduled for completion in 2014.

A PORTFOLIO OF 36 VENUES MANAGED BY GL EVENTS

Convention centres:

Ankara (Turkey): Congresium Ankara
Barcelona (Spain): Centre de Conventions International de Barcelone (CCIB)
Brussels (Belgium): SQUARE Brussels Meeting Centre
Clermont-Ferrand: Polydôme
The Hague (Netherlands): World Forum
Lyon: Centre de Congrès de Lyon
Metz: Metz Congrès Evénements
Nice: Acropolis
Paris: Maison de la Mutualité
Paris: Palais Brongniart
Saint Etienne: Convention centres
Toulouse: Centre Congrès Pierre Baudis

Exhibition centres:

Amiens: MégaCité
Budapest (Hungary): Hungexpo
Clermont-Ferrand: Grande Halle d'Auvergne
Lyon: Eurexpo
Metz: Metz Expo Événements
Padua (Italy): PadovaFiere
Paris: Parc Floral
Rio De Janeiro (Brazil): Riocentro
Shanghai (China): Pudong Expo
Toulouse: Toulouse Expo
Troyes: Troyes Expo
Turin (Italy): Lingotto Fiere
Vannes: Le Chorus

Reception facilities:

Istanbul: The Seed
Lyon: Château de Saint-Priest
Lyon: La Sucrière
Paris: Hôtel Salomon de Rothschild
Saint Etienne: Le Grand Cercle
Saint Etienne: La Verrière Fauriel

Multi-purpose facilities and concert halls:

Clermont-Ferrand: Zénith d'Auvergne
London (United Kingdom): Battersea Evolution
Rio De Janeiro (Brazil): HSBC Arena
Roanne: Le Scarabée
Turin (Italy): Oval

GL EVENTS VENUES: MARKETS AND TRENDS

(Sources: AMR - Globex market report / ICCA)

In recent years, the worldwide market has gone through major transformations driven by a number of factors:
- market consolidation with the concentration of players (PCO's, venue managers…) through mergers and acquisitions;
- the emergence of global players like GL events;
- massive public investments (from governments, local authorities, etc.) to strengthen the attractiveness of destinations and their local

economic impacts (construction of new sites, adoption of specific strategies to attract large events, etc.);
- the diversification of needs, resulting in the development of multifunctional sites.

These developments have all contributed to a trend of consolidation in mature markets that is becoming increasingly international and professional in nature: it is more difficult for an isolated site to assure its promotion and marketing at a global level.

In terms of the number of events held, in 2011, the United States ranked first with 759 meetings. This was followed by Germany (577), Spain (463), the United Kingdom (434), France (428), Italy (363) and Brazil (304).

Also in 2011, there were 1,197 sites on record of more than 5,000 m² in size. Europe accounted for the largest percentage of this capacity with 48% of the venues. It was followed by the United States with 24% and Asia with 20%.

55 sites had space of more than 100,000 m². Of these, 36 were in Europe and 12 in Asia. Eurexpo ranked 36th in this category.

Despite results slightly lower than expectations, over the period from 2006 to 2011 total space worldwide for events continued to maintain steady growth. The strongest gains were in the Asia-Pacific region (+38%, picking up 4% in market share from Europe and the US respectively) and the Middle East (+16%).

Finally, the capacity of 15 countries for hosting events rose to at least 50,000 m² between 2008 and 2011. China accounted for 46% of this trend including 69% from the creation of new venues.

These results are the product of diverse situations: under-equipped countries are readjusting their offering while players are currently engaged in a "development race", creating fierce competition both at local and international levels. Their goal is to respond to a number of trends:
- the need to strengthen infrastructure to prevent trade shows that are growing to leave the country;
- increasing awareness by local and regional authorities of the direct and indirect economic benefits of the event industry.

PARIS CLEARLY DESERVES TWO "*PALAIS*"

One of the high points of 2012 was without a doubt the inauguration of the Maison de la Mutualité in Paris in March. One of capital's most beautiful reception facilities was in this way given back to the city. Signed by architect Jean-Michel Wilmotte, the rebirth of this landmark building while preserving its original Art Deco spirit required 20 months of work. The addition of a restaurant, with top chef Yannick Alléno on duty in the kitchen, also contributes to the Food and Beverage activity. Operations of another Paris venue are also being ramped up: the Palais Brongniart, the former location of the Paris stock exchange, has been transformed into a site dedicated to economic, social solidarity and innovation.

The international offering also includes highly attractive sites of Rio de Janeiro with events including Footecon, Construir, Hair & Beauty and the Brazil Trade Summit, without forgetting the David Guetta concert, and of Barcelona, a highly attractive destination for the Anglo-American customer segment.

In France, the new concession for the of Metz convention centre and renewal of concessions for Toulouse, Vannes and Clermont-Ferrand highlight the confidence of local authorities in the development model proposed by GL events to strengthen their attractiveness and stature as destinations. The calendar of GL events' French venues included many professional and consumer events such as Piscine and Pollutec at Eurexpo Lyon or scientific meetings like the Osteopathy Convention in Toulouse and the Convention for the Mutualité Française in Nice.

2013, POSITIVE ANNUAL OUTLOOK

2013 already off to a very strong start

Sirha, the International Hotel, Catering and Food Trade Exhibition, held from 26 to 30 January at Eurexpo achieved strong growth in terms of exhibition space and attendance. The Group launched the first "World Cuisine Summit", a true international forum for new culinary trends. Held at the convention centre of the Citée Internationale in Lyon on 28 January, it provided a forum of exchange for opinion leaders, top food service industry professionals, as well as some of the world's leading chefs ((Paul Bocuse, Régis Marcon, Michel Guérard, Alain Ducasse, Jean-François Piège, Christian Têtedoie, Eric Fréchon, Génaro Esposito, Maroun Chedid, Christophe Megel, Daniel Boulud, Magnus Nilsson, Yannick Alleno, Joel Robuchon). The objective of this summit: share perspectives on how to achieve "better food services for a better life".

These different activities generated revenue of approximately €30 million for GL events and more than €150 million in economic benefits for the City of Lyon and its region.

And for the first time an edition of this event will be organised in Istanbul from 7 to 9 March.

Other noteworthy events in the first quarter included Première Vision Paris and Moscow, the Qatar Motor Show, CFIA in Rennes, the WRC Rallye Monte-Carlo and the 6 Nations Rugby Championship.

The Group is also a contributor to the 2013 European Capital of Culture event in Marseilles with the design, execution and management of Pavillon M, the point of entry to the event and once again produced the "prestige" installations for the SIHH-International Fine Watchmaking Exhibition in Geneva.

Furthermore, the Group again demonstrated its ability to service major worldwide events and will equip the 2013 Test Events of the Winter Olympic Games of Sotchi, the 2013 Confederations Cup in Brazil, a preparatory event for the 2014 FIFA World Cup.

03

CORPORATE SOCIAL RESPONSIBILITY

Four years have now passed since GL events first implemented its sustainable development strategy Group-wide. The Sustainable Development Mission, today a full-fledged Department, spearheads three programmes in line with its priorities: Think Green focusing on environmental priorities, Think People focusing on employee and labour-related issues in close collaboration with the Human Resources Department, and Think Local creating value in regional communities. 2012 was decisive in our corporate social responsibility roadmap, with a significant increase in terms of commitments.

Concerning our environmental priorities, the Think Green programme has allowed us to initiate actions since 2009 throughout the entire lifecycle of our activities. However, 2012 was a milestone in terms of management and performance with ISO 14001 certification of the French network of GL events Venues, completion of the CO2 emissions audit and the commitment of our transport department to reach "*Objectif CO2*" an objective created by the French Environment and Energy Management Agency (ADEME) by reducing the CO2 emissions of road freight transport.

Regarding our social priorities, Executive Management and the Human Resources and Sustainable Development Departments are strongly committed to implementing the Think People programme promoting diversity, managing talent and improving quality of life at the workplace.

Finally, Think Local has resulted in many exchanges focusing on our value creation in the regions where we operate, and open up a large field of research.

Conviction and commitment are what currently drive Group staff to meet this major challenge to transform our development models. Our achievements in 2012 are also in line with the new regulatory framework governing the disclosure of extra-financial information.

I. SOCIAL INFORMATION

FOCUSING ON PEOPLE

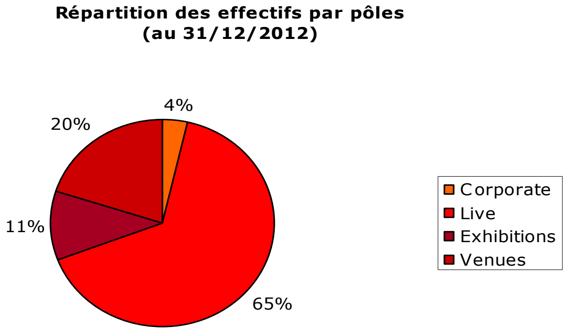
The social component of sustainable development is as critical as respecting the environment. Building on its good practices but aware of the progress to be made, GL events decided to launch Think People at the end of 2011. This programme is destined to provide a developmental framework for employee growth within the company.

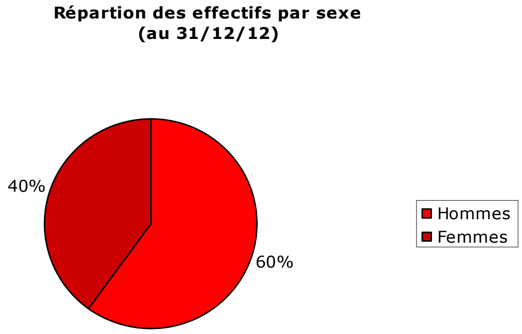
Think People focuses on the men and women of the Group, covering diversity issues (disability, gender, age, social integration),managing talent (the Passion for talents programme) and quality of life at the workplace. This major goal is reflected in the gradual implementation of concrete action plans in each of the Group's activities. This approach places the manager at the heart of the organisation within a dynamic that encourages employee participation, up to the Group's Executive Committee.

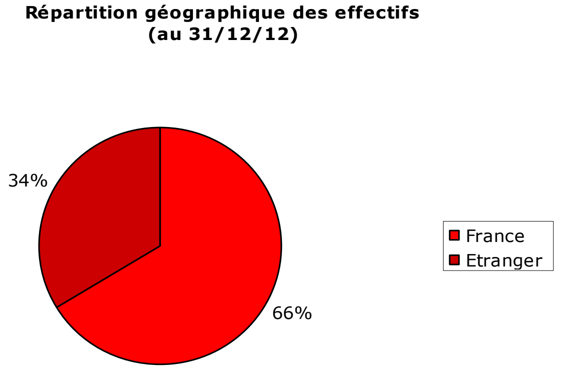
EMPLOYMENT DATA

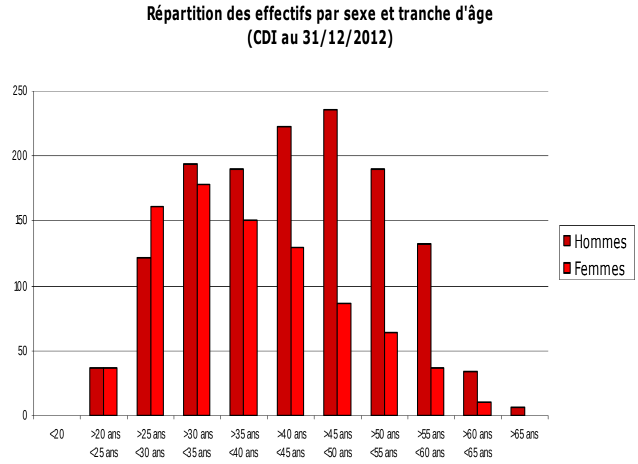
The men and women of GL events in 2012

At 31 December 2012 (current headcount), GL events had a total of 3,633 employees (1,465 women and 2,168 men) working in GL events' three core businesses (Exhibitions, Live and Venues) and at the Corporate level (this figure includes employees on fixed-term and permanent contracts, intermittent workers and hostesses).









Recruitment and departures

In 2012, 549 new employees joined GL events Group versus 537 departures (with the latter including dismissals)

Remuneration policy and developments

Nearly 50% of employees received supplemental compensation in the form of performance bonuses linked to qualitative or quantitative objectives. Significant work was undertaken in 2012 to harmonise procedures for calculating these bonuses in order to achieve common standards among the different business lines and transparency in the calculation process for employees. With respect to non-commercial staff, the development of a common assessment framework for all areas also contributes to establishing a shared foundation among personnel.

Furthermore, the profit-sharing scheme implemented in 2007 for employees of French companies along with company savings plans has provided GL events employees with a means to share in the Group's successes Amounts distributed under this profit-sharing system in 2011 were up 37% in relation to 2010. All French subsidiaries of GL events participate in the scheme regardless of their number of employees, with the total amount collected redistributed to all Group staff in accordance with statutory provisions. In this manner, nearly €10 million have been redistributed since 2007.
A range of employee savings options have been developed to allow employees to invest these profit-sharing proceeds or make voluntary payments. Within this range of options, five investment funds are available including one solidarity-based employee savings fund.

In 2012, our Chairman wished to further strengthen ties between employees through two significant initiatives:

- implementing a bonus dividend of €100 for all employees, paid in March;
- giving all employees a stake in the company's capital by granting all staff working in France ten bonus shares of GL events Group.

The purpose of these measures, decided against the backdrop of a challenging international environment, was to strengthen ties between the Group and its staff and thank them for their commitment and devotion in the service of its customers and events.

The Group is committed to offering all subsidiaries a common foundation in terms of personal protection coverage (accidents of daily life, invalidity, incapacity), going beyond the requirements of legal provisions in accordance with the principles of applicable collective bargaining agreements

WORKING CONDITIONS ORGANISATION AT GL EVENTS

Every French subsidiary of the Group is covered by an agreement for the organisation of working hours making it possible to adjust the work time in relation to the peaks of activity of our different business lines. Most of our management employees work under days-per-year arrangements based on a fixed number of days. The company in turn seeks to respect the length of working hours. Management of working hours is coordinated by a dedicated information system that enables staff to report the number of hours worked to the company and notify managers when hours have been exceeded. The system applies to employees both on fixed-term and permanent contracts. Specific tools for monitoring time worked also exist for hostesses and intermittent workers.

In 2012 the absenteeism rate was 3.60% (this figures includes lost time injuries and sick leave, part-time for health reasons, lay-offs and unjustified absences)

LABOUR RELATIONS

The organisation of dialogue between employees and management:

The following employee representation bodies are present at GL events:
- employee delegates (entities > 10 employees);
- the Works Council (*Comité d'Entreprise*) (employees > 50) or the Unique Staff Representation body (*Délégation Unique du Personnel* or DUP) entreprise <200);
- the Health, Safety and Working Conditions Committee (CHSCT) (employees > 50);
- Union Delegates (DS) (employees > 50) and labour union representatives (RS).

These bodies represent approximately 220 elected employee representatives and an average of 500 meetings per year.

Their mission is to contribute to social dialogue within the company. This includes all forms of negotiation, consultations or simple exchanges of information between employee representatives and the employer about issues of common interest relating to the GL Events' economic and employee-relations policies.

Mandatory annual negotiations are conducted in Group companies with labour union delegates on:
- actual wages,
- the actual number of hours worked and the organisation of working hours;
- the employment situation within the company;
- measures in favour of professional integration and maintaining disabled workers in the workforce;
- gender equality in the workplace between men and women.

RESULTS OF COLLECTIVE AGREEMENTS

Action plan for the employment of seniors

Within the framework of developing a responsible human resources policy, GL events Group wished to adopt an active and dynamic management of employees taking into account age criteria in order to better integrate its workforce of "seniors" in the management of the company's men and women. In accordance with the provisions of the French Social Security Financing Act of 17/12/2008 and the implementing decree No.°2009-564 of 20 May 2009,with respect to the headcount breakdown for employees provided for in Article L. 138-28 of the French of Security Code (*Code de la Sécurité Sociale*) for agreements and action plans promoting the employment of workers over 50 years and the implementing decree No 2009-560 of 20 May 2009 on the content and validation of agreements and plans in favour of the employment of older workers, GL events Group has developed a three-year action plan for the 2010-2012 period for Group companies in France.

With the objective of maintaining employees 45 years and older in the workplace, three priorities were adopted:

- Anticipating career trends;
- Developing skills, qualifications and access to training;
- Transmitting know-how, expertise and developing mentoring initiatives.

Gender equality action plans:

In compliance with the Retirement Reform Act of 2010 and Decree°No. 2011-822 of 7 July 2011 on the application of gender equality obligations, the French companies of GL events Group, with at least 50 employees have developed action plans to promote gender equality in the workplace. These action plans that were submitted to the Works Councils both cover recruitment and training. The specific objectives, resources and timetables vary from one establishment to another.

HEALTH AND SAFETY

Occupational health and safety conditions

Worker health and security constitute a critical component of social responsibility. Safety is a key priority for the different specialised operating areas related to our services. The activities of the GL events teams include the assembly and disassembly of a range of structures from the simple stand partition to a grandstand for a stadium. Such tasks require the application of strict rules to guarantee security of everyone at the worksite. This imperative is reflected by the existence of a formal operational policy based on a continuous improvement approach.

To achieve objective, GL events Campus offers programmes to ensure that certain target groups hold valid permits and have been trained in the latest personal safety and risk prevention procedures:

- Training certification (CACES) for operators of worksite equipment (valid for 5 to 10 years);
- Road safety training and qualifications for lorry drivers (FIMO and FCOS);
- The adoption of specific gestures and positions for all employees performing manual operations.
- Work performed at heights and on scaffolding;
- A Uniform Document;
- Special fire safety qualifications (SSIAP);
- Workplace first-aid personnel;
- Electrical accreditation.

Reflecting this priority, 26.4% of total training hours provided in 2012 were devoted to safety.

Specific Health and Safety Plans (PPSS) are implemented for each event organised. In addition a specific signage system has been deployed at all Group sites.

Occupational accidents, including in particular frequency and severity rates, as well as occupational illnesses:

The frequency rate equals the number of Lost Time Injuries (LTI) in relation to the number of hours worked multiplied by 1,000,000.

2012 LTI frequency rate (France, excl. commuting accidents) = 16.13

The 2012 severity rate is not available.

Occupational illness: no occupation illnesses were reported in 2012.

THE GROUP TRAINING POLICY

The Think People programme also encompasses skills management covering the full cycle from recruitment to career guidance notably through the corporate training platform, GL events Campus.

Becoming a leading employer, building knowledge and expertise, fostering employee loyalty, encouraging a proactive career approach... These are the actions that show that we care.

GL events Campus, the Group's in-house training organisation, is devoted to coordinating and optimising the training programmes of GL events Group companies. Through its training programmes, GL events Campus promotes Group culture and values. Its inter-company courses provide a platform for exchange and experience sharing.

Its available curriculum of training courses is adapted every year to the Group's growth outlook and the needs and requirements expressed by Management and by its own customers, managers and employees. Programmes are grouped into main topics to form an extensive catalogue of over 90 courses, which may be basic or expert level, on theory with practical application. One-third of the programmes were reviewed in 2012 for the 2013 plans. This continuous improvement approach, supported by a steering committee and the involvement of operational staff in contributing to course content, has made GL events Campus the success it is today.

The major subjects covered by the catalogue of GL events Campus' training courses include:

- engineering department activities;
- sales;
- management;
- sustainable development;
- personal development;
- finance;
- international and languages;
- specialised industry and event fields;
- computer tools;
- technical expertise, operations, quality, work site; management and safety.

In 2012, GL events campus provided 23,879 hours of training for companies within the French reporting boundary.

GL events strives to provide each employee with the opportunity to grow within the company and develop skills and expertise. Upstream, this means integrating and developing their potential and supporting them throughout their professional itinerary through targeted training initiatives that meet the needs of the company as well as expectations.

In 2012, as every year since 2009, GL events organised its Welcome Convention for new staff. This "Group process and policy" training is designed for employees working with the company for between 3 and 12 months who may deal with "internal customers" and with external customers and prospects. This training offers tools and knowledge about how an events company operates, improves communication skills of trainees and brings them to operational levels both in terms of internal and external requirements.

EQUAL OPPORTUNITY EMPLOYMENT

Measures promoting gender equality, the employment and integration of persons with disabilities, and combating discrimination:

The diversity charter that was signed at the end of 2010 has provided a framework for action to promote workforce diversity in our company. Since then within the framework of the Thing People programme, GL events has prepared concrete action plans focused on four priorities:

- Opportunities for disabled workers
- Gender equality in the workplace;
- Social and cultural integration;
- Seniors.

In these areas, the goal is to define measures building on a framework of regulatory incentives, focusing on improving recruitment practices, safeguarding jobs and developing skills. As with our approach in favour of the environment, improvement in these areas is an ongoing process. Success will hinge on proof that concrete initiatives have been introduced.

The central focus of this Think People programme, effectively managing diversity is directly linked to the objective of promoting quality of life and developing skills within the Group. Rewarding these efforts, the Think People programme received two prizes in 2012, the Diversity Award in November on the occasion of the French Diversity Charter "*Tour de France*" and the "*Trophée du Mieux Vivre en Entreprise*" recognising actions to improve quality of life at the workplace. These awards recognise the work accomplished in defining and rolling out a full battery of initiatives:

- Implementing specifically designed training modules,
- Management awareness-raising initiatives;
- In-house radio broadcast called "Thursdays of the HR Department" covering specific subjects such as the integration of young employees in the workplace;
- Implementing a program entitled "Live my life" where volunteer employees spend a day discovering another activity within the Group;
- Participating in external inter-company initiatives;
- Preparing a managerial manual.

Integrating persons with disabilities:

Within the Group, a broadcast within the in-house radio series "The Thursdays of the HR Department" referred to above covers the subject of Disabilities and Performance". An in-house newsletter on good practices in managing disability was circulated in France and abroad.

GL events participates in external initiatives such as the *Un jour, un métier en action* ("a day, a job in action") campaign initiated by the organisation AGEFIPH (organisation responsible for managing funds earmarked for the professional integration of disabled people). Within the framework of the employment of disabled persons week, GL events proposes persons with disabilities to join our teams as part of this initiative. The Group also participates during this week in the recruitment forum of the Rhône chapter of the ADAPT, the French association for the social and professional integration of disabled persons.

In 2012 GL events launched an assessment performed by a specialised consulting firm to develop the recruitment and employment of disabled workers at our French entities. To develop sourcing in the sheltered work sector, GL events signed a three-year agreement with Gesat, France's leading national network in this area. Audits were performed, which included on-site visits and meetings with operational managers in the field, followed by the roll-out of an action plan with the purchasing staff and managers to expand the categories of products service to the sheltered-work sector. GL events has also taken an active role in the Gesat's committee of regional partners.

At the Hungexpo site in Budapest, a call centre was created that employs exclusively visually impaired people.

Age

Within the framework of the Group agreement on the employment of seniors signed by French subsidiaries, various training programs were deployed to support persons at key phases in their careers:

- a career assessment training programme for those over age 45;
- a career orientation assessment for persons with less than five years of professional work experience;
- training in mentoring and starting a new job is also included within this system.

Social and cultural integration

As a Group that now operates in 19 countries, with employees from other nationalities accounting for one third of its workforce, social and cultural integration is of growing importance within GL events. The team working on the project for the London Olympic Games included 28 nationalities, highlighting our remarkable cultural diversity.

For employees originating from other countries at the Gonesse site in the Paris region, French language courses are provided to facilitate their integration within the company.

Within the framework of our participation in the association *Sport dans la ville* devoted to promoting the social and professional integration of youth originating from underprivileged urban districts, 13 GL events employees participate in a mentoring initiative for youths aged between 15 and 23 to assist them in defining their professional goals.

Gender equality

As indicated above, workplace gender equality agreements have been signed by French companies of the Group.

With respect to hiring practices, agreements have been concluded with recruitment firms. On this basis they undertake to respect the principles of neutrality in all service agreements and for each proposal they submit to the company, provide graduation statistics with the objective of improving the percentage in the breakdown between men and women in the company's workforce. GL events is devoted to promoting gender diversity in recruitment.

Since 2011, GL events has participated in the "*Déployons Nos Elles*" initiative in favour of equal opportunity education and combating gender stereotyping organised by the IMS association. GL events Group employees spoke with secondary school students on this issue.

Promoting compliance with the core conventions of the International Labour Organisation

The ILO core conventions on the freedom of association and protection of the right to organise and negotiate collective bargaining agreements, eliminating employment and occupational discrimination, abolishing forced labour and the effective abolition of child labour are respected.

Our Think People programme contributes to ensuring compliance with these commitments.

Within the framework of certain interventions in other countries where a potential risk may exist with respect to compliance with these conventions, special provisions are implemented for subcontracting. A dedicated unit within the Group is responsible for exercising oversight over our subcontractors within France. This involves in particular performing verifications in the field in order to ensure the application of measures required by applicable law (signature of subcontracting agreements, employment contracts, residency permits, wearing of personal protective equipment, etc.).

In addition, a sustainable development charter has been signed by our main suppliers that incorporate a commitment to comply with ILO core conventions.

II. ENVIRONMENTAL INFORMATION

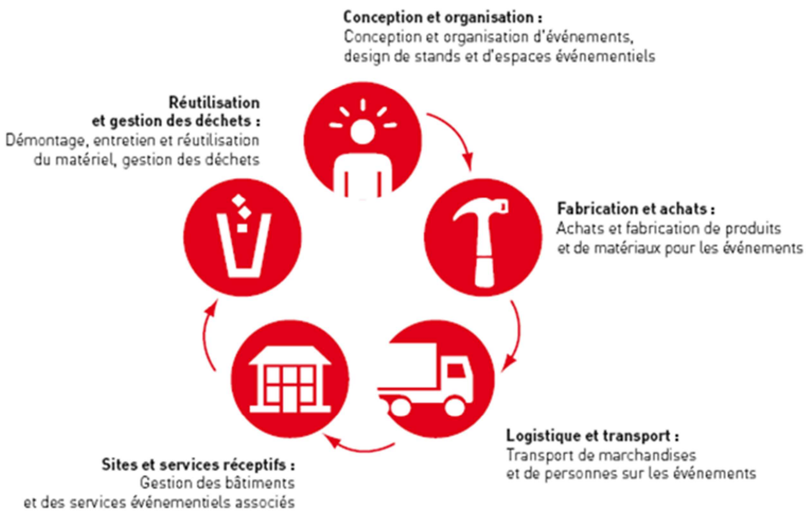
THINK GREEN, ADOPTING AN ECO-CENTRIC APPROACH TO MANAGEMENT

GENERAL ENVIRONMENTAL POLICY

GL events' environmental policy is organised around the Think Green programme launched at the end of 2009. This program includes 16 commitments covering the entire lifecycle of an event in which we have the ability to intervene as an integrated provider of solutions for staging an event.
It has enabled us to structure our commitment in terms of major impacts specific to our activity:

- As an event is ephemeral by nature, our business is often associated with the production of a significant amount of waste.
- An event also consumes energy that varies in quantity according to the type of event, location, number of visitors and equipment used, such as lighting and heating or air conditioning systems.
- Finally, event logistics and the transport of visitors constitute the main source of GHG emissions linked to events (approximately 80% of total emissions).

The lifecycle of an event:



> Integrating the environment into the range of our activities by providing training and information to our employees

Training is a fundamental phase in applying the environmental approach. All staff contribute to environmental performance on a day-to-day basis, placing them on the front line in our efforts to develop environmentally friendly solutions.
For that reason, the GL events Campus training platform features modules specially designed to address the issues specific to our businesses.
With this objective, support was provided for key groups:

- Buyers of the Group were trained in responsible purchasing practices;
- Event Project managers are gradually trained in the eco-organisation of events;
- Designers of stands and event spaces have been specifically trained in eco-design;
- Event venues recently added to the Group have been provided with training in environmental management in accordance with ISO 14001;

- 2012 provided an occasion in particular to:
- Propose technical managers of sites a first module entitled "eco-maintenance" on building energy performance practices;
- Train a team of internal environmental auditors.

These modules have helped gradually incorporate environmental criteria into our event industry solutions and promote new innovative approaches in our business practices. In the second half of 2012, the R&D department of GL events Live made considerable strides in formally defining our eco-design methodology to provide designers, account managers and sales staff with a comprehensive and practical guide perfectly adapted to our businesses, products and organisation. This guide will be available in 2013.

It also important to raise the awareness of staff in their day-to-day operations. To this purpose, GL events launched an information poster campaign on eco-responsible practices, in conjunction with its Think Green programme, covering different areas related to our environmental impacts such as energy or water consumption.

In addition to training, a range of internal communications measures have been implemented to keep all staff informed of actions undertaken by the Group.

In 2012, the section of the Group's intranet platform on sustainable development was revamped and updated with the addition of online tools for staff.

Newsletters are sent (with an English language version produced for international operations) for all staff with an e-mail address. These newsletters are not sent according to a fixed publication schedule but rather based on Group news developments in these areas.
So that all staff are kept up to date on Group news in these areas, our biannual internal newsletter includes a specific section on sustainable development.

> Driving innovation and creating value

Today, environmental issues must be integrated into our product research and development even though this is not an easy task. To address the needs of our customers and anticipate future needs, we began to focus on eco-design in 2006.

Environmental factors are today systematically taken into account for all new products on which we work. To assess these impacts, life-cycle assessments (LCA) are performed on all our products. LCAs determine the environmental impacts of a product, from the extraction of raw materials to the end of the product's life. They are an essential basis for any coherent and efficient eco-design approach.

Technical factors are no longer an obstacle to green innovation today, as alternative technical solutions exist for all of our services. The problem we now face is finding economically competitive and operationally feasible solutions that are acceptable to our customers. This involves re-thinking a product's entire operational and economic lifecycle to identify savings and performance drivers that can offset higher purchasing costs. As a result, these product research projects take time. Solutions are found in use and by exchanging with the different users.

In 2012, efforts focusing on R&D were maintained, spearheaded by our own R&D department and led by project groups bringing together operational staff, buyers, the sustainable development team as well as the quality department. At the end of 2012, we completed prototypes for stands, LED lighting, carpeting (including reusable products) and furniture. We expect the commercial launch of the first offerings resulting from these efforts in 2013.

> Integrating the environment in management practices

In 2011, several ambitious projects were launched in the area of environmental management systems and more generally, sustainable development. These projects also allow us to meet the expectations of our stakeholders, including our customers and grantors, prepare for regulatory developments and unite teams on joint projects. Furthermore, they have provided an opportunity to define our formal commitments within a framework in line with leading sustainable development standards. In 2012, several of our approaches were certified:

- After more than 18 months of work involving teams from across the different French sites, GL events Venues was awarded ISO 14001 certification, becoming the first network of event venues of this dimension to be thus certified (currently including 18 sites). This certification has resulted in the adoption of a common management system covering all sites that at the same time takes into account the specific characteristics of each, whether at the level of their physical structure or activities. The two major focuses of this system are on energy consumption management and improving waste management. This first year of the system's implementation provided an opportunity to develop a common working method, encouraging the sharing of good practices and their replication where possible. In the area of waste management, this initiative has resulted in the adoption of recycling and energy recovery practices. With respect to energy management, the first step has involved developing strict operating guidelines to prevent waste and gradually replacing existing equipment by more energy-efficient solutions.
  Other sites have also launched processes to obtain certification. The CCIB Barcelona international convention centre is ISO 14001 and EMAS certified while the World Forum in The Hague was awarded the top gold level Green Key global eco-rating. In France, the Scarabée multi-purpose hall of Roanne and the Fauriel Convention Centre of Saint-Étienne were also recognised for their commitment by receiving Qualicongrès certification for the implementation of their quality and sustainable development approach.

- Owen Brown, the Group's UK subsidiary specialised in temporary structures, was awarded BS 8901 certification, the UK standard for sustainable event management systems.

In 2013, GL events will pursue this certification process with the integration of other sites within the ISO 1400 scope: the Maison de la Mutualité in Paris, La Sucrière in Lyon and the Nice Acropolis. GL events' large international projects department is also seeking to obtain dual ISO 9001/20121 certification for its activities.

Environmental risk and pollution protection measures

Even though its activities do not involve major environmental risks, the Group takes all possible measures to manage potential adverse impacts. In 2012, a study was carried out on the legal and regulatory environment covering all the Group's activities in France for the purpose of developing specific guidelines.

ISO 14001 certification represents one of the first steps in the risk prevention process by implementing specific procedures, individually designed and adapted to all sites concerned.

A tool for monitoring developments in environmental legislation was implemented within the ISO 14001 certification scope.

POLLUTION AND WASTE MANAGEMENT

Measures to prevent, reduce or repair serious adverse effects on the environment from the release of waste into the atmosphere, water and soil

The nature of emissions relating to GL events' activities Group, whether in the air, water or soil, are not of a nature to have any serious adverse effect on the environment. We in effect have a very limited amount of manufacturing activities (the production of joined stands) involving the use of environmentally dangerous materials. The chemical products most used in our activities are paint for joined stands and cleaning agents. Were possible, we use in priority eco-label products. These chemical products are used in accordance with normal safety precautions required both with respect to people and the environment. Specific procedures exist for indicating the measures to be taken for their elimination in order to avoid accidental spillage resulting in pollution (ground pollution caused by cleaning water spills for example).

In contrast the event industry represents a significant source of green house gas (GHG) emissions, linked in particular to the transport of visitors (80% of total emissions). Having an impact on this particular source of emissions represents a complex challenge where the possibilities for reducing GHG emissions depend on a combination of several factors on which the Group does not always have the ability to intervene. In effect, the use of "soft" (green) transport to reach an event is dependent on both existing infrastructures but also user behaviour.

To reduce emissions resulting from visitor transportation, GL events has implemented a carpooling system for the trade shows it organises. This system has also been deployed, to a lesser extent, in the GL events Venues business unit. For example, the Toulouse Exhibition Centre, implemented for the International Fair a system of rate incentives for visitors using public transport to get to the site.

The Group also adopted its procedure for GHG audits for French entities (*Bilan des Emissions de Gaz à Effet de Serre* - BEGES) for companies within the French reporting boundary (covering direct and indirect emissions) in 2012 while the transport department in Brignais has undertaken to comply with the "*Objectif CO_2*" Charter created by the French Environment and Energy Management Agency (ADEME) for reducing CO_2 emissions of road freight transport. Details on these measures will be presented in the section on climate change.

Waste prevention, recycling and elimination measures

Waste management, as a major issue for our activities at the heart of our environmental priorities, has resulted in several areas for study and action:

> Reduction: Contributions of the eco-design approach
The methodology for the eco-design of venues first focuses on reducing the quantities of raw materials used. While still not applied on a systematic basis, we are incorporating eco-design into our projects involving a specific request by customers, as a first step in contributing to a wider application of these practices.

> Reuse: Privileging use of rental equipment
Another area of potential involves reusing materials by privileging the option of using rental equipment available from GL events Live's asset portfolio. A primary component of the services activity in effect consists in renting equipment for events and trade fairs based on the inherent rationale of reuse.

> Recycle:

Gradually expanding the use of waste separation collection procedures at the sites of GL events Venues:

Within the framework of ISO 14001 certification of the facilities of GL events Venues in France, improving waste management in terms of the rate of separation collection and energy recovery is a major objective. A harmonised monthly reporting procedure in place since 2012 makes it possible to track improvements in performance in this area.
Waste separation collection systems are gradually being implemented at the sites, including those outside the boundary of the ISO 14001 certification. Implementing such systems represents a long-term project given the number of parties intervening at our venues over the different phases of an event from assembly to dismantling. Within the event cycle, the more significant quantities of waste are produced during the dismantling phases. Raising the awareness of persons working at the site is an important focus for guaranteeing the effectiveness of the separation collection process. Specific signage has also been installed at sites having adopted such systems. "Waste and sustainable development" assessments have been performed at selected sites of importance in terms of their size and the quantity of waste produced, to determine areas for improvement and the corresponding action plans.

- Identify new channels for recycling.

Carpeting is one of the products that have been the focus of R&D in this area. More than 43 million sq. ft.(4 million m^2) are used every year to equip events. In early 2011, GL events decided to shift 100% of its offering to recyclable carpeting, with the major environmental impacts at the end of the product lifecycle that up until then was not recycled.

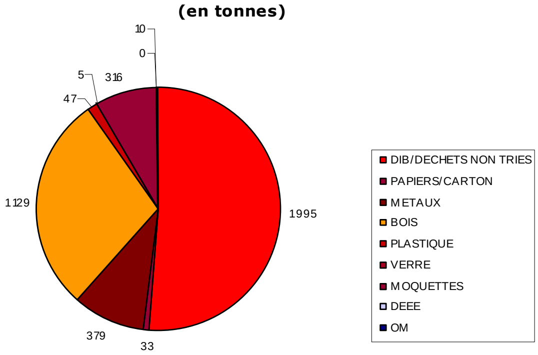
While this undertaking attests to the Group's strong commitment, it also requires that processes be reinvented from installation to removal to ensure the product's viability for recycling. Recycling channels for this type of product are not yet sufficiently developed and in light of the volumes generated, further progress is required to reach a satisfactory recycling rate. Recycling is currently proposed to customers as an option though with the objective over the longer term for it to become systematic. To achieve this goal, there remains a long way to go and new economic models must be identified to move from a service offered at a marginally higher price to one that produces savings. This represents the driver that will contribute to transforming this approach to the widely adopted solution of choice.

Tests have also been conducted on brushed cotton materials (textile covering used for stand partitions) to determine the methods for recycling and identify possible channels, with this by-product able to be reused in building isolation.

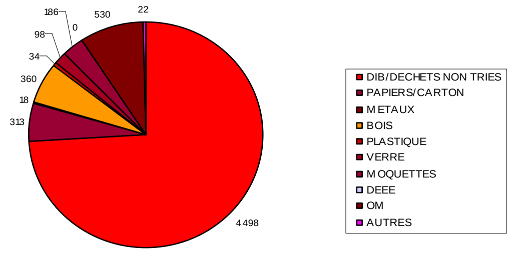
More generally, R&D efforts focusing on some of our products with significant environmental impacts are being pursued to reduce the production of final waste.

Specific categories such as waste from electrical and electronic equipment (WEEE) are sent to facilities specialised in processing and recovery, though the quantities of waste classified as hazardous according to applicable regulations are not material.

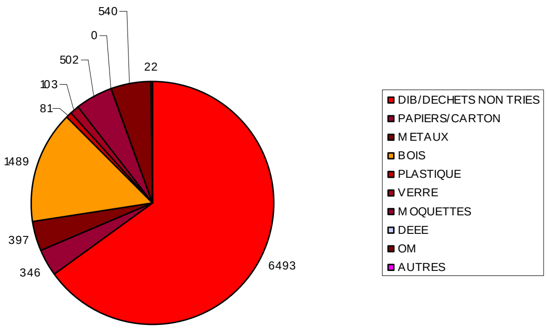
Quantité de déchets produits par type sur le pôle Live (en tonnes)



Quantité de déchets gérés par type sur le pôle Venues (en tonnes)



Quantité globale de déchets produits répartie par typologie (en tonnes)



Out of the 9,540 tonnes of reported waste, approximately 60% originate from the GL events Venues BU which is not itself the direct producer of this waste. In effect GL events Venues' sites host events of organisers from outside GL events Group as well as exhibitors participating in these events. GL events Venues thus manages the waste generated by the events it hosts without being the direct source. In certain cases, the sites are organisers, though a breakdown on this basis is not possible because under current reporting of our waste processing and collection service providers information is provided only for total volume processed.

In contrast, waste included within the GL events Live reporting boundary corresponds to waste from our logistics sites though does not take into account waste produced from events. A system for traceability by event staged at venues outside the Group's network is to date not possible.

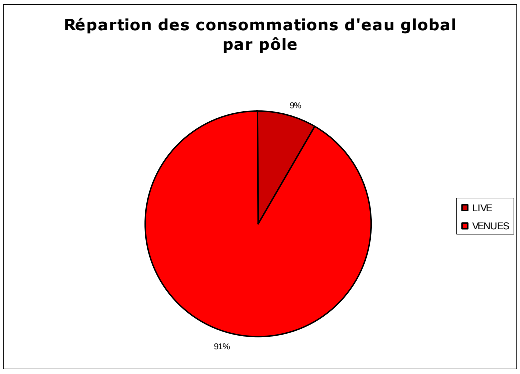
Nuisances and pollution specifically relating to our activities

Our activities may generate noise nuisance according to the nature of the event. Spaces hosting concerts and performances are consequently always especially designed to thus ensure that nearby residents are not disturbed by noise. Systems have also been installed to automatically shut off equipment above a certain decibel level as with the Scarabée multi-purpose hall of Roanne.

Another nuisance related to our activities is traffic congestion of main road networks during the organisation and staging of large-scale events that also generate additional GHG emissions. For example at Eurexpo, the Lyon Exhibition Centre that in 2012 hosted major trade fairs such as Equita or Pollutec, specific systems were adopted involving the installation of signs guiding visitors to the site from train stations and public transit locations. This system indirectly promotes use of public transit by visitors through a clearly designated itinerary facilitating access to the event location. Eurexpo henceforth has direct access to public transit with the creation of a new tramway line inaugurated at the last edition of the Pollutec trade fair, transporting visitors to the doors of the site. The carpooling system adopted by the GL events Exibitions also represents a way to manage these impacts.

CONSUMPTION OF RESOURCES

In 2012, total water consumption of GL events amounted to 410,704 m^3 of water.



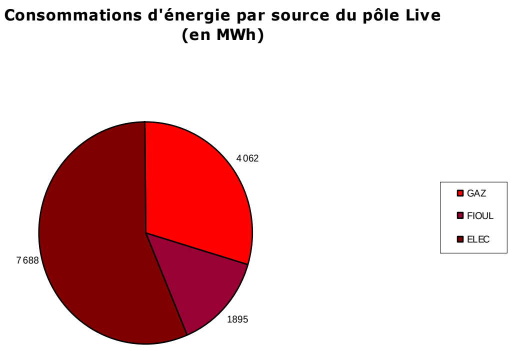
Of this amount, GL events Venues accounted for 90% and is linked to the number of visitors attending the events. One of the main uses of water is cleaning the sites and certain components such as tarpaulin materials but also for sanitation/washroom facilities.

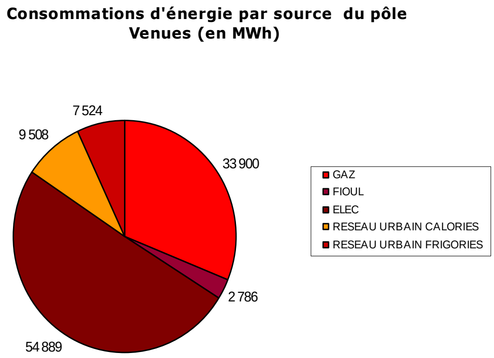
Certain sites (such as Eurexpo or the Lyon Convention Centre) have cooling and heating installations (heat pump equipment) that operate using water (drawn directly from the groundwater tables) and represent volumes that can be important.

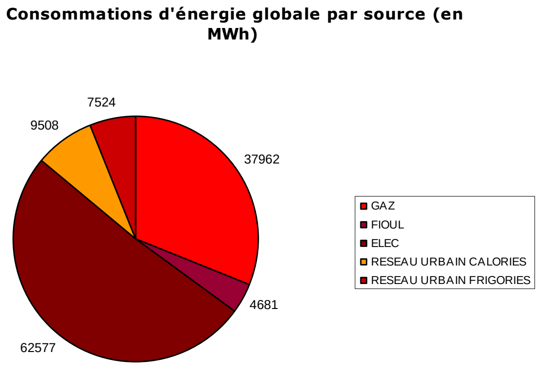
To reduce water consumption, a range of equipment is gradually being installed at the sites: double debit flush toilets or tap aerators.

Cleaning service providers are also asked to use in priority water efficient equipment in order to reduce consumption levels.

Energy consumption, energy performance measures and use of renewable energies







Based on data provided, GL events Live accounts for 13% of energy consumption within the global reporting boundary. Consumption within the GL events Venues reporting boundary reflects the nature of the buildings that in certain cases can reach a surface area of 120,000 m^2 such as Eurexpo in Lyon.

Having adopted an ISO 14001 compliant management system as well as our carbon assessment enables us to measure our progress and implement the corresponding action plans.

Energy audits have been initiated at two pilot sites for the purpose of adopting action plans to optimise the use of installations and, in consequence, energy consumption. If these audits are found to be pertinent, they will be extended to other sites.

Because changing behaviour is also a key driver of improvements, strict operating guidelines have been implemented to prevent waste.

The gradual replacement of existing equipment for more energy-efficient solutions is under study by GL events that is closely monitoring advances in new technologies. In 2012, Eurexpo accordingly invested in "intelligent" electrical boxes to equip stands and monitor their energy consumption. Existing lighting sources are also being gradually replaced by more energy-efficient solutions.

CLIMATE CHANGE

As part of the Think Green environmental programme and in accordance with Article 75 of the implementing decree of the Grenelle 2 Environmental Law, GL events Group completed its first GHG emissions audit for entities within the French reporting boundary (*Bilan des Emissions de Gaz à Effet de Serre* - BEGES). This study focuses on data for the 2011 reporting year and takes into account direct and indirect GHG emissions associated with energy (scope 1 and 2 respectively of this law). It is important to emphasise that the law proposes a third scope for conducting GHG emission audits for an organisation. This third scope corresponds to other "indirect" GHG emissions and concerns notably emissions from customers and suppliers. The study conducted in 2012 by GL events concerned 35 sites and covered scopes 1 and 2 as these represent the sources of emissions on which the Group can directly intervene and improve our GHG emission audits.

In concrete terms, these emissions originate from three primary sources:

- energy consumption;
- use of refrigerants;
- our gas consumption.

In 2011, GL events' activities generated emissions of 10,279 Mt CO_2-equivalent corresponding to annual emissions of 1,248 inhabitants of France.

Sources of emissions break down as follows:

Emissions source:	Quantity of GHG emissions (in Mt CO_2e)	Corresponding percentage
Energy consumption	4,728	46%
Use of refrigerants	2,056	20%
Transport (vehicle fleet: light vehicles, heavy trucks)	3,495	34%
Total emissions (for the 2011 reporting base)	10,279	100%

These results shows that energy consumption accounts for the largest source of our emissions. The quantity of refrigerants are not significant, with their share in total emissions reflecting instead their high carbon intensity.

Based on these observations, a three-year plan will be adopted starting in 2013, drawing on the energy section of the action plans implemented within the ISO 14001 certification boundary and will result in particular in the gradual replacement of existing equipment by more energy-efficient models.

To reduce transport-generated emissions, the car policy was reviewed in 2012 with the adoption of a CO_2 cap of 120g per km.

In 2012, the transportation department of Brignais, adopted action plans focusing on commitments within the framework of the "*Objectif CO_2*" Charter of the French Environment and Energy Management Agency (ADEME) based on four target areas:

- VEHICLES: Gradually renew the entire fleet with vehicles equipped with automatic transmissions;
- FUEL: Improve fuel consumption monitoring with an information tracking capability by driver and truck to better measure differences in terms of consumption after completing the different actions;
- DRIVERS: Provide eco-driving training to all drivers;
- ORGANISATION: Optimise the vehicle loading process by improving load procedures for return trips and raise awareness of subcontractors by proposing their adherence to the "*Objectif CO_2*" Charter.

In 2013, the Paris transportation department will in its turn launch this approach.

In other countries, CCIB Barcelona international convention centre has developed a carbon offset programme for customers wishing to offset their GHG emissions.

III. INFORMATION RELATING TO GL EVENTS GROUP'S SOCIETAL COMMITMENTS

THINK LOCAL: BEING A RESPONSIBLE REGIONAL STAKEHOLDER

Evaluating, optimising and promoting regional value creation

GL events by definition contributes to and promotes regional development, both through the sites it manages under public-private partnerships and as a stakeholder in large international events.
Conscious of its territorial, economic and social impacts, GL events today focuses on bringing value to its involvement. Through the less operational Think Local programme, this involves conducting research on value in the broad meaning of the term, created by the Group in all territories where it operates. Value thus defined is threefold:

- Economic (indirect benefits from business tourism or subcontracting);
- Intellectual (trade shows, events, congresses provide forums for the transmission and dissemination of knowledge, expertise and innovation);
- Social (face-to-face meetings are increasingly valuable in an ever more virtual world).

This value creation is unique for each of the Group's business lines. Provided below are a few examples to help understand this added value in concrete terms at each of our major business units.

GL events Live

The Package Linking Talents agency has made coordinating and bringing professional communities together its core business. Its Innovative Meeting Solutions division offers events solutions for clusters and regions to promote innovation, collaboration and regional appeal. Package has worked with 25 competitiveness clusters since its creation. In 2012, its work with the Oseo Excellence network was a textbook case. To further innovation and the growth of French companies, the state-owned company Oseo expanded its programme of support and financial assistance by creating a digital network of 2,000 "customers", Oseo Excellence. To develop this community, Package offered Oseo a meeting format to complement the digital networking. At this event, 1,300 individual business meetings were organised, and the community had grown to 5,600 members by the time it closed. Workshops were offered on 40 different topics based on a survey and suggestions sent by Package to community members. The event had major economic and political repercussions and was attended by government representatives, including the President of France.

GL events Exhibitions

GL events Exhibitions organises trade fairs in France and abroad. As these events offer unique opportunities to unite businesses and boost their visibility, GL events Exhibitions sees its role as coordinator for professional communities. The strategy of holding the same trade fair in different regions helps develop local business, working with local economic and governmental representatives. For example, the Enova trade fair, focusing on innovation technologies for research and industry, organised in Paris, was subsequently held in Brittany. Enova Grand Ouest took place after several months of development with technopoles, competitiveness clusters and prestigious regional schools. At the request of exhibitors, Enova was also exported. After preparatory work with the Tunisian-French Chamber of Commerce and Industry, the Tunisian Chamber of Electronics and the Tunisian Foreign Investment Promotion Agency, Enova Tunisia was held for the first time in June 2012.

GL events Venues

In the venue management business, with exhibition parks and conference centres as key drivers to strong economic development, the Group works closely with delegating public authorities and other regional stakeholders (hotel unions, consular chambers) to contribute to regional growth. The events produced by the site (exhibition park) also serve as tools for contributing to the region's economy as they most often relate to the policy for development.

These examples clearly show the positive externalities of our businesses ranging from the most tangible – such as the economic value creation in the regions where we operate, generated by the spending by convention-goers and visitors (e.g. at hotels and restaurants) – to the most abstract, which foster business development by putting people in contact and encouraging them to emulate each other. GL events is now focusing on how to measure this value creation through the deployment of its Think Local programme.

Working with local stakeholders

At both national and corporate levels, GL events works with several organisations:

- A Framework agreement with the French Environment and Energy Management Agency (ADEME) signed in September 2011 providing for reports to this government institution on a regular basis;
- Active participation in the sustainable development commission of the French Federation of Fairs, Trade Shows and Conventions;.
- Membership since 2011 in the network "*IMS entreprendre pour la Cité*", an organisation promoting dialogue on CSR best practices made up of more than 200 French companies including CAC 40 firms;
- Signing of the Diversity Charter, under which an annual report on our action plans and practices must be submitted to Charter management;
- Member of Gesat, a network of sheltered work establishments that promote the employment of disabled workers.

In its business activities, GL events also has a natural relation with the region's stakeholders.

In its public-private partnerships, GL events Venues maintains close ties with the region's delegating public authorities (public-private partnership monitoring committees, reports, correspondence, meetings to launch new regional events). GL events Venues also enjoys tight relations with hotel unions while consular chambers (CCI, CRCI) are important partners.

As part of GL events Live's business as a PCO (Professional Conference or Congress Organiser), the Group works with public authorities in assisting, or even initiating, candidates to host international conferences at a local level, with convention bureaus and tourism offices.

Sponsorship and corporate responsibility

As previously mentioned, GL events supports the association *Sport dans la ville* devoted to promoting the social and professional integration of youth originating from under-resourced urban districts through the value of sports.

In 2012, GL events Group also supported major cultural events such as the Lumière Grand Lyon Film Festival and the world-class dance festival, the Biennale de la Danse.

GL events has continued to support "*Le Petit Monde*", a French non-profit organisation that allows families remain near their children during long-term medical stays by constructing accommodations near hospitals.

RESPONSIBLE SOURCING AND THE MANAGEMENT OF SUBCONTRACTORS

GL events has developed a responsible purchasing policy to improve the security of its supply chain and better manage the environmental and social impacts of its purchases of products and services. The objective of this policy is to incorporate sustainable development goals into the purchasing process.

For this purpose, suppliers are evaluated on their performances in the area of sustainable development. This system has been expanded to new calls for tender for the development of master agreements. Furthermore, to highlight their commitment to these goals, a purchasing charter has been produced that is signed by our main suppliers.

Finally, sustainability criteria are gradually being incorporated into specifications for major supplier consultations and sustainability issues are analysed and ranked according to the type of purchase.

FAIR PRACTICES

Measures for preventing corruption

GL events conducts its operations in strict compliance with applicable laws. A code of conduct provides guidance on applicable rules with respect to conflicts of interest, gifts and invitations, and fair practices in relations with commercial partners.

Consumer health and safety measures

As an industry leader in creating opportunities for people to meet and come together, GL events must guarantee the safety of visitors at sites under its management as well as the safety of equipment we provide for events.

Temporary structures provided are subject to verifications performed by specialised companies to guarantee the safety of visitors and spectators.

The venues under our management, falling under the category of public-access buildings (*Etablissements Recevant du Public* or ERP) are subject to strict safety regulations. A certain number of staff present at these sites, in compliance with applicable regulations, have received safety training for different levels of qualification. The profile and number of the safety personnel present at the site is specifically scaled and adapted to the events being staged.

METHODOLOGY NOTE

ORGANISATION

Reporting boundary

Given the nature of GL events Group's organisation, variable reporting boundaries must be established based on the nature of the indicators.

With this objective, two CSR management levels have been defined:
- An "operating" level for environmental indicators,
- A geographical level for social information involving a distinction between France and other countries.

ENVIRONMENTAL INDICATORS

It is allowed that entities included in the Group in the fiscal year commencing on 1 January are not included within this reporting boundary. These entities will follow procedures for extra-financial reporting for year N+1.
Subsidiaries within the reporting boundary will be taken into account in a manner that is consistent with the consolidated structure.
In the case of subsidiaries where GL events is not a majority-owner though exercises operational control, such entities will be included within the reporting boundary provided that their activities have a material impact.

Considering the nature of GL events' different business activities and the availability of information, it is necessary to provide for exclusions:

Our activities generate material environmental impacts such as high levels of energy consumption, the production of significant quantities of waste and GHG emissions. However, these impacts cannot be considered material for small entities that only propose, for example, commercial services which should in consequence be excluded from the reporting boundary. The trade show organisation activity as such (design, commercial prospecting and logistics coordination) by its nature (as an intellectual service) does not constitute a material environmental impact with respect to our other activities. In contrast, the staging of trade shows generates impacts. The issue then arises as to the possibility of reliably measuring, in light of the multiplicity of locations where trade shows are held and their method of management, since for the most part they do not provide data per marketed event on energy consumption and waste production. In most cases, data per event is simply not available, in particular when our trade shows are not organised within exhibition parks not part of our network of venues. In this case, we are dependent on the management methods of the sites for the reporting of reliable and relevant information. In consequence, environmental indicators are excluded from the reporting boundary for GL events Exhibitions, as long as all parties needed to produce this data are not required or actively committed to adopting a waste and energy reporting system based on actual data per event.

SOCIAL INDICATORS

All quantified social indicators disclosed within the framework of the 2012 report relate to the French reporting boundary except for the indicator on the number of personnel published within an international reporting boundary.

The age structure is published on the basis of a French reporting boundary.

Indicators relating to safety, the number of employees and training concern all employment contracts except for temporary personnel and trainees.

Changes in the age structure (new or departing employees) concern solely permanent contracts.

Reporting guidelines

Within the framework of the implementation of this reporting procedure, GL events has adopted internal reporting guidelines that define the indicators, their boundary and calculation methods. Quantified indicators, where possible, adhere to GRI (Global Reporting Initiative) guidelines.

Methodological explanations and limitations

For the boundary concerned with environmental data that certain data relating to volumes of waste are not available, either on a complete basis or in part for certain entities (for example for certain sites, waste for which removal and processing is assured by the local municipal services, in most cases it is not possible to obtain information on quantities generated). This is in particular the case for the sites of Troyes Expo Cube, the Toulouse Exhibition Centre, Pierre Baudis Convention Centre or the Scarabée multi-purpose hall of Roanne. For certain entities, quantities produced are estimated on the basis of the number of containers removed, container volume (in litres) and factors for the conversion of volume into weight according to type of waste that may involve margins of error (Lyon Convention Centre, Saint-Etienne Convention Centre, the Square Brussels meeting centre).

DATA PROCESS AND CONTROLS

Environmental indicators

The reporting process for indicators is carried out in two manners for the relevant boundary:
- Through accounting channels on a quarterly basis;
- Through a specific monthly balanced scorecard for entities within the ISO 14001 certification boundary.

Data is consolidated by the sustainable development department on an annual basis for the calendar year running from 1 January to 31 December.

Data controls are in consequence performed by different staff members of this department. If the data is not considered plausible with respect to the activity of the entity concerned, this entity will be asked to provide substantiating evidence.

As of 2013, sampling-based consistency checks will be carried out on a quarterly basis for data verification purposes.

Social indicators

Social data within the French boundary originate from the human resources information system (HRIS) and its different components: payroll, training, etc.
Headcount data outside of France is collected on a quarterly basis to supplement this information, and consolidated by the relevant human resources staff.

Consistency checks are performed by the relevant persons based in particular on data from prior years.

ACRONYMS:

ADEME: *L'Agence de l'Environnement et de la Maîtrise de l'Énergie* (French Environment and Energy Management Agency)
AGEFIPH: *Association de Gestion du Fonds pour l'Insertion Professionnelle des personnes Handicapées* (Fund Management Organisation for the Professional Integration of Persons with Disabilities)
BEGES: *Bilan des Emissions de Gaz à Effets de Serre* (a statutory French GHG emissions audit)
CACES: *Certificat d'Aptitude à la Conduite En Sécurité* (training certification for equipment operators)
CCI: *Chambre de Commerce et d'Industrie* (the French Chamber of Commerce and Industry)
CDD: *Contrat à Durée Déterminée* (permanent employment contracts)
CDI: *Contrat à Durée Indéterminée* (fixed-term employment contracts)
CRCI: *Chambre Régionale de Commerce et d'Industrie* (French Regional Chamber of Commerce and Industry)
CHSCT: *Comité d'Hygiène, de Sécurité et des Conditions de Travail* (Health, Safety and Working Conditions Committee)

DSP: *Délégation de Service Public* (a form of public-private partnership concessions)
EMAS: Eco-Management and Audit Scheme

ERP: *Etablissement Recevant du Public* (a public-access building)

FIMO: *Formation Initiale Minimale Obligatoire* (French compulsory minimum initial training certification for professional drivers)

GHG: Greenhouse Gas

LCA: Life Cycle Analysis

LTI: Lost Time Injury

OIT: International Labour Organisation

PCO: Professional Congress Organiser

PPE: Personal Protective Equipment

SSIAP: *Service de Sécurité Incendie et d'Assistance à Personnes* (Fire Safety and Personal Protection Services)

WC: Works Council

STATUTORY AUDITORS ATTESTATION OF DISCLOSURE AND INDEPENDENT LIMITED ASSURANCE REPORT ON SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION PUBLISHED IN THE 2012 MANAGEMENT REPORT OF GL EVENTS GROUP.

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French

In accordance with your request and in our capacity as statutory auditors of GL events Group, we hereby report to you on the consolidated social, environmental and societal information presented in the management report issued for the year ended December 31, 2012 in accordance with the requirements of article L. 225-102-1 of the French Commercial Code (*Code de Commerce*).

Responsibility of the company

The Board of Directors is responsible for the preparation of the management report including the consolidated social, environmental and societal information in accordance with the requirements of Article R. 225-105-1 of the French Commercial Code (hereafter the "Information"), established according to the company's internal reporting standards (the "Guidelines") and which can be obtained from the Group's Sustainable Development Department.

Our independence and quality control

Our independence is defined by regulatory requirements, the Code of Ethics of our profession (*Code de Déontologie*) and Article L.822-11 of the French Commercial Code. In addition, we maintain a comprehensive system of quality control including documented policies and procedures to ensure compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibility of the Auditors

It is our responsibility, on the basis of our work to:

- attest that required Disclosures are presented in the management report or, if not presented, whether an appropriate explanation is given in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (*Code de Commerce*) and Decree no. 2012-557 24 April 2012 (Attestation of Disclosure);
- provide limited assurance on whether the information is fairly presented in all material respects in accordance with the Guidelines adopted (Limited Assurance Report).

In the performance of this engagement, we were assisted by our corporate social responsibility and sustainable development experts.

1. ATTESTATION OF DISCLOSURE

Our engagement was performed in accordance with professional standards applicable in France:

- We compared the Information presented in the management report with the list as provided for in Article R.225-105-1 of the French Commercial Code;
- We verified that the Information covers the consolidated operations, namely the Company and its subsidiaries within the meaning of Article L.233-1 and the controlled entities within the meaning of Article L.233-3 of the French Commercial Code within the limits specified in the description of methodology included in the CSR section of the management report;
- In the event of the omission of certain consolidated information, we verified that an appropriate explanation was given in accordance with Decree no. 2012-557 dated 24 April 2012.

On the basis of our work, we attest that the required Information is presented in the management report.

2. LIMITED ASSURANCE REPORT

Nature and scope of work

We conducted our engagement in accordance with ISAE 3000 (International Standard on Assurance Engagements) and French professional guidance. We performed the following procedures to obtain limited assurance that nothing has come to our attention that causes us to believe that the Information is not fairly presented, in all material respects, in accordance with the Guidelines. A higher level of assurance would have required procedures involving more extensive verifications.

Our work consisted in the following:

- We assessed the appropriateness of the Guidelines as regards their relevance, completeness, neutrality, clarity and reliability, taking into consideration, where applicable, the good practices in the sector.

- We verified that the Company had set up a process for the collection, compilation, processing and control of the Information to ensure its completeness and consistency. We examined the internal control and risk management procedures relating to the preparation of the Information. We conducted interviews with those responsible for social and environmental reporting.

- We selected the consolidated Information to be tested and determined the nature and scope of the tests, taking into consideration their importance with respect to the social and environmental consequences related to the Company's business and characteristics, as well as its societal commitments.

  - Concerning quantified consolidated information[1] that we deemed to be the most important:
    - at the level of the consolidating entity and the controlled entities, we implemented analytical procedures and, based on sampling, verified the calculations and the consolidation of this information;
    - at the level of the entities that we selected1 based on their business, their contribution to the consolidated indicators and a risk analysis:
      - we conducted interviews to verify that the procedures were correctly applied;
      - we performed tests of detail based on sampling, consisting in verifying the calculations made and reconciling the data with the supporting documents.

    The sample thus selected represents 66.4% of the workforce and 100% of quantified environmental information tested.

  - Concerning the qualitative consolidated information we deemed to be the most important, we conducted interviews and reviewed the related documentary sources in order to corroborate this information and assess its fairness.

- As regards the other consolidated information published, we assessed its fairness and consistency in relation to our knowledge of the Company and, where applicable, through interviews or the consultation of documentary sources.

- Finally, we assessed the relevance of the explanations given in the event of the absence of certain information.

Conclusion
Based on our work described in this report, nothing has come to our attention that causes us to believe that the Information is not fairly presented, in all material respects, in accordance with the Guidelines.

Paris-La Défense, 2 April 2013

French original signed by:

Mazars
Eric Gonzalez
Partner

Mazars
Emmanuelle Rigaudias
Partner, Head of the CSR & Sustainable Development Practice

04

MANAGEMENT DISCUSSION AND ANALYSIS & CORPORATE GOVERNANCE

MANAGEMENT DISCUSSION AND ANALYSIS

We have called this combined shareholders' meeting as required by the company's by-laws and French law to report to you on the activity of your company for the period ended 31 December 2012, submit the consolidated and parent company financial statements for this period for your approval and provide you with information about the company's outlook.

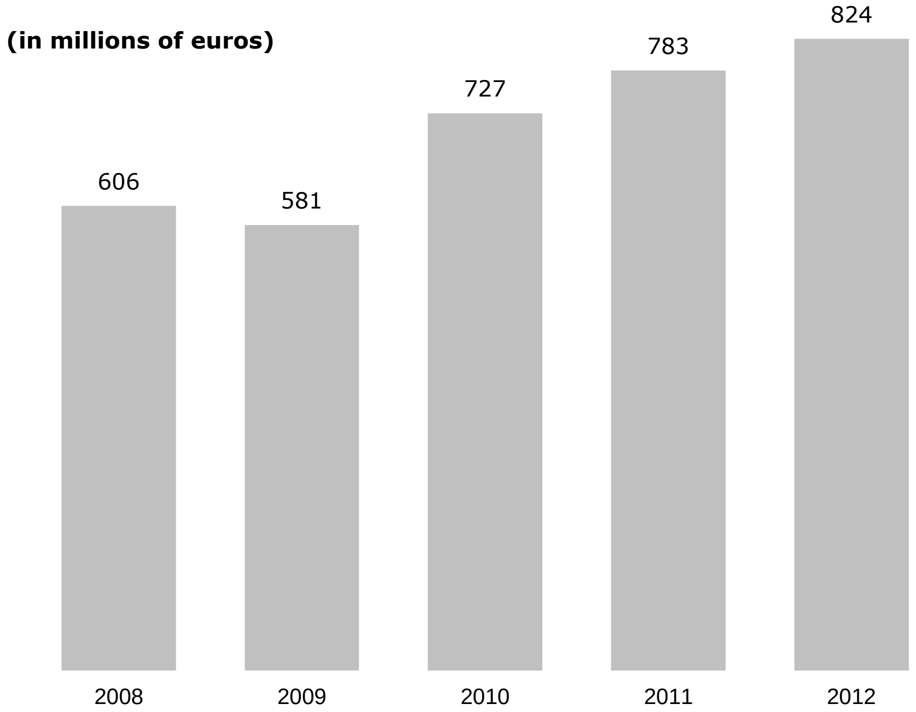
I - PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

In compliance with EC regulation 1606/2002 of 19 July 2002 on international accounting standards, the consolidated financial statements of GL events for the period ending 31 December 2012 were prepared on the basis of IAS/IFRS as adopted by the European Union. The standards and interpretations applied are those published in the Official Journal of the European Union before 31 December 2012.

At 1 January 2012, the Group decided to recognise actuarial gains and losses related to provisions for retirement service benefits under comprehensive income items. Previously, actuarial gains and losses resulting from changes in assumptions were recorded under income or expenses in the period incurred.

A – SITUATION AND ACTIVITY OF THE GROUP IN FISCAL 2012

Revenue



Following 35% growth over the two-year period between 2009 and 2011, GL events achieved further gains in 2012, with revenue of more than €824 million, up 5.3%, (up 4% like-for-like).

The Group continued its forward momentum by leveraging:

- Its presence at the London Olympic Games, RIO+20 summit and the African Cup of Nations;
- Its European leadership to develop recurrent business in a more competitive market environment;
- Key positions in the most attractive business tourism destinations. On that basis, Group revenue rose 33% in Brazil and South Africa and 66% in Turkey;
- The full-year contribution of Serenas, Turkey's leading PCO, and to a lesser degree, Brelet and Slick.

Performance by geographical segments

For the 2012 full year, France accounted for 47% of the Group revenue, Europe 32% and international markets 21%.

(€ thousands)	2008		2009		2010		2011		2012	
Foreign subsidiaries	189,483		185,139		308,509		265,073		318,694	
International sales from French companies	47,403		46,561		65,507		93,241		115,021	
International sales	**236,886**	39%	**231,700**	40%	**374,016**	51%	**358,314**	46%	**433,715**	53%
French sales	**368,815**	61%	**349,680**	60%	**353,176**	49%	**424,397**	54%	**390,526**	47%
Revenue	**605,701**		**581,380**		**727,192**		**782,711**		**824,240**	

GL events operates directly in the following countries:

Europe	Other regions
• EnglandFF • Belgium • Spain • Hungary • Italy • Luxembourg • Netherlands • Portugal • Switzerland	• South Africa • Algeria • Brazil • China • United States • United Arab Emirates • Hong Kong • India • Turkey

Sales by SBU

(€ thousands)	2011	2012
GL events Live	396,851	440,217
GL events Exhibitions	170,796	136,047
GL events Venues	215,063	247,976
Revenue	**782,711**	**824,240**

GL events Live had annual revenue of €440 million, up 11% on 2011 that included noteworthy contributions from event overlay and facilities services for equipping major sports events such as the London Olympic Games. In the fourth quarter, Group achievements included overlay services for the *Rendez-Vous Oseo Excellence* (the Oseo Excellence Meeting), the World Parachuting Championships and the International Jewellery Show in Dubai and the Lyon Festival of Lights.

GL events Exhibitions, with revenue in 2012 of €136 million, performed well in the period when factoring in the unfavourable biennial schedule of events, representing a decline of 20% (-18% like-for-like).

GL events Venues had revenue of €248 million for the full year with strong growth of 15% (17% like-for-like).

B – ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS

- **Operating profit**

The Group's gross margin and the productivity of its teams improved in 2012 from ongoing efforts to adjust its costs and organisation.

GL events also invested in quality event assets to prepare for an exceptional calendar of worldwide events for the 2013-2016 period. The resulting increase in allowances for depreciation, amortisation and reserves (up 12.1% from fiscal 2011 restated to eliminate the provision for India), combined with a relatively difficult year-end for Italian and Hungarian operations, had a marginal adverse impact on Operating Profit that came to €50.6 million (up 5%).

By business, contributions to operating profit for the last five years break down as follows:

(€ thousands)	2011(*)	2012
GL events Live	6,320	27,411
GL events Exhibitions	20,473	8,130
GL events Venues	8,610	15,068
TOTAL	**35,403**	**50,609**

(*) After the Extraordinary provision of €16.3 million for the 2010 Commonwealth Games contract.

- **Net financial expense and profit before tax**

Reflecting both yield curve trends and control of financial debt (€5.4 million, down 19.4%) profit before tax amounted to €45.2 million.

(€ thousands)	2011	2011 (*)	2012
Revenue	782,711	782,711	824,240
Profit before tax	28,691	41,465	45,237
%	**3.7%**	**5.3%**	**5.5%**

(*) Restated for net proceeds from a business disposal and the exceptional provision for the 2010 Commonwealth Games contract.

- **Income tax and net income**

Net income of consolidated operations reached €30.9 million, up 49.3% from FY 2011 on a reported basis and 10% after being restated for net proceeds from a business disposal (€3.5 million) and the Indian provision (€16.3 million).

(€ thousands)	2011	2011 (*)	2012
Profit before tax	28,691	41,465	45,237
Current and deferred tax	(7,949)	(13,375)	(14,329)
Effective tax rate	27.7%	32.2%	31.7%
Consolidated net income	20,742	28,094	30,908

(*) Restated for net proceeds from a business disposal and the exceptional provision for the 2010 Commonwealth Games contract.

The reduced corporate income tax charge in relation to the standard tax rate results from lower rates applicable in certain countries.

- **Contributions of companies acquired in 2012 break down as follows:**

	From acquisitions in the period	Other subsidiaries	Total
Revenue	4,943	819,297	824,240
Operating profit	568	50,041	50,609

C - COMPREHENSIVE ANALYSIS OF GROUP REVENUE, RESULTS AND CASH POSITION AND NOTABLY DEBT

Good operating performances and the rise in allowances for depreciation resulted in Cash Flow of €64.9 million (up 6%) with a minimal change in WCR. Strong operating cash flow generation and proceeds from the capital increase provided resources to finance investments of €110 million, while effectively managing net debt amounting to €227.3 million.

D –INVESTMENT POLICY

The Group's primary tangible assets consist of rental equipment. This capitalised rental equipment is valued at €116.6 million and held mainly by GL events Live. As this equipment is by nature destined for temporary rental in France or other countries according to the programme of events, it cannot in consequence be associated with a specific geographical market.

Commitments with respect to exhibition site investments are described in note 8.4 of the consolidated financial statements.

Capital expenditures over the past three years in relation to revenue and cash flow:

(€ thousands)	2010	2011	2012
Net capital expenditures [(1)]	**44,347**	**36,392**	**94,403**
Revenue	727,192	782,711	824,240
Net capital expenditures / revenue	6.10%	4.65%	11.45%
Cash flow	56,897	61,050	64,803
Net capital expenditures / cash flow	77.9%	59.6%	145.7%

[(1)] Source: consolidated cash flow statements: acquisitions – proceeds from the disposal of tangible and intangible fixed assets

Group investments were largely concentrated in the Live and Venues SBUs for the acquisition of long-term assets. Through these investments, the Group is ideally positioned to accelerate its development over the next four years, particularly in emerging countries.

The breakdown of these capital expenditures is 70% for GL events Live (rental equipment destined for specific customers, equipment renewal and equipment for use under operational leasing agreements), 30% for GL events Venues (maintenance of fittings and installations at venues under management).

These investments are either self-financed or financed through credit lines under club deals.

E – SIGNIFICANT EVENTS OF THE PERIOD

- **Signature of a framework agreement and an investment agreement in Brazil**

  The Group has thus signed with the Rio de Janeiro city government a framework agreement (commercial heads of agreement) providing for the following main items:
  - Hosting the Organising Committee for the FIFA World Cup at Riocentro over 30 months. For this occasion, and until the completion of the works currently in progress, these offices are partially installed in a temporary structure developed by the Group serving as a showcase for GL events' expertise in Brazil;
  - Hosting the International Broadcast Centre at Riocentro for which different halls will be outfitted;
  - 20,000 m^2 of commercial space linked to the activity of the exhibition centre rendered available for marketing;
  - The construction of a 308-room hotel under the Grand Mercure franchise. In a local environment with a significant shortage of hotel space, this project will have two objectives: 1) strengthen the visibility and capacity of the convention centre integrated within Riocentro and 2) support major events coming up and the economic development of Rio de Janeiro in general and the Barra di Tijuca urban economic area currently undergoing a phase of strong development.

- **GL events carried out two capital increases in the form of cash issues:**

  - The first issue was reserved for Sofina for a total amount of €28,499,998.86, including a nominal amount of €6,838,632 and total share premium of €21,661,366.86 through the issuance of 1,709,658 ordinary shares for a subscription price per unit equal to €16.67, i.e. a nominal value of €4 and share premium of €12.67 per share;
  - The second issue maintaining shareholders' pre-emptive subscription rights generated gross proceeds of €42,559,154.98 corresponding to the creation of 3,020,522 new shares.

  The proceeds from these two rights issues will contribute to financing in a balanced manner in conjunction with cash flow, the acceleration of the Group's development in emerging markets for global events like Brazil, Russia, Africa and the Middle East , while taking advantage of development opportunities in Europe, particularly in venue management.

F – EXTERNAL GROWTH – CREATION OF SUBSIDIARIES

GL events' management of Toulouse Exhibition Centre was renewed through a 20-year concession effective on 1 July 2012. The Group was first awarded an management concession for the Exhibition Centre in 2002 and also manages the Toulouse Pierre Baudis Convention Centre.
A company has been created to manage the new concession that had no impact on the 2012 financial statements.

The Urban Community of Greater Toulouse has in this way renewed its confidence in GL events to manage and promote its Exhibition Centre in view of the professionalism and ambitiousness of its proposal and the international network through which it is deployed. Within the framework of a revamped system of governance, this new management will permit the regional governing authorities to define and manage the development strategy for this infrastructure, in close collaboration with GL events.

This management covers the current Exhibition Centre and, starting in March 2016, the future Exhibition Centre.

G – SUBSEQUENT EVENTS

No material event has occurred after the close of the fiscal year.

H – FUTURE OPERATING TRENDS AND OUTLOOK

The Group will pursue its development in 2013 and announces a target for revenue growth above 2% in conjunction with an increased focus on the operating margin and ROCE.
GL events has set a certain number of priorities for geographical expansion that include Brazil, Russia, Africa, Turkey and the Persian Gulf.

In Russia, the Group was awarded a major contract for the 2013 Test Events in preparation for the Sotchi 2014 Winter Olympic Games.

In Brazil, GL events will contribute to the Confederations Cup in June 2013, in advance of the FIFA World Cup 2014 as well as the World Youth Day to be held in Rio de Janeiro from 23 to 28 July.
The Group has very strong positions in Brazil that will host an exceptional number of major worldwide events between now and 2016: the Summer Olympics, the 450th anniversary of the city of Rio de Janeiro. GL events intends to maintain strong growth momentum in this country by supporting these large events as well as institutional and corporate events, against a backdrop of increasing recurring revenue. In this context, the Group is in the final phase of the acquisition announced in September 2012 of a company that will strengthen its presence within GL events Live's offering. In light of these developments, GL events has set a revenue target of €500 million for Brazil between 2013 and 2016.

In the United Kingdom, positions acquired by the Group open up interesting possibilities for upcoming events: the Commonwealth Games to be held in Glasgow in 2014, the 2015 Rugby World Cup, the 2017 World Athletics Championship in London. Spain will host the Men's Handball World Championship in 2013 and France, Euro 2016.

I – RISK FACTORS

After carrying out a review of risks that could have a material adverse effect on its business, financial position or results, the Company does not consider that there exist other risks than those presented below.

Foreign exchange risk

Most of GL events' purchases and sales are in France or euro countries. As such, it is not subject to foreign exchange risk for most of its business.

In the case of major international contracts, specific attention is paid to foreign exchange risk, and hedging is used on a case-by-case basis.
There is not a regular flow of business from foreign subsidiaries which could constitute a structural risk. Expenses incurred by foreign subsidiaries are local charges, most of which are paid in the same currency as the currency of the customer's payment.
The inventory of rental equipment available to foreign subsidiaries consists of durable goods (structures, platforms, screen walls, furniture, etc.). GL events is always able to transfer them to another structure without their intrinsic value being reduced by the fluctuation of exchange rates.

However, in light of the Group's continued international expansion, assets and liabilities in foreign currency are increasing. This could consequently result in more significant translation adjustments.

The value of assets in foreign currency (total balance sheet assets of foreign subsidiaries after subtracting their equity investments in consolidated companies and adding investments in foreign currency of French companies) and liabilities in foreign currency (financial and operating liabilities of foreign subsidiaries) is presented below.

Currencies expressed (€ thousands)	USD	GBP	TRY	HUF	HKD	CNY	ZAR	INR	BRL	AED	Other currencies
Balance sheet											
. Assets in foreign currency	30,673	83,117	20,562	52,789	5,381	3,098	23,957	13,093	93,283	27,131	2,448
. Liabilities in foreign currency	(13,854)	(51,817)	(12,052)	(3,830)	(1,807)	(402)	(9,423)	(11,233)	(62,121)	(26,528)	(1,454)
Net position before hedging	**16,819**	**31,300**	**8,510**	**48,959**	**3,574**	**2,696**	**14,534**	**1,860**	**31,162**	**603**	**994**
Off-balance sheet											
Net position after hedging	**16,819**	**31,300**	**8,510**	**48,959**	**3,574**	**2,696**	**14,534**	**1,860**	**31,162**	**603**	**994**

Interest rate and credit risk

The management of risks related to treasury activities and foreign exchange rates is subject to strict rules defined by Group Management. According to these rules, the Finance Department systematically pools liquid assets, positions and the management of financial instruments. Management is assured through a cash department responsible for daily monitoring of limits, positions and validation of results.

Most debt is indexed on three-month rates. On occasion, all or a portion of the variable-rate long-term debt may be hedged by interest rate swaps. Given the level of debt, market forecasts, fair value adjustments recorded at 31 December 2012 and amounts already hedged, the residual risk is considered low.

Average net floating-rate debt is presented in the table below:

Characteristics of securities issued or debt contracted	Fixed/floating rate	Total credit lines: average gross debt/2012 (€ thousands)	Term	Recourse to hedging
- Medium-term debt indexed on 3 month Euribor	Floating rate	256,428	2013 to 2025	Partial
- Other medium-term borrowings	Fixed rate	39,043	2013 to 2019	No
- Capital lease debt indexed on 3-month Euribor	Floating rate	1,893	2013 to 2018	No
- Other debt from capital leases	Fixed rate	12,541	2013 to 2019	No
- Other borrowings	Floating rate	1,149	2013	No
- Bank credit facilities and overdrafts	Floating rate	14,907	2013	Yes
Total		**325,960**		

If the benchmark (3-month Euribor) increases 1% only the unhedged portion of non-current borrowings would be affected.

Interest rate risk on short-term bank loans is partially hedged by the aggregation of the interest rate ladder of bank account balances that offsets overdrafts by cash at bank and in hand.
Hedging instruments implemented are effective for the period in question.

In addition, a portfolio of money market funds, certificates of deposit and time deposit accounts for an average amount in 2012 of €99 million offsets part of the potential risk from an increase in bank lending rates.

In consequence, an increase of 1% in interest rates at 31 December 2012, based on interest rate hedges in place and the corresponding increase in the return of money market funds, would result in an increase in net financial expense of €1.7 million.

Equity risk

The Group also holds shares in publicly traded companies whose total market value fluctuates in line with financial market trends, valuations of the respective sectors of activity of these companies, economic and financial data for each company. At the end of the reporting period, potential changes in the fair value of these securities are recognised under Group equity or profit and loss until their disposal. Because the amount of these holdings is insignificant, it does not give rise to material risks.

Risks relating to bank covenants

90% of medium to long-term loans are subject to conditions imposed by covenants.

The medium-term Club Deal that alone accounts for 35% of non-current borrowings is subject to compliance with the following covenant ratios:
- Gearing ≤ 120%
- Leverage ≤ 3

At 31 December 2012, GL events Group was in compliance with these covenants.

GL events negotiated terms for new loan agreements in 2012 providing for leverage of up to 3.5.
However, the cross default clauses of our credit facilities provide for compliance with a ratio of 3 for leverage until the Club Deal's term in December 2015.

Customer risks

Customer-related risks are low for three reasons.

GL events' service-oriented culture is focused on satisfying the needs of its clients. Beyond the purely contractual relationships with clients, GL events believes that anticipating market needs, the flexibility of teams, creativity, and the need to always keep project deadlines, strengthen its long-term relationships with organisers, exhibitors and other client enterprises;

The quality of GL events' inventory of rental equipment available for events, excellent maintenance of convention centres and exhibition parks under management and its focus on compliance with existing standards;

A balanced client mix. For fiscal year 2012, only 3 clients accounted for more than €10 million in sales, 15 for between €2 and €10 million and 4 between €1.5 and €2 million. The top ten clients represented 19% of 2012 consolidated revenue (10% in 2011).

The breakdown of accounts receivable aging is presented below:

(€ thousands)	Not due or less than 30 days	Past due 30 to 90 days	Past due more than 90 days	Total
Trade receivables	140,440	4,556	22,080	167,076

Items past due for more 90 days represent mainly the receivable owed by the organisers of the Commonwealth Games of Delhi disclosed in the notes on country risks (page 59).

Liquidity risk

The Group has conducted a specific review of liquidity risk and on that basis considers it has the resources to meet its future obligations. In addition to medium and long-term financing and finance lease agreements, the Group has negotiated through these different entities, short-term credit lines. At 31 December 2012, amounts drawn under these credit lines totalled €15 million (note 5.14 of the consolidated financial statements) In addition, at 31 December 2012, the business operations of GL events Group had generated a net source of funds of €76.3 million. The liquidity risk is in consequence not significant.

Sourcing risks

Sourcing risks are low. The first category of suppliers is comprised of subcontractors who furnish GL events' teams additional expertise for producing events while in all cases, engineering, supervision and coordination always remain under GL events' direct responsibility.

For other significant suppliers (textile, carpets, wood, structure, etc.) there is no situation of dependency that could have a significant impact on the Group's development.

The impact of variations in the price of oil on the cost of transport and other raw materials does not entail a major risk for operations.

For French operations, the top ten suppliers accounted for 11% of purchases in 2012 compared to 12.9% in the previous year.

For the other regions, in general no provider furnishes goods and services to all Group entities.

Operating risks

From the selection of investments to the operating methods for implementing projects, GL events' internal policy is to monitor and effectively manage risks incurred, both with respect to the personnel involved and the public that will use the facilities.

With this objective, special attention is paid to the preparation of projects and anticipating potential problems.
For certain activities involving building facilities to receive the public, safety committees are required in all cases.

For the installations of platforms, inspections by independent outside entities are requested in all cases.

GL events undertakes to satisfy its clients' needs by furnishing services that, taken independently and as a whole, meet the standards of each trade and must be used in accordance with established rules. It is the responsibility of GL events' clients to ensure compliance with these rules of usage during events. GL events insures its liability through a Group civil liability policy.

In addition, business risk must be assessed by taking account of the seasonal nature of the activity and the diverse geographic locations of projects implemented.

Overall, operating risks are considered low.

Market risks

The markets for fairs, exhibitions and events are based on the need for people to meet in order to exchange and share knowledge, (leisure activities, points of view, etc.). Trade shows and exhibitions represent a largely recurring market and the major events benefit from promotion by the development of media. In addition, the organisation, venue management and services businesses operate in all economic sectors and do not have disproportionate exposures in any single sector.

Risks associated with civil disorder, conflicts, health crises may occasionally prevent events from being held.

For this reason, such risks are structurally marginal.

Employee-related risks

GL events' business is not subject to specific employee-related risks. Processes and controls, particularly concerning employment are well managed and comply with industry standards.

GL events decided to launch Think People at the end of 2011. This programme is destined to provide a developmental framework for employee growth within the company (Section 03 page 26).

The Group is a defendant in a limited number of employee-related suits. While the outcome of these procedures is not known, adequate provisions have been made to cover contingent risks at levels that will not adversely affect the Group's financial situation.

There were no employee-related disputes in 2012.

Industrial and environmental risks

GL events manages operations required to conduct its businesses in accordance with regulations in force. As GL events' activities are geared towards the provision of services, the company has not identified any major environmental risks.
GL events is implementing a group-wide sustainable development approach (Section 03 page 34).

Country risks

GL events bases its activities and assets in countries considered politically and economically stable. Its ability to transfer assets from one country to another and the profile of expert channels for business that is frequently international reduce risks if problems arise.

Overall, country risk is considered low, though the Group remains cautious with respect to potential risks in three countries:

- In India, the Organising Committee and the Delhi Development Authority suspended payments of the amounts they owed to suppliers for the Delhi 2010 Commonwealth Games held in Delhi, India in 2010. Among these suppliers was GL Litmus events, a company incorporated in and governed by the laws of India, 70%-held by the Company, and that continues to have a trade receivables balance totalling €16 million still outstanding and owed by these two authorities. In consequence, GL Litmus events initiated arbitration proceedings in accordance with the terms of the contracts concluded with these authorities to obtain payment for the services provided. A €16million provision corresponding to the outstanding amount owed to GL Litmus events had been recorded in the financial statements for the fiscal year ended 31 December 2012.
  GL Litmus events is also subject to several audit procedures and tax claims currently in progress initiated by the Indian authorities.
  As a risk linked to the specific situation of India, these events have not warranted any modifications in terms of the Group's contract documents.

- The difficulties encountered in Italy are linked to the adoption of large-scale economic and tax restructuring measures affecting all economic sectors and particularly the automotive sector,. However, the consensus of economic analysts appears to be that the draconian measures adopted by the Italian government may contribute to a recovery by Italy from the economic crisis before other European countries.

- In Hungary, the economy would appear to require more time for recovery. The Group's commercial teams are actively pursuing efforts to win contracts for events and international congresses in this market and on that basis, a turnaround is expected for sales in Hungary in 2013.

The Group has implemented plans for reducing overhead and direct costs to lower the break-even point for the operating entities concerned in both these two countries.

Legal and tax risks

In the normal course of its activities, the Group is a party in a certain number of legal proceedings and disputes. Although the final outcome of these procedures cannot be ascertained with certainty, potential charges that may be incurred as a result are covered by provisions for contingencies and commitments (note 5.13 of the consolidated financial statements).

In particular, in addition to those procedures mentioned in the section "Country Risks" with respect to GL Litmus events, a suit has been filed by an individual plaintiff against the Riocentro management concession centre located in Rio de Janeiro. This suit seeks to cancel the concession agreement principally on the grounds that the privatisation of the semi-public company that managed Riocentro prior to GL events was allegedly unlawful. This procedure is currently pending and awaiting judgement by the courts. It is moreover noteworthy that the summary procedure initiated seeking to have the concession suspended during the trial on the merits of the principal issue was rejected by the courts with competent jurisdiction. It would appear that filing lawsuits against the granting of concessions is common practice in Brazil. Based on the legal advice of local counsel and the position of Brazilian public authorities, the Group considers it highly improbable that this procedure will be successful. In consequence, no provision has been recorded to this purpose in the Company's accounts.

There are no other governmental proceedings (including any that are pending or threatened of which the Company is aware), which may have or have had during the last 12 months, a material effect on the financial position or profitability of the company and/or Group.

Subcontracting

Group customers are the end users of the services provided. GL events systematically works under its own responsibility. Article 1 of Law No. 75-1334 of 31/12/75 defines subcontracting as "an action whereby a contractor subcontracts under its responsibility to another party referred to as the subcontractor all or part of the performance of the works or public procurement contract concluded with the project owner". In other words, it is "the action whereby a contractor charges another party to perform on its behalf according to certain specifications a portion of the production and services for which it retains final financial responsibility". In consequence, GL events sales does not include subcontracting revenue.

Insurance coverage

All of GL events' operating risks are covered by different insurance companies.
The main insurance policies and insured amounts are as follows:

• **Civil liability**
All bodily injury, property damage and consequential loss.

• **Fire-industrial risks**
Buildings owned or rented by the Group have adequate insurance coverage.

• **All risks coverage subject to special limitations:**
- Earth movements;
- Flooding;
- Recourse and liability.
-

• **Vehicle fleet:** 614 vehicles, 167 trucks and trailers.

Insurance premiums paid for the period totalled €5.4 million

I – LITIGATION AND ARBITRATION PROCEEDINGS

As indicated in the sections on "country risk" and "legal and tax risks" the Group has launched an arbitration proceeding.

K – RESEARCH AND DEVELOPMENT

The company's high degree of innovation and creativity enables it respond to constantly evolving market needs. GL events' engineering departments and business managers, assisted by their staff, pursue ongoing innovations to develop new techniques and logistical solutions to meet increasingly shorter deadlines. In addition, the Group devotes continuing efforts from year to year to strengthen its global offering. This commercial approach is strengthened by GL events' extensive catalogue. On this basis, new products and services are added each year either by internal growth or acquisitions. In contrast, the company does not strictly speaking engage in fundamental research.

L – TRADE PAYABLES AT CLOSING DATE BY MATURITY

At year-end, 60% of trade payables represented less than 30 days' sales outstanding (DSO) compared to 72% in 2011, 31% less than 45 DSO and 9% less than 60 DSO.
The trade payables balance does not include any material debt past due.

II –PRESENTATION OF PARENT COMPANY FINANCIAL STATEMENTS

A –2012 REVIEW OF OPERATIONS, BALANCE SHEET AND INCOME STATEMENT

Revenue of GL events SA for the period amounted to €27,694,000. The coordinating holding company's activity is remunerated through fees from subsidiaries. GL events pursued its expansion through acquisitions of controlling interests in new companies combined with sustained internal growth by Group subsidiaries.

B -COMPREHENSIVE ANALYSIS OF THE COMPANY'S CASH POSITION AND DEBT

A cash pool agreement exists between GL events and the majority of Group subsidiaries. In consequence, an analysis of the financial position and debt must be carried out in reference to the entire Group. For this purpose refer to the first part (presentation of the consolidated financial statements) of the management discussion and analysis mentioned above in section I.

C - MATERIAL SUBSEQUENT EVENTS

No material events have occurred after the close of the fiscal year.

D – FUTURE OPERATING TRENDS AND OUTLOOK

GL events, as the Group’s management holding company, will in the future continue to assume the same functions without any notable changes.

E – RESEARCH AND DEVELOPMENT

Refer to the Group management discussion and analysis mentioned in paragraph K of the first section (presentation of the consolidated financial statements, preceding page).

F - RESULTS AND APPROPRIATION OF INCOME

A proposal will be made to the Ordinary General Meeting to approve the determination and appropriation of the distributable amounts:

Determination of distributable amounts

Net income for the period	€15,486,760.46
Retained earnings	€14,101,641.83
Distributable amount	**€29,588,402.29**

Proposed appropriation

Legal reserve	€ 774,338.02
Dividends or €0.60 per share (x 22,653,920(*))	€ 13,592,352.00
Retained earnings	€ 15,221,712.27
TOTAL	**€ 29,588,402.29**

(*) Number of shares at 1 March 2013 based on stock options and warrants exercised and subject to the exercise of stock options and warrants prior to the general meeting.

The company’s shareholders' equity after distribution would be €293,585,000.

As required by law, dividends distributed for the last three financial periods are disclosed below:

Fiscal year	Net dividend	Rebate (*)
31/12/2009	€ 0.90	€ 0.36
31/12/2010	€ 0.90	€ 0.36
31/12/2011	€ 0.45	€ 0.18

(*) Individual investors are eligible for a 40% tax rebate for dividends distributed in 2012, 2011 and 2010 for fiscal years 2011, 2010 and 2009.

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In compliance with the provisions of Article 243 *bis* of the French General Tax Code, shareholders duly note that the breakdown of the dividend eligible for the 40% tax deduction provided for under article 158 of the French General Tax Code is as follows:

Year	Registered shares held by individuals (*)	Registered shares held by legal entities	Dividend eligible for a 40% tax rebate	Dividend not eligible for a 40% tax rebate
31/12/2012	7,787,580		€ 4,672,548	
		14,866,340		€ 8,919,804

(*) Under this heading are included by default all bearer shares including those that may be held by legal entities.

The General Meeting duly noted that French social taxes (CSG – CRDS) on investment income will be withheld by the Company, as well as, as applicable, the compulsory withholding tax (*prélèvement à la source obligatoire non libératoire*) of 21% for payment to the tax authorities no later than within the first fifteen days of the month following the payment of the dividend. On that basis, the amount of dividends reverting to natural persons has been reduced by 15.5% from French social taxes and 21% under the compulsory withholding tax.

Disallowed deductions

Pursuant to the provisions of Article 223 *quater* and *quinquies* of the French General Tax Code, the financial statements for the year under review include a fraction of €29,771 that do not qualify for tax deductions by virtue of article 39-4 of this code.

G –SUBSIDIARIES AND NON-CONSOLIDATED COMPANIES

Refer to Note 10 of the parent company financial statements on page 140.

- **Material equity interests acquired in companies having their registered offices in France or the acquisition of controlling interests in such companies in the period (articles L233-6 and L 247-1 of the French Commercial Code)**

More than 5% of the capital: None
More than 10% of the capital: None
More than 15% of the capital: None
More than 20% of the capital: None
More than 25% of the capital: None
More than 33.3% of the capital None
More than 50% of the capital: None
More than 66% of the capital None
More than 90% of the capital None
More than 95% of the capital GL events Scarabée

- **Transfer of shares undertaken to regularise the situation of cross shareholdings**

None.

- **Identity of holders of material shareholdings (article L233-13 of the French Commercial Code)**

Breakdown of ownership of GL events' share capital at year-end:

(number of shares)	**31/12/2012**		**31/12/2011**	
Polygone S.A.	11,848,734	52.30%	10,202,024	56.92%
Sofina	1,972,682	8.71%		
CM CIC Capital Investissements	1,044,924	4.61%	905,602	5.05%
Free float	7,787,580	34.38%	6,816,114	38.03%
Total share capital	**22,653,920**	**100%**	**17,923,740**	**100%**

H - RELATED-PARTY AGREEMENTS GOVERNED BY ARTICLES L. 225-38 OF THE FRENCH COMMERCIAL CODE

Pursuant to Article L. 225-40 of the French Commercial Code, we ask that you approve the agreements referred to in Article L. 225-38 of said Code and concluded or pursued during the year ended, after having been duly authorised by your Board of Directors.

The auditors have been duly notified of these agreements that are described in their special report on related party agreements.

The Board of Directors duly requests that you approve the resolutions that will be submitted to the annual shareholders' meeting.

I – AUTHORISATIONS FOR CAPITAL INCREASES GRANTED TO THE BOARD OF DIRECTORS

We inform you that in accordance with articles L 225-129-1 and L 225-129-2 of the French Commercial Code the following authorisations have been granted to the Board of Directors:

Nature of authorisations	Type of transaction	Securities to be issued	Authorised amount of capital increases	Authorisations used in the period
Delegation of authority	Rights issue with or without pre-emptive subscription rights	Shares or securities giving access to the share capital	Nominal value of €60 million	Nominal value of €19 million

J – FIVE-YEAR FINANCIAL SUMMARY

(in euros except personnel data)	2008	2009	2010	2011	2012
I. Capital at year-end					
a. Share capital	71,694,960	71,694,960	71,694,960	71,694,960	90,615,680
b. Number of existing common shares	17,923,740	17,923,740	17,923,740	17,923,740	22,653,920
c. Number of existing shares with priority dividends (without voting rights)					
d. Maximum number of future shares to be issued:					
d1. By conversion the bonds					
d2. By exercising subscription rights					
d3. By exercising warrants	115,500		44,500	61,850	83,550
II. Operations and income for the year					
a. Sales ex-VAT	22,783,047	20,788,247	24,181,500	24,439,214	27,694,037
b. Income before tax employee profit-sharing and depreciation allowance and provisions	12,002,085	7,802,631	7,959,551	16,158,698	19,523,541
c. Tax on profits	(4,920,645)	(7,193,090)	(3,651,320)	(7,720,952)	(3,998,956)
d. Employee profit sharing owed in respect of the financial year					
e. Income after tax, employee profit-sharing and depreciation allowances and provisions	6,164,513	16,294,666	10,639,109	14,641,808	15,486,760
f. Distributed profit	16,131,366	16,131,366	16,131,366	8,065,683	13,592,352
III. Earnings per share					
a. Income after tax and employee profit-sharing but before depreciation allowances and provisions	0.94	0.98	0.54	1.33	1.04
b. Income after tax employee profit-sharing and depreciation allowance and provisions	0.34	0.91	0.59	0.82	0.68
c. Dividend per share	0.90	0.90	0.90	0.45	0.60
IV. Staff costs					
a. Average staff	8	6	7	7	7
b. Annual payroll	1,349,984	1,527,343	1,369,971	1,767,208	1,447,060
c. Total of amounts paid for social benefits for the year (social security, social services, etc.)	848,443	1,295,639	621,386	1,753,429	807,243

K - INVESTMENTS

Non-consolidated companies (French and foreign)

The full list of GL Events' French and foreign holdings is given in the table of subsidiaries and holdings.

Investment securities		Number of shares	Carrying value (thousands of euros)
French:	GL events treasury shares	360,956	6,432
	Money market funds, time deposit accounts		49,660

L –ITEMS WITH POTENTIAL IMPACTS IN CONNECTION WITH PUBLIC OFFERINGS

In accordance with article L.225-100-3, the following information is provided:

- The shareholder structure and direct and indirect shareholdings known to the company and all related information are described in the Shareholder Information chapter on page 148;
- On 5 November 2012, Sofina and Messrs. Olivier Ginon and Olivier Roux, executed a shareholders agreement relating to GL events, with a term ending on 31 December 2025. The main terms and conditions of this agreement are described on page 156.
- Shares with special rights are described on page 151;
- At fiscal year-end employees of GL events and affiliated companies under the terms of article L 225-180 had no shareholdings in GL events' capital within the framework of an employee stock ownership plan (*plan d'épargne*

d'entreprise or PEE) provided for under articles L 3332-1 *et seq*. of the French labour code; On the same date, the same employees had no shareholdings in the capital of GL events within the framework of a company mutual fund (*fonds commun de placement d'entreprise*);
- Rules concerning the appointment and replacement of members of the Board of Directors are those of common law;
- Concerning the powers of the Board of Directors, authorisations in progress are described on page 162 (share repurchase program);
-There are no agreements providing for severance benefits for members of the Board of Directors in the event of the termination of functions as board members;
- There are no restrictions under the articles of association on the exercise of voting rights and the transfer of shares.

The breakdown of share capital and voting rights is presented on page 128.

In accordance with the provisions of L225-211 of the French Commercial Code, information concerning transactions in own shares is provided in section 5 on page 112 and section 6 on page 155.

M –SUMMARY OF SECURITY TRANSACTIONS BY DIRECTORS AND OFFICERS

None.

N – EMPLOYEE STOCK OWNERSHIP PLANS

At fiscal year-end employees of GL events and affiliated companies under the terms of article L 225-180 had no shareholdings in the capital of GL events within the framework of an employee stock ownership plan (*plan d'épargne d'entreprise* or PEE) provided for under articles L 3332-1 *et seq*. of the French labour code.

On the same date, the same employees had no shareholdings in the capital of GL events within the framework of a company mutual fund (*fonds commun de placement d'entreprise*);

The combined shareholders' meeting of 27 April 2012 that granted full powers to the Board of Directors to issue shares or other securities of the company giving access to the capital, with or without pre-emptive subscription rights, also voted on a resolution proposing a rights issue for company employees through the issuance of new cash shares in accordance with the conditions provided for under article L 3332-1 *et seq*. of the French labour code. This resolution was rejected by the shareholders' meeting of 27 April 2012.

The Group implemented a bonus share plan providing for the grant of 10 bonus shares (plan 6) for all employees of the French companies of the Group. The vesting conditions for these shares are described on page 152.

O – CHOICE OF PROCEDURES FOR THE RETENTION BY OFFICERS OF BONUS SHARES AND THE EXERCISE OF STOCK OPTIONS

Olivier Ferraton (an executive officer within the meaning of Articles L.225-197-1 II subsection 4 and L.225-185 subsection 4) qualifies for the same procedures for the retention of bonus shares (plans 5 and 6) or stock options (plan 13). These conditions are described in detail on page 152 and 153.

P - ITEMS USED IN THE CALCULATION AND RESULTS OF ADJUSTMENTS OF THE BASIS FOR CONVERSION AND CONDITIONS FOR THE SUBSCRIPTION OR EXERCISE OF SECURITIES CONFERRING ACCESS TO CAPITAL OR THE SUBSCRIPTION OR PURCHASE OF SHARES

None.

Q –SHARE BUYBACK PROGRAM

Within the framework of the share repurchase program renewed by the General Meeting of 27 April 2012, the following transactions were undertaken during the course of 2012:

(number of shares)	31/12/2011	Acquisitions	Disposals	31/12/2012
- Treasury shares	243,255	119,486	1,785	360,956
- Liquidity agreement	19,950	351,005	364,803	6,152

R –INFORMATION ON THE SOCIAL AND ENVIRONMENTAL IMPACTS OF THE COMPANY'S ACTIVITY

While the activity of the Company does not have any social impacts, GL events has adopted a group-wide sustainable development approach (Section 03 page 26)

S - PRICE FLUCTUATION RISKS

None

T – PECUNIARY PENALTIES IMPOSED FOR ANTI-COMPETITIVE PRACTICES

None

U – KEY RISKS AND UNCERTAINTIES – USE OF FINANCIAL INSTRUMENTS

Refer to the section in the Group management report mentioned in paragraph I of the first part of this section (presentation of the consolidated financial statements).

V – INFORMATION REGARDING THE MATURITY OF THE TRADE PAYABLES

In compliance with articles L.441-6-1 and D.441-4 of the French Commercial Code, we inform you that at the end of the fiscal year, the balance of trade payables, broken down by maturity was as follows:

31/12/2012 (€ thousands)	Less than 30 days	30 to 60 days	Greater than 60 days	Total
Accrued payables	803	7,785		8,588
Payables past due			259	259
Total trade payables	**803**	**7,785**	**259**	**8,847**
31/12/2011 (€ thousands)	**Less than 30 days**	**30 to 60 days**	**Greater than 60 days**	**Total**
Accrued payables	3,005	1,466		4,471
Payables past due	66		251	317
Total trade payables	**3,071**	**1,466**	**251**	**4,788**

II | ADDITIONAL BOARD REPORTS

SPECIAL REPORT ON TRANSACTIONS BY THE COMPANY OR AFFILIATED COMPANIES CONCERNING OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES RESERVED FOR SALARIED EMPLOYEES AND OFFICERS (ARTICLE L 225-184 OF THE FRENCH COMMERCIAL CODE)

Refer to page 151 of the registration document

SPECIAL REPORT ON TRANSACTIONS BY THE COMPANY OR AFFILIATED COMPANIES ON THE ALLOTMENT OF FREE SHARES TO SALARIED EMPLOYEES AND OFFICERS (ARTICLE L 225-197-4 OF THE FRENCH COMMERCIAL CODE)

Refer to page 152 of the registration document

REPORT OF THE BOARD OF DIRECTORS ON RESOLUTIONS FIVE TO ELEVEN SUBMITTED TO THE COMBINED SHAREHOLDERS' MEETING OF 26 APRIL 2013

1/ SETTING OF ATTENDANCE FEES

We propose that an amount of €201,000 be set for attendance fees.

2/ AUTHORITY OF THE BOARD OF DIRECTORS TO BUY BACK SHARES OF THE COMPANY

The Annual General Meeting of 27 April 2012 authorised the Board of Directors, in compliance with articles L 225-209 *et seq*. of the French Commercial Code, to purchase shares of the company, not to exceed 10% the number of shares representing the share capital of the company on the date of this meeting (including treasury shares currently held).

The shareholders' meeting of 27 April 2012 granted this authorisation for 18 months effective as of 27 April 2012.

Because this authorisation expires on 27 October 2013, it is proposed that the Board of Directors be granted a new authorisation to purchase shares of the company.

The maximum amount of shares that may be purchased under this authorisation granted to the Board of Directors may not exceed 10% the number of shares comprising the share capital of the company on the date of the meeting (including treasury shares currently held), under the following conditions:

The maximum purchase price per share under this authorisation is €80 (excluding execution fees). In the event of equity transactions including notably the capitalisation of reserves and the grant of bonus shares, stock splits or reverse splits, or a modification of the nominal value of the shares, this price will be adjusted in consequence.

On this basis, the maximum funds destined for this share repurchase program would be €151,862,720 calculated on the basis of share capital at 1 March 2013 with 367,108 treasury shares held on the same date. This maximum amount may be adjusted to take into account the amount of capital on the date of the general meeting.

This authorisation is granted for the following purposes:

- Grants of shares to employees or corporate officers of the company and French or foreign companies or groups of companies related thereto according to the procedures provided by law, and notably in connection with employee profit-sharing, stock ownership or company savings plans, stock option programs or the grant of bonus shares;
- Hold shares for subsequent use as a means of payment or exchange in connection with acquisitions, in compliance with market practices admitted by the AMF (*Autorité des Marchés Financiers*) and subject to the limits provided for under paragraph 6 of article L.225-209 of the French Commercial Code;
- Ensure the liquidity of the market of the company's share through an independent investment service provider within the framework of a liquidity agreement in compliance with conduct of business rules

admitted by the AMF, it being specified that the number of shares taken into account to calculate the aforementioned 10% limit corresponds to shares purchased minus the number of shares sold over the duration of this authorisation;
- Reduce the share capital of the company, in accordance with resolution seven of this general meeting, subject to its adoption;
- Remit shares following the exercise of rights attached to securities giving immediate or future access to shares;
- Engage in any market practice subsequently admitted by law or the AMF.

The shares may be acquired, sold or transferred, on one or more occasions, by any means and at any time, including during takeover bids, on or off-market, and notably over-the-counter and including through block trades or recourse to derivative financial instruments and the purchase of stock purchase options in compliance with applicable regulations.

In compliance with article L.225-209 paragraph 3 of the French Commercial Code, the Board of Directors grants full powers to its Chief Executive Officer to proceed with one or more share repurchase programs, whereby the Chief Executive Officer must report to the Board of Directors on usages of this authority.

All powers are granted to the Board of Directors, which it may in turn further delegate, to implement this authorisation and notably to:

- Produce, as applicable, a description of the program mentioned under article 241-2 of the AMF General Regulation and publish the procedures in accordance with article 221-3 of this Regulation, before proceeding with a share repurchase program;
- Place all stock market orders, sign all purchase, sale or transfer agreements;
- Conclude all agreements and carry out all formalities and all other measures required for the application of this authorisation.

This authorisation may be granted for eighteen months from the date of this meeting, in compliance with the provisions of article L 225-209 subsection 1 of the French Commercial Code.

3/ AUTHORITY OF THE BOARD OF DIRECTORS TO REDUCE THE SHARE CAPITAL THROUGH THE CANCELLATION OF TREASURY SHARES

Subject to adoption of the resolution to grant the Board of Directors authority to repurchase shares of the company referred to above in point 2, it is requested that the Board of Directors be authorised to:
- Cancel shares acquired under said resolution and previous authorisations, on one or more occasions, subject to a limit of 10% of the share capital on the date of the Board of Directors' decision to cancel the shares and per 24 month period and reduce in consequence the share capital of the company;
- Adjust, as necessary, the rights of holders of securities giving access to the share capital and stock options or stock purchase options for which issuance may have previously been decided and is still outstanding on the date the capital reduction is carried out.

All powers are granted to the Board of Directors, which it may in turn further delegate, to implement this authorisation and notably to:
- Make all decisions concerning cancellations or reductions of capital;
- Allocate the difference between the purchase price of potential shares and their par value to reserve accounts of its choosing including "additional paid-in capital;
- Take all measures, make all declarations, fulfil all formalities, including declarations with the AMF;
- Amend the articles of association of the company in consequence;
- And in general, undertake all that is necessary.

This authorisation may be granted for 18 months from the date of the meeting.
The Auditors' special report on this proposal will be presented.

4/ AUTHORITY OF THE BOARD OF DIRECTORS TO INCREASE THE CAPITAL FOR PAYMENTS OF CONTRIBUTIONS IN KIND

The Extraordinary General Meeting of 29 April of 2011 granted the Board of Directors, in accordance with the provisions of article L 225-147 of the French commercial code, all powers to decide, subject to the limit of 10% of the share capital, to proceed with one or more capital increases, immediately or in the future, for the purpose of the payment of contributions in kind granted to the company consisting of equity securities or other securities conferring access to the share capital.

The General Meeting of 29 April 2011 granted this authorisation for 26 months from the date of said meeting.

Because this authorisation expires on 24 June 2013, it is proposed that the Board of Directors be granted a new authorisation to proceed with capital increases for the purpose of the payment of contributions in kind.

This authority granted to the Board of Directors will unable it to proceed with the issue of ordinary shares of the company or securities conferring present or future access to the share capital by any means, to existing or future ordinary shares of the company for the purpose of payment of contributions in kind granted to the company consisting of equity securities or other securities conferring access to the share capital when the provisions of article L225-148 of the French Commercial Code are not applicable, under the following conditions:

- The pre-emptive subscription rights of shareholders of ordinary shares and securities thus issued will be cancelled in favour of the holders of shares or securities concerned by contributions in-kind;
- The maximum nominal amount of the capital increase, immediate or future, resulting from the issues carried out under this authority shall not exceed 10% the company's share capital (on the basis of the amount on the date of this meeting);
- This authorisation shall constitute a waiver by existing shareholders of their preferential subscription rights to the ordinary shares they may be entitled to through the securities that may be issued on the basis of this authority.

The Board of Directors will be vested with all powers to implement this resolution, and notably to establish the list of equity shares or securities tendered, determine the share exchange rate, and when applicable the balance to be paid in cash, rule on the basis of the report of the equity auditor(s) mentioned in the 1st and 2nd paragraphs of article L. 225-147, on the evaluation of the contributions and the grant of special benefits, record the completion of the capital increases undertaken by virtue of this authority, amend the company's articles of association in consequence, and in general undertake all formalities and representations necessary for the completion of the contribution.

5/ MODIFICATION OF ARTICLE 21 OF THE ARTICLES OF ASSOCIATION

We propose that subsection four of Article 21 of the articles of association be cancelled and replaced to henceforth read as follows:

"*It grants to the Board the authorisations that the latter considers warranted to request and that are not reserved to the extraordinary general meeting*."

6/ MODIFICATION OF ARTICLE 23 OF THE ARTICLES OF ASSOCIATION

We propose that subsection three of Article 23 of the articles of association with respect to the authority of general meetings be cancelled and replaced to henceforth read as follows:

"*3. A shareholder may be represented by another shareholder or by his or her spouse or civil law partner.*
The shareholder may be represented by any other individual or legal entity of his or her choice.
The grant of this proxy, and, as applicable, its revocation shall be in writing and notified to the company. This proxy shall be revoked in the same manner that the proxy holder is designated.
A shareholder not domiciled in France whose shares are registered in the name of an intermediary under the conditions fixed in Article L. 228-1 of the French Commercial Code may be represented by this intermediary."

7/ REAPPOINTMENT OF A DIRECTOR

We inform you that Yves-Claude Abescat's term of office as director expires at the combined shareholders' meeting of 26 April 2013.

We consequently propose that his appointment be renewed for four years or until the annual shareholders' meeting to be held in 2017 called to approve the financial statements for the fiscal year ending 31 December 2016.

SUPPLEMENTAL REPORT OF THE BOARD OF DIRECTORS OF 1 MARCH 2013

This report, drawn up in accordance with Articles R. 225-116 and R. 225-117 of the French Commercial Code, describes the conditions according to which the Chairman-Chief Executive Officer decided, on 5 November 2012 to proceed with (i) the rights issue in favour of Sofina, a Belgian public limited company (*Société Anonyme*) incorporated under and governed by Belgian law whose registered office is 31, rue de l'Industrie – 1040 Brussels (Belgium), registered in the Register of Legal Entities (*Registre des Personnes Morales*) under No. 0403.219.397 ("Sofina"), for a nominal amount of six million eight hundred thirty-eight thousand six hundred thirty-two euros (€6,838,632), by the issue of one million seven hundred nine thousand six hundred fifty-eight (1,709,658) new shares and (ii) the rights issue, maintaining pre-emptive subscription rights of existing shareholders, for a nominal amount of twelve million eighty-two thousand eighty-eight euros (€12,082,088), by the issue of three million twenty thousand five hundred twenty-two (3,020,522) new shares, on authority that was further delegated to the Board of Directors (the "Board") of 31 October 2012, in accordance with the authorities granted to the Board under the first resolution of the ordinary and extraordinary general meeting of the shareholders of the company of 31 October 2012 and the eighth resolution of the ordinary and extraordinary general meeting of the shareholders of the Company of 27 April 2012.

This report furthermore describes for information, the terms under which Polygone, a French public limited company (*Société Anonyme*) with a share capital of €14,039,715, having its headquarters at Route d'Irigny - Zone Industrielle, 69530 Brignais (France) and registered in the Lyon Companies Register (RCS) under No. 412 768 681, holding more than one half the share capital of the Company ("Polygone") issued six hundred ninety-five thousand six hundred and three (695,603) bonds (*obligations remboursables en actions* or "ORA") redeemable in GL events shares in favour of Sofina, in accordance with the authorisation granted by the ordinary and extraordinary general meeting of the shareholders of the company of 31 October 2012.

I - CAPITAL INCREASE IN THE FORM OF A CASH ISSUE IN FAVOUR OF SOFINA

Final terms and conditions of the capital increase in favour of Sofina

The Board recalls that the first resolution of the ordinary and extraordinary general meeting of the shareholders of the Company of 31 October 2012 granted to the Board, with the authority to further delegate, its powers to proceed with a capital increase in the form of a cash issue, in favour of a specifically named party, for a total maximum amount of twenty-eight million five hundred thousand euros (€28,500,000), including share premium (the "**Maximum Amount**"); and decided that:

- The new ordinary shares will be issued at a unit price equal to the volume-weighted average price (VWAP) of the GL events share on NYSE Euronext Paris calculated over the ten trading days preceding the price-fixing date for the subscription price for the rights issue, subject to a discount of 3%, where this price per share may not be less than the volume-weighted average price of the GL events share on Euronext Paris calculated over a period of three trading days preceding the price-fixing date minus a discount of 5% (the "Subscription Price");
- The number of new ordinary shares to be issued will equal the quotient resulting from the Maximum Amount divided by the Subscription Price, rounded down to the next whole number, without exceeding 2,850,000 shares with a par value of €4 per share or a total nominal amount of €11,400,000;
- The new shares will be fully paid up at the time of the subscription by payment in cash;
- The new shares will have a date of record and carry rights to dividends on the first day of the fiscal year in which the capital increase was carried out and will be created, subject to all provisions of the articles of association and shall rank *pari passu* with existing shares;

This authority of the ordinary and extraordinary general meeting of the Company was granted to the Board for a period of eighteen (18) months from the aforementioned meeting date.

The Board also recalled that the first resolution of the ordinary and extraordinary general meeting of the Company of 31 October 2012 granted all its powers to the Board, which it may further delegate, for the purpose of implementing and completing the capital increase mentioned in this first resolution.

The Board furthermore noted that the ordinary and extraordinary general meeting of the Company of 31 October 2012 decided in the second resolution to cancel the pre-emptive subscription rights of shareholders of the

Company with respect to the capital increase mentioned in the first resolution and to reserve the entire amount of shares available for subscription under this capital increase for Sofina.

By virtue of the aforementioned authority, on 31 October 2012, the Board:

- noted the fulfilment of the condition precedent provided for in the first resolution of the ordinary and extraordinary general meeting of the shareholders of the Company of 31 October 2012;

- decided, within the framework of the authorisation granted in the first resolution of the ordinary and extraordinary general meeting of the shareholders of the Company of 31 October 2012, the principle of a capital increase in favour of Sofina for a total maximum amount of twenty-eight million five hundred thousand euros (€28,500,000) share premium included;

- sub-delegated to the Chairman-Chief Executive Officer, with the authority to be further delegated, until 31 December 2012, its powers to implement and complete the capital increase decided in the first resolution of the ordinary and extraordinary general meeting of the shareholders of the Company of 31 October 2012, notably for the following purposes:

    - set the final procedures for the capital increase, including setting the Subscription Price in accordance with the criteria set forth in this resolution of the ordinary and extraordinary general meeting of the shareholders of the company of 31 October 2012, by deducting the number of new shares to be issued and the exact amount of the capital increase, determining the subscription period for shares to be issued and closing the subscription period in advance when the total number of subscription rights for new shares have been taken up;

    - Receive subscription requests for new shares as well as the corresponding payments;

    - Record the subscription and payment of shares issued and the resulting amount of the share capital, and amend the Company's corresponding articles of association in consequence;

    - Withdraw the funds from their depository;

    - Take all measures and carrying out all formalities required for the new shares issued to be admitted to trading on NYSE Euronext Paris;

    - At its sole initiative, deduct the cost of the capital increase from the corresponding issue premium and set aside from this amount the amounts required to fund the legal reserve; and

    - undertake out all actions and formalities, in particular involving public notices, required to complete the capital increase.

By virtue of the sub-delegated authority mentioned above, on 5 November 2012, the Chairman-Chief Executive Officer:

- decided to increase the Company's capital through a cash issue, cancelling the pre-emptive subscription rights of shareholders of the Company in favour of Sofina for a nominal amount of six million eight hundred thirty-eight thousand six hundred thirty-two euros (€6,838,632), by the issue of one million seven hundred nine thousand six hundred fifty-eight (1,709,658) new shares with a nominal value of fours euros (€4);

- decided to fix the subscription price per share at sixteen euros and sixty-seven centimes (€16.67), or a discount of 3% in relation to the volume-weighted average price (VWAP) of the GL events share on NYSE Euronext Paris calculated over the ten trading days preceding the price-fixing date for the subscription price for the rights issue from 22 October 2012 to 2 November 2012 inclusive, including a nominal value of fours euros (€4) and twelve euros and sixty-seven centimes (€12.67) of share premium per new share, for a total capital increase of twenty-eight million four hundred ninety-nine thousand nine hundred ninety-eight euros and eighty-six centimes (€28,499,998.86), including share premium;

- decided that shares issued within the framework of the reserved capital increase will carry dividend rights in the year of issue, and from their creation be fungible and rank *pari passu* with existing shares and subject to all provisions of the articles of association;

- decided that the share subscription period will be open from 5 November to 6 November 2012 inclusive;

- decided that the subscription price must be fully paid up in cash both for the nominal amount and share premium at the time of subscription; and
- decided that costs inherent to the reserved capital increase be charged to share premium;
- decided that the other procedures and characteristics of the reserved capital increase are those set forth in the prospectus that was registered with the AMF, the French financial market authority, on 17 October 2012;
- decided to apply for the admission of the new shares to trading on the regulated market of NYSE Euronext Paris.

Impact of the capital increase in favour of Sofina on the Company's net equity

The Board indicated that if the full amount of the one million seven hundred nine thousand six hundred fifty-eight (1,709,658) new shares were taken up and paid, the impact of the capital increase in favour of Sofina on the Company's net equity, taking into account all shares that may be issued giving access to the capital, would be as described below in the following table:

- Net equity at 30 June 2012: €234,843,893.66;
- Number of shares 17,923,740.

	Shareholders' equity	Number of shares comprising the share capital	Securities issued	Amount of equity per share
Equity capital 30 June 2012	€ 234,843,893.66	17.923.740	N/A	€ 13.10
Equity after subscription and payment of 1,709,658 shares	€ 263.343.892,52	19.633.398	1.709.658	€ 13.41

Theoretical impact of the capital increase in favour of Sofina on the current trading value on the market of the Company's shares

The Board indicated that if the full amount of the one million seven hundred nine thousand six hundred fifty-eight (1,709,658) new shares were taken up and paid, the theoretical impact of the capital increase in favour of Sofina on the current trading value of the Company's share, taking into account all shares that may be issued giving access to the capital, would be as described below:

- The current market value of a share of the Company (defined as the average of the preceding twenty (20) trading days, or from a October 2012 to 2 November 2012 inclusive): €16.87;
- The theoretical trading value of a share of the Company after subscription and payment of 1,709,658 new ordinary shares: € 16.9

Impact of the capital increase in favour of Sofina on holdings of the Company's shareholders

The Board notes that on 30 September 2012, the breakdown of the Company's share capital was as follows:

Shareholder structure of the Company on 30 September 2012

	Number of shares	Percentage of capital	Number of voting rights	Percentage of voting rights
Olivier Ginon	16,986	0.09	16,986	0.06
Le Grand Rey	45,248	0.25	45,248	0.16
Subtotal - Olivier Ginon	*62,234*	*0.35*	*62,234*	*0.22*
Olivier Roux	4,200	0.02	8,400	0.03
Polygone SA	10,268,902	57.29	19,942,789	69.04
Total concert parties	***10,335,336***	***57.66***	***20,013,423***	***69.28***
CM-CIC Investissement	905,602	5.05	1,811,204	6.27
Other company officers	100,466	0.56	175.267175,267	0.61
Treasury shares	258.390	1.44	--	--
Free float	6,323,946	35.28	6,887,623	23.84
Total	**17,923,740**	**100.00**	**28,887,517**	**100.00**

The Board indicated that if the full amount of the one million seven hundred nine thousand six hundred fifty-eight (1,709,658) new shares were taken up and paid, the impact of the capital increase in favour of Sofina on the holdings of shareholders of the Company would be as follows:

Shareholder structure of the company after the reserved rights issue

	Number of shares	Percentage of capital	Number of voting rights	Percentage of voting rights
Olivier Ginon	16,986	0.09	16,986	0.06
Le Grand Rey	45,248	0.23	45,248	0.15
Subtotal - Olivier Ginon	*62,234*	*0.32*	*62,234*	*0.20*
Olivier Roux	4,200	0.02	8,400	0.03
Polygone SA	10,268,902	52.30	19,942,789	65.18
Total founders	***10,335,336***	***52.64***	***20,013,423***	***65.41***
Sofina	1,709,658	8.71	1,709,658	5.59
Total concert parties	***12,044,994***	***61.35***	***21,723,081***	***71.00***
CM-CIC Investissement	905,602	4.61	1,811,204	5.92
Other company officers	100,466	0.51	175,267	0.57
Treasury shares	258,390	1.32	--	--
Free float	6,323,946	32.21	6,887,623	22.51
Total	**19,633,398**	**100.00**	**30.597.175**	**100.00**

Impact of the capital increase in favour of Sofina on the position of shareholders of the Company

The Board indicated that if the full amount of the one million seven hundred nine thousand six hundred fifty-eight (1,709,658) new shares was taken up and paid, the impact of the capital increase in favour of Sofina on the interest of a shareholder holding 1% of the Company's capital before the capital increase and not taking up the issue, would be as follows:

Ownership interest of the shareholder (in %)	Non-diluted basis	Diluted basis [1]
Before subscription and payment of 1,709,658 shares	1.00%	1.00%
After subscription and payment of 1,709,658 new shares	0.91%	0.91%

[1] *With no dilutive instruments outstanding on the date of this supplemental report*

II - CAPITAL INCREASE WITH OR WITHOUT PRE-EMPTIVE SUBSCRIPTION RIGHTS

The Board noted that resolution eight of the ordinary and extraordinary general meeting of the shareholders of the Company of 27 April 2012 granted the Board of Directors authority, for twenty-six months from the date of this meeting, to issue, with or without consideration and maintaining the pre-emptive subscription rights of shareholders, (i) ordinary shares of the company and (ii) securities giving present and/or future access to the company's shares that may be subscribed for by cash or by offsetting debt and decided that;

- the maximum nominal amount of present or future capital increases of the company, resulting from issues undertaken on the basis of this authorisation shall not exceed thirty million euros (€3,000,000) million, that shall not include the nominal value of futures shares the Company may issue, when necessary, for adjustments to maintain holders' rights attached to securities conferring rights to ordinary shares, and that furthermore, the full amount of this maximum amount is available on this date;

- the shareholders shall have a preferential right to subscribe for ordinary shares or securities issued under said resolution on the basis of irrevocable entitlement (*à titre irréductible*) in proportion to their rights and within the limit of their demand. The Board may also grant shareholders rights to subscribe for excess ordinary shares or securities without trading rights on a non-preferential basis (*à titre réductible*) in accordance with applicable laws.

- If applications for new shares on the basis of irrevocable entitlement, and as the case may be, for excess shares on a non-preferential basis, should fail to account for the entire issue, the Board of Directors may in the order of its choice opt for one or more of the following solutions: (i) reduce the amount of the offering on the basis of applications received provided that they cover at least three quarters the amount of the offering decided, (ii) freely allocate all or part of the offering not taken up to beneficiaries of its choice (existing shareholders or otherwise), or (iii) offer all or part of the securities not taken up to the public;

- the Board of Directors shall set the characteristics, amount and procedures of the issue and all other securities issued. In particular, it shall determine, in accordance with the terms of its report, their subscription price, the amount of premium, if any, the conditions of their payment, their date of record which may be retroactive, the terms and conditions whereby securities issued under said resolution shall confer access to ordinary shares of the Company and for debt securities, their seniority.

- The Board of Directors shall have full authority to implement the provisions of said resolution, and in particular to conclude all agreements for this purpose notably to ensure the success of the issue, to proceed through one or more tranches, in proportions and at such times it considers appropriate with the issues mentioned above and, if applicable, to delay the same, record completion thereof and amend the articles of association accordingly, and to proceed with all formalities and filings and solicit all authorisations necessary to ensure the success of the issue; and that

- the Board of Directors may furthermore, within the limits set forth under said resolution, in turn delegate its authority to the Chief Executive Officer.

- By virtue of the aforementioned authority,on 31 October 2012, the Board:

- decided, within the framework of the authorisation granted in resolution eight of the ordinary and extraordinary general meeting of the shareholders of the Company of 27 April 2012, the principle of a capital increase, with pre-emptive subscription rights for shareholders, by the issue of new shares of the Company for a total maximum amount of forty-three million four hundred thousand euros (€43,400,000), share premium included;

- decided that subscription for new shares shall be reserved, in priority, to owners of shares comprising the share capital or to the transferees of their pre-emptive subscription rights who may subscribe (i) on the basis of irrevocable entitlement (*à titre irréductible*) according to a ratio that to be determined by the Chairman-Chief Executive Officer, within the framework of the authority further delegated to him by the Board, (ii) on a non-preferential basis without trading rights (*à titre réductible*), for the number of shares they wish above the amount to which they are entitled on the basis of their pre-emptive subscription rights by way of irrevocable entitlement; the number of new shares allocated in this latter case shall be, within the limit of their demand and the number of new shares to be issued and not taken up by way of irrevocable entitlement, in proportion to the number of existing shares for which pre-emptive subscription rights were used to subscribe for shares by way of irrevocable entitlement;

- approved the terms of the proposed underwriting agreement submitted by the Chairman-Chief Executive Officer and authorised the latter to finalise and execute the underwriting agreement;

- sub-delegated to the Chairman-Chief Executive Officer that the latter may further delegate, until 31 December 2012, its powers to implement and complete this capital increase by the issue of shares with pre-emptive subscription rights, including authority to defer actions, and notably to

  - determine the procedures and timetable for announcing this capital increase and take all matters relating thereto;

  - set, within the limits established by the Board's decision, the procedures and conditions for the issue, and notably the initial amount, the final number of shares to be issued and the subscription price, the procedures for their payment and their day of record which may be retroactive;

  - use in the order of its choice the one or more of the following options provided for below, if subscriptions for new shares on the basis of irrevocable entitlement, and as the case may be, for excess shares on a non-preferential basis, should fail to account for the entire issue described above: (i) reduce the amount of the offering on the basis of applications received provided that they cover at least three quarters the amount of the offering decided, (ii) freely allocate all or part of the offering not taken up to beneficiaries of its choice (existing shareholders or otherwise), or (iii) offer all or part of the securities not taken up to the public;

  - charge, as applicable, all amounts, to share premium, formally record completion of the capital increase and make the corresponding changes to the articles of association and proceed with all other formalities;

  - finalise, ensure the signature and filing with all relevant authorities of all prospectuses or registration documents in the required form, as well as all additional information and modifications to the documents, in accordance with applicable regulation and notably, for finalising, signing and filing the transaction memorandum with the French financial market authority, the AMF;

  - undertake, as necessary, all measures, prepare, sign and file all documents with the appropriate financial market authorities for the purpose of the admission for trading of the shares issued on NYSE-Euronext Paris;

  - negotiate and sign any other agreement or document required or useful for this undertaking;

  - decide, in accordance with the provisions of Article L. 225-210 of the French Commercial Code (*Code de Commerce*), to sell on the stock exchange the pre-emptive subscription rights attached to shares held by the Company; and

  - and more generally, undertake all that is necessary for the purpose of this corporate action.

By virtue of the sub-delegated authority mentioned above, on 5 November 2012, the Chairman-Chief Executive Officer:

- set, for the purposes of the capital increase with pre-emptive subscription rights, the amount of the share capital, before completing the above mentioned reserved capital increase, at seventy-one million six hundred ninety-four thousand nine hundred sixty euros (€71,694,960), divided by seventeen million nine hundred twenty-three thousand seven hundred forty (70,923,740) shares with a nominal value of four euros (€4) per share it being specified that, on condition that Sofina takes up the full amount of the aforementioned reserved capital increase, the amount of share capital on the opening date of this subscription period for shares issued within the framework of the capital increase with pre-emptive subscription rights shall equal seventy-eight million five hundred thirty-three thousand five hundred ninety-two euros (€78,533,592) divided by nineteen million six hundred thirty-three thousand three hundred ninety-eight (19,633,398) shares with a nominal value of four euros (€4) per share;

- decided to increase the Company's capital through an issue with pre-emptive subscription rights of shareholders for a nominal amount of twelve million eighty-two thousand eighty-eight euros (€12,082,088), by the issue of three million twenty thousand five hundred twenty-two (3,020,522) new shares with a nominal value of fours euros (€4) per share;

- decided to fix the subscription price per share at fourteen euros and nine centimes (€14.09), or a discount of 18% in relation to the volume-weighted average price (VWAP) of the GL events share on NYSE Euronext Paris calculated over the ten trading (10) days preceding the price-fixing date for the subscription price for the rights issue from 22 October 2012 to 2 November 2012 inclusive, including a nominal value of fours euros (€4) plus share premium of ten euros and nine centimes (€10.09) per new share, for a total capital increase of forty-two million five hundred fifty-nine thousand one hundred fifty-four euros and ninety-eight centimes (€42,559,154.98), including share premium;

- decided that shares issued within the framework of the reserved capital increase with pre-emptive subscription rights will carry dividend rights in the year of issue, and from their creation be fungible and rank *pari passu* with existing shares and subject to all provisions of the articles of association;

- decided that the share subscription period will be open from 9 November to 22 November 2012 inclusive;

- decided that the subscription price must be fully paid up in cash both for the nominal amount and share premium at the time of subscription; and

- decided that each shareholder will receive one pre-emptive subscription right per share held at the close of the trading on 8 November 2012;

- decided that thirteen (13) pre-emptive subscription rights will confer a right to subscribe pro-rata on the basis of irrevocable entitlement (*à titre irréductible*) for two (2) new shares of the Company at the subscription price indicated above;

- decided that holders of pre-emptive subscription rights may also subscribe on a non-preferential basis (*souscriptions à titre réductible*) for the excess amount of new shares in addition to those to which they were entitled on the basis of their irrevocable rights, it being specified that, in this latter case, within the limit of their demand and the number of new shares to be issued and not subscribed for on the basis of irrevocable rights, the number of new shares will be issued pro rata to the number of existing shares for which pre-emptive subscription rights will have been used for the purpose of their subscription with rights;

- decided, in accordance with the provisions of Article L. 225-210 of the French Commercial Code (*Code de Commerce*), to sell on the stock exchange the pre-emptive subscription rights attached to shares held by the Company;

- decided that if subscriptions for new shares on the basis of irrevocable entitlement, and as the case may be, for excess shares on a non-preferential basis, should fail to account for the entire issue, to reduce the issue to the amount of applications received provided that they cover at least three quarters the amount of the issue decided;

- decided that costs inherent to the reserved capital increase with pre-emptive subscription rights be charged to share premium;

- decided that the capital increase with pre-emptive subscription rights will be announced by the publication of a press release on 6 November 2012;

- decided to apply for the admission of the new shares to trading on the regulated market of NYSE Euronext Paris;

- decided that the other procedures and characteristics of the reserved capital increase with pre-emptive subscription rights are those set forth in the prospectus that was registered with the AMF, the French financial market authority, on 5 November 2012;

III - ISSUE OF BONDS REDEEMABLE IN SHARES OF THE COMPANY IN FAVOUR OF SOFINA

Final terms and conditions of the issue of bonds redeemable in shares of the Company

The Board recalls that resolution three of the ordinary and extraordinary general meeting of 31 October 2012 authorised the issue by Polygone of six hundred ninety-five thousand six hundred three (695,603) bonds redeemable in shares of the Company (*obligations remboursables en actions* or ORA in favour of Sofina.

For information, the Board indicates that resolution five of the ordinary and extraordinary general meeting of Polygone of 31 October 2012, granted to the Board of Directors of Polygone its powers to proceed with the issue of six hundred ninety-five thousand six hundred and three (695,603) ORA bonds redeemable in shares of the Company in favour of a specifically named party, with these ORA bonds representing securities giving access to the capital of a company in which Polygone holds more than one half the share capital within the meaning of Article L. 228-93 of the French Commercial Code (*Code de Commerce*), and decided that:

- the ORA bonds will be issued at a nominal value of seventeen euros and ninety-seven centimes (€17.97) each, or a total nominal value of twelve million four hundred ninety-nine thousand nine hundred eighty-five euros and ninety-one centimes (€12,499,985.91), and will be subscribed at their nominal value fully paid up in cash at the time of subscription;

- the ORA bonds will have a maturity of five (5) year term from their issue date and bear interest at a fixed annual coupon rate of four point thirty-one percent 4.31%; and

- subject to adjustments that may be required in the event of equity transactions covered by Articles L. 228-98 *et seq*. of the French Commercial Code and cases of early redemption, in shares or cash, as provided in the terms and conditions of the ORA bonds established by the Board of Directors of Polygone, each ORA bond shall be redeemed at maturity by delivery of an existing share of the Company, of which Polygone holds more than 50% of the share capital, or for the entire amount of the ORA bonds, delivery of a total number of six hundred ninety-five thousand six hundred three (695,603) existing shares of the Company held by Polygone.

This authority of the ordinary and extraordinary general meeting of Polygone was granted to the Board of Directors of Polygone for a period of eighteen (18) months from the aforementioned meeting date.

The Board also indicated that resolution six of the ordinary and extraordinary general meeting of the shareholders of Polygone of 31 October 2012 decided to cancel the pre-emptive subscription rights of shareholders of Polygone for six hundred ninety-five thousand six hundred and three (695,603) ORA bonds of the Company to be issued and to reserve their subscription for Sofina.

By virtue of the aforementioned authority, on 31 October 2012 the Board of Directors of Polygone:

- noted the fulfilment of the condition precedent provided for in resolution five of the ordinary and extraordinary general meeting of the shareholders of Polygone of 31 October 2012;

- decided, subject to the condition precedent of the definitive completion of the capital increase with the cancellation of the pre-emptive subscription rights provided for in the first resolution of the ordinary and extraordinary general meeting of Polygone of 31 October 2012 and, in consequence, payment of the full amount of the share capital of Polygone, to proceed with the issue of six hundred ninety-five thousand six hundred and three (695,603) ORA bonds of the Company in favour of Sofina;

- adopted the terms and conditions of the ORA bonds to be issued, as presented in Appendix 1 of this supplemental report;

- decided that the share subscription period of the ORA bonds will be open from 5 November to 30 November 2012 inclusive;

- decided that subscriptions will be received in exchange for remittance of the corresponding subscription forms at Polygone's registered office;

- granted all powers to the Chairman-Chief Executive Officer of Polygone, that may be further delegated, for the purpose of, subject to the definitive completion, duly recorded, of the capital increase with cancellation of the pre-emptive subscription rights provided for in the first resolution of the ordinary and extraordinary general meeting of the shareholders of Polygone of 31 October 2012 and, as a consequence, payment in full of the share capital of Polygone, to proceed with the issue of ORA bonds decided on 31 October 2012 and, for that purpose, notably to:

    - proceed with the early closure of the subscription period for ORA bonds or, as applicable, extend its term;

    - receive subscription applications for ORA bonds and the corresponding payments;

    - record the subscriptions for the ORA bonds;

    - establish in a register corresponding to the issue of ORA bonds and record the subscriptions received therein;

    - add more generally, take all measures and perform all formalities useful for the ORA bond issue.

Impact of the ORA bond issue in favour of Sofina on the Company's net equity

The Board recalls that each bond issued by Polygone within the framework of the aforementioned issue will be redeemed at maturity in exchange for delivery of one existing share of the Company.

Accordingly, redemption of these bonds will have no impact on the number of the shares comprising the Company's share capital.

In consequence, the issue of bonds redeemable in shares of the Company will have no impact on the Company's net equity and ultimately entail only a transfer from Polygone to Sofina of six hundred ninety-five thousand six hundred and three (695,603) shares of the Company, subject to possible legal or contractual adjustments.

III | CORPORATE GOVERNANCE

DIRECTORS AND OFFICERS

See also the Chairman's report on internal control.

BOARD OF DIRECTORS

Detailed information on the number of shares held by each Director is disclosed on page 154..

— OLIVIER GINON
CHAIRMAN
Born on 20 March 1958. Appointed by the Ordinary General Meeting of 24 April 1998, reappointed by the Ordinary General Meeting of 30 April 2010, for a term ending at the close of the Annual General Meeting to be held in 2016 to approve the financial statements for the fiscal year ending 31 December 2015.

— OLIVIER ROUX
DIRECTOR, VICE CHAIRMAN
Born on 11 June 1957. Appointed by the Ordinary General Meeting of 24 April 1998, reappointed by the Ordinary General Meeting of 30 April 2010, for a term ending at the close of the Annual General Meeting to be held in 2016 to approve the financial statements for the fiscal year ending 31 December 2015.

— YVES-CLAUDE ABESCAT
DIRECTOR
Born on 28 May 1943. Appointed by the Combined General Meeting of 16 May 2008 until the close of the Annual General Meeting to be held in 2013 to approve the financial statements for the fiscal year ending 31 December 2012. Independent Director. Chairman of the Audit Committee and Compensation and Nominating Committee member

— AQUASOURÇA
DIRECTOR
Represented by Sophie Defforey-Crepet
Born on 21 February 1955. Appointed by the Combined General Meeting of 20 June 2002, reappointed by the Combined General Meeting of 16 May 2008 until the close of the Annual General Meeting to be held in 2014, to approve the financial statements for the fiscal year ending 31 December 2013. Independent Director - Compensation and Nominating Committee

— MING-PO CAI
DIRECTOR
Born on 26 March 1969.
Appointed by the Combined General Meeting of 29 April 2011 until the close of the Annual General Meeting to be held in 2015 to approve the financial statements for the fiscal year ending 31 December 2014. Independent Director.

RICHARD GOBLET D'ALVIELLA
DIRECTOR
Born on 6 July 1948.
Appointed by the Ordinary General Meeting of 31 October 2012 until the close of the Annual General Meeting to be held in 2016 to approve the financial statements for the fiscal year ending 31 December 2015. Audit Committee member.

— GILLES GOUEDARD-COMTE
DIRECTOR
Born on 15 July 1955. Appointed by the Combined General Meeting of 14 June 1996, reappointed respectively by the Combined General Meetings of 20 June 2002 and 16 May 2008 until the close of the Annual General Meeting to be held in 2014, to approve the financial statements for the fiscal year ending 31 December 2013. Independent Director.

— PHILIPPE MARCEL
DIRECTOR
Born on 23 November 1953. Appointed by the Combined General Meeting of 11 July 2003, reappointed by the AGM of 24 April 2009 for a term ending at the close of the Annual General Meeting to be held in 2015 to approve the financial statements for the fiscal year ending 31 December 2014. Compensation and Nomination Committee Chairman Independent Director.

— ANDRÉ PERRIER
DIRECTOR
Born on 13 August 1937. Appointed by the Combined General Meeting of 09 June 2000, reappointed by the Combined General Meeting of 27 April 2012, for a term ending at the close of the Annual General Meeting to be held in 2016 to approve the financial statements for the fiscal year ending 31 December 2015. Independent Director.

— ÉRICK ROSTAGNAT
DIRECTOR
Born on 1 July 1952. Appointed by the Combined General Meeting of 20 June 2002, reappointed by the Combined General Meeting of 16 May 2008, for a term ending at the close of the Annual General Meeting to be held in 2014 to approve the financial statements for the fiscal year ending 31 December 2013.

— NICOLAS DE TAVERNOST
DIRECTOR
Born on 22 August 1950.
Appointed by the Combined General Meeting of 16 May 2008 until the close of the Annual General Meeting to be held in 2014 to approve the financial statements for the fiscal year ending 31 December 2013. Independent Director. Audit Committee member.

— MAXENCE TOMBEUR
DIRECTOR
Born on 10 October 1982.
Appointed by the Ordinary General Meeting of 31 October 2012 until the close of the Annual General Meeting to be held in 2016 to approve the financial statements for the fiscal year ending 31 December 2015.

— CAROLINE WEBER
DIRECTOR
Born on 14 December 1960.
Appointed by the Combined General Meeting of 29 April 2011 until the close of the Annual General Meeting to be held in 2015 to approve the financial statements for the fiscal year ending 31 December 2014. Independent Director.

AUDITORS

STATUTORY AUDITORS	Mazars, Maza-Simoens
DEPUTY AUDITORS	Raphael Vaison de Fontaube, Olivier Bietrix

BOARD PRACTICES

Work of the Board of Directors:
Refer to the Chairman's report on the conditions for the preparation and organisation of the work of the Board of Directors of the Board of Directors on page 87.

Executive Committee

Olivier Ginon	- Chairman
Olivier Roux	- Vice Chairman
Olivier Ferraton	- Deputy Managing Director
Erick Rostagnat	- Managing Director, Corporate Finance and Administration
Jean-Eudes Rabut	- Managing Director, Venue Management
Frédéric Regert	- Executive Vice President, Corporate Finance & Administration
Thierry Bourgeron	- Vice President, Human Resources
Olivier Hohn	- Managing Director, Structures and Grandstands
Daniel Chapiro	- Managing Director, Venue Management Operations
René Pérès	- Managing Director, Trade Shows
Stéphane Hue	-Vice President, GL events Exhibitions

The executive committee sets Group strategies with respect to both overall Group operations and business lines. It examines potential acquisitions so as to make recommendations to the Board of Directors and implements the company's business development strategy and internal control policy.

Business Unit Committees
The Business Unit Committees are comprised of the heads of each business unit and oversee the finances and operations of each of the companies under their purview. They also work on increasing commercial synergies between Group businesses.

International Committee
The International Committee meets quarterly as a forum for pooling efforts and exchanging ideas, projects and advances made by each subsidiary outside France with the objective of creating synergies and strengthening the Group's presence in global markets.

Investment Committee
The investment committee reviews and decides whether to approve any investments that are either above certain set amounts or not included in initial budgets.

Audit Committee
Refer to the Chairman's report on the work of the Board of Directors on page 87.

Compensation and Nominating Committee
Refer to the Chairman's report on the work of the Board of Directors on page 87.

COMPENSATION AND BENEFITS GRANTED TO OFFICERS

This compensation has been reviewed by the compensation committee.

1- Individual compensation of corporate officers

In euros	2012		2011	
	Amounts owed	Amounts paid	Amounts owed	Amounts paid
Olivier Ginon – Chairman				
Fixed compensation[1]	331,680	331,680	331,680	331,680
Variable compensation				
Special compensation				
Attendance fees	10,000	10,000	10,000	10,000
Benefits in kind[2]	7,293	7,293	7,956	7,956
Total	348,973	348,973	349,636	349,636
Olivier Roux – Vice Chairman				
Fixed compensation[1]	301,560	301,560	301,560	301,560
Variable compensation				
Special compensation				
Attendance fees	10,000	10,000	10,000	10,000
Benefits in kind[2]	8,455	8,455	7,524	7,524
Total	320,015	320,015	319,084	319,084
Olivier Ferraton – Deputy Managing Director				
Fixed compensation	256,200	256,200	237,000	237,000
Variable compensation	60,000	60,000	60,000	60,000
Special compensation				
Attendance fees				
Benefits in kind[3]	30,430	30,430	29,360	29,360
Total	346,630	346,630	326,360	326,360

[1] Remuneration paid by Polygone SA, the holding company of GL events whose share capital is presented in Section 6 - Information on the share capital (page 154). This remuneration is included under General Management services disclosed in Note 10 of the consolidated financial statements (page 126) and the statutory Auditors' special report (page 145)
[2] Fringe benefits in the form of a company car.
[3] Fringe benefits in the form of a company car and housing.

2 - Attendance fees paid to members of the Board of Directors

The annual general meeting of 16 May 2008 decided to allocate a maximum amount for directors' fees of €150,000 until a decision to the contrary.

In euros	2012	2011
Olivier Ginon	10,000	10,000
Olivier Roux	10,000	10,000
Yves Claude Abescat	7,500	10,000
Aquasourça	10,000	10,000
Ming Po Cai	6,000	6,000
Gilles Gouedard Comte	10,000	10,000
Philippe Marcel	10,000	10,000
André Perrier	12,000	12,000
Nicolas de Tavernost	10,000	10,000
Erick Rostagnat	10,000	10,000
Caroline Weber	6,000	6,000

Executive officers receive no other conditional or deferred compensation or related benefits. In addition, they do not receive any specific supplementary retirement benefits.

3 - Stock options or stock purchase options granted to each executive officer in the period

	Plan 13
Number of shares available for subscription	
Olivier Ferraton	15,000

4 - Stock options or stock purchase options exercised by each executive officer in the period

None

5 - Performance shares granted to each executive officer

	Plan 5	Plan 6
Number of shares available for subscription		
Olivier Ferraton	15,000	10

6- Performance shares becoming available for each executive officer in the period

None

7 Compensation and benefits granted to executive officers

Executive officers	Employment contract		Supplemental retirement plan		Compensation or benefits owed or potentially due on termination or a change in function		Compensation payable under non-compete clauses	
	Yes	No	Yes	No	Yes	No	Yes	No
Olivier Ginon – Chairman Beginning of term: 2010 End of term: 2016		X		X		X		X
Olivier Roux – Vice Chairman Beginning of term: 2010 End of term: 2016		X		X		X		X
Olivier Ferraton – Deputy Managing Director		X		X		X		X

COMPENSATION OF OTHER OFFICERS

This compensation has been reviewed by the compensation committee.

Compensation

In euros	2012				2011			
	Total	Fixed	Variable	Benefits in kind	Total	Fixed	Variable	Benefits in kind
Damien Bertrand[(1)]					175,000	175,000		
Erick Rostagnat	328,827	186,264	139,387	3,176	243,531	180,355	60,000	3,176

(1) Following the termination of his functions on 6 December 2010, Damien Bertrand received a negotiated severance payment in 2011.

Variable compensation is linked to achievement of individual objectives.

Stock options granted to officers and options exercised

Information on stock option plans in force concerning corporate officers:

	Plan 10	Plan 11	Plan 13
Number of shares available for subscription			
Erick Rostagnat	5,000	5,000	5,000
Remaining number of shares available for subscription			
Erick Rostagnat	5,000	5,000	5,000

Number of bonus shares able to be granted

Information on bonus share plans in force concerning corporate officers:

	Plan 3	Plan 4	Plan 5	Plan 6
Number of shares available for subscription				
Erick Rostagnat	5,000	3,500	3,500	10
Number of shares fully vested				
Erick Rostagnat	--	--	--	--

Nature and scope of related-party agreements concluded between GL events, officers and shareholders holding more than 10% of the voting rights

- Directors that are natural persons exercising management functions in the Group receive benefits and services for the performance of their functions (company cars and reimbursement of travel expenses).

- Société Lyonnaise de banque, a CM CIC Investissement shareholder, provides services in connection with its ordinary banking operations.

- Polygone invoiced fees of €2.6 million corresponding to 0.32% of consolidated sales for fiscal 2012 according to the terms of the management agreement between the two companies.

Agreements have been concluded between GL events and Group subsidiaries for the provision of management services and IT assistance. The terms and amounts invoiced under these agreements with companies having a common management are described in the auditors' special report on related party transactions.

Loans and guarantees granted in favour of directors and officers

None

EMPLOYEE PROFIT-SHARING PLANS

Agreements for voluntary and statutory profit-sharing schemes

A Group profit-sharing agreement was concluded in 2007 that enables employees to benefit from the development and performances of the Group. This agreement was signed by all French subsidiaries of the Group.

Information on options granted to the top ten employee beneficiaries of GL events and the Group that are not corporate officers and exercised by the latter

The grant of stock options is subject to the conditions set forth in section 6, page 151.

Information on bonus shares able to be granted to the top 10 employed beneficiaries of GL events that are not corporate officers and definitively granted

The grant of stock options is subject to the conditions set forth in section 6 page 152.

PROFESSIONAL ADDRESSES – OFFICES AND DIRECTORSHIPS HELD BY GL EVENTS OFFICERS AND DIRECTORS OUTSIDE THE GROUP

Olivier Ginon and Olivier Roux manage GL events through Polygone, GL events' holding company and Gilles Gouedard Comte through Compagnie du Planay, his personal holding company.

OLIVIER GINON
Route d'Irigny – ZI Nord – BP 40 – 69530 Brignais
Current offices and directorships: Chairman of Polygone SA (GL events holding companies) and Foncière Polygone SAS; director of CIC Lyonnaise de Banque, Olympique Lyonnais, Tocqueville Finances; Managing Partner of SCI Montriant.

OLIVIER ROUX
Route d'Irigny – ZI Nord – BP 40 – 69530 Brignais
Current offices and directorships: Director and Deputy Chief Executive Officer of Polygone SA; Director of Prisme 3 and CM-CIC Securities. Managing Partner of SCI Jomain Madeleine, SCI Beauregard and SCI SIAM.

OLIVIER FERRATON
Route d'Irigny – ZI Nord – BP 40 – 69530 Brignais
Current offices and directorships: None
Offices and directorships having expired in the last five years: None

RICHARD GOBLET D'ALVIELLA
rue du Village 5, 1490 Court St Etienne, Belgium.
Current offices and directorships: Executive Chairman of Sofina SA (Belgium); Member of the Supervisory Board, Audit Committee and the Compensation Committee of Eurazeo (France);Director of Polygone SA (France);Director and member of the Audit Committee of Danone Group (France); Director and member of the Audit Committee of Caledonia Investments (UK); Director of Henex (Belgium); Managing Director of the Union Financière Boël SA (Belgium); Chief Executive Officer of Société de Participations Industrielles SA (Belgium)
Offices and directorships having expired in the last five years: Director of Tractebel (Belgium); Director of Glaces de Moustier sur Sambre (Belgium); Director and Non-Voting Observer (*Censeur*) of GDF Suez (France); Director of Finasucre (Belgium); Director and member of the Compensation Committee of Delhaize Group (Belgium)

ERICK ROSTAGNAT
Route d'Irigny – ZI Nord – BP 40 – 69530 Brignais
Current offices and directorships: Director of Polygone SA, Chief Executive of Foncière Polygone SAS, Director of Pyramide XV, member of the Board of Directors (GL events' permanent representative) of SASP LOURugby; Joint-Manager of Partage; Managing Partner of SCI de la Pyramide.
Offices and directorships having expired in the last five years: Director of Contrecollages Techniques and Bonding Lamination Consulting.

MAXENCE TOMBEUR
Rue de Tamines 18, 1060 Brussels, Belgium
Current offices and directorships: Director of Vives Louvain Technology Fund and Metagra Industry
Offices and directorships having expired in the last five years: None

INDEPENDENT DIRECTORS

YVES-CLAUDE ABESCAT

Tour Pacific – 11 cours Valmy - 75886 Paris cedex 18
Current offices and directorships: Chairman-CEO of Salvepar until 26 October 2012; Director of Stade Français, Director of Axus SA (Belgium). Director and Vice Chairman of the Board Of Directors of FCO International (Belgium); Director of PSA as at 31 October 2012.
Offices and directorships having expired in the last five years:
Touax S.A.: Permanent representative of Salvepar on the Supervisory Board; Oberthur Technologies: Permanent representative of SG Capital Developpement on the Board of Directors; 21 Centrale Partners: Director; SG Capital Developpement: Chairman; Soginnove: Chairman; SG Private Equity: Chairman; Gascogne: Supervisory Board member; LT Participations: Permanent representative of SG Capital Developpement on the Board of Directors; Oberthur Technologies: Director. Societe Generale Marocaine De Banque (Morocco): Supervisory Board member; Ipsos: Director of François-Charles Oberthur Fiduciaire (Belgium): Director;

SOPHIE DEFFOREY-CREPET, PERMANENT REPRESENTATIVE OF AQUASOURÇA

AQUASOURÇA, 131, boulevard Stalingrad – 69100 Villeurbanne
Current offices and directorships: Chairwoman of the Board of Directors of Aquasourça; Director of Chapoutier.
Offices and directorships having expired in the last five years:
Director of Finel and Genesis Holding; Supervisory Board member of Emin Leydier.

MING-PO CAI

25, rue Marbeuf, 75008 Paris
Current offices and directorships: Permanent Representative of the Board of Directors of Cathay Capital Private Equity on the Boards of Directors of the following companies: Patrick Choay SA (France), Beijing La Maison de Domitille Home Co., Ltd, Miro Holding France SAS, Fuses & Switchgear Co. Ltd, Shandong Sinder Technology Co., CAH Co., Ltd., Soha Co., Ltd., Suofeiya Co. Ltd.(foreign company), and Director of Supor Group.
Offices and directorships having expired in the last five years: None

GILLES GOUEDARD-COMTE

Route d'Irigny – ZI Nord – BP 40 – 69530 Brignais
Current offices and directorships: Chairman of Prisme 3; Manager of La Compagnie du Planay and La Compagnie du Prioux; Director of Ceris; Chief Executive of Foncière Polygone, Manager of Docks Art Fair; Managing Partner of SARL Colfic.

PHILIPPE MARCEL

37, rue Denfert Rochereau - 69005 Lyon
Current offices and directorships: Chairman of: PBM Participations, SIPEMI, MG Fil Conseil, I.D.AL Animation des ventes; Director of: April, Aldes, Mérieux Nutri Sciences, U 1 st Sports; Chairman of the Supervisory Board of Novalto, Chairman of the Board of Directors of AESCRA (EM Lyon).
Offices and directorships having expired in the last five years:
Chairman of Ecco SAS, Adecco Travail temporaire SAS, Chairman of Adecco Holding France SAS AHF e-Business SAS, Adia SAS; Managing Director of Interecco Management, GIE Avion Ecco, Adecia SA, Altedia SA, Adecco SA (incorporated under Swiss law), Silikier (incorporated under the laws of the US); Chairman-Chief Executive Officer of Olsten SA and Olsten Sud SA; Director of Olsten TT SA, Quick Medical Services SA, ASVEL Basket SASP; Permanent Represented of Adecco TT at Ajilon France SA, Alexandre TIC SA and Pixid SNC; Supervisory Board member of April Group.

ANDRÉ PERRIER

49, rue Denfert Rochereau 69004 Lyon
Current offices and directorships: Director of Espace Group, FM Developpement (formally LV & Co) (subsidiary of Espace Group).
Offices and directorships having expired in the last five years:
Director of Infoconcert (subsidiary of Espace Group) up to 01/08/2012, member of the Steering Committee and Supervisory Board of Caisse de Crédit Municipal de Lyon until 24/6/2011, Director of Banque Patrimoine et Immobilier until 20/5/2008, Compliance Officer of Rhône-Alpes Création until 27/5/2009, member of the Supervisory Board of Société Parisienne de Radiodiffusion Culturelle et Musicale until 3/8/2009, managing partner of EURL André Perrier Conseils until 30/9/2008.

NICOLAS DE TAVERNOST

M6 – 89 avenue Charles de Gaulle – 92575 Neuilly-sur-Seine
Current offices and directorships: Chairman of the Executive Board of Métropole Télévision (M6), Director of Extension TV SA (Série Club), Director of TF6 Gestion SA, Director of Société Nouvelle de Distribution SA, Member

of the Supervisory Board of Ediradio SA (RTL Radio); Director of Nexans SA, Antena 3 (Spain), Director of Polygone SA as of 31 October 2012.
Offices and directorships having expired in the last five years:
Director of FC Girondins de Bordeaux; Member and Director of the Football Club des Girondins de Bordeaux Association; Director of the Corporate Foundation of Group M6; Permanent Representative of: a) M6 Publicité as Director of Home Shopping Service SA; b) Home Shopping Services as Director of Télévente Promotion SA; c) Métropole Télévision as Director of SASP Football Club des Girondins de Bordeaux and Mistergooddeal SA; d) Métropole Télévision as Chairman of M6 Publicité SAS, Immobilière M6 SAS, M6 Toulouse SAS, M6 Bordeaux SAS, M6 Numérique SAS and M6 Foot SAS; e) Métropole Télévision as member of the Shareholders Committee of Multi4 SAS, f) Métropole Télévision as Managing Partner of SCI du 107, av. Charles de Gaulle

CAROLINE WEBER
1, rue Denfert Rochereau 69002 Lyon
Current offices and directorships: Director of Toupargel, Société de Lecteur du Monde, EuropeanIssuers, CIDFF du Rhône (*Centre d'Information des Femmes et des Familles*), Apia; Fondation d'entreprise CMA-CGM. Member of H3C *(Haut Conseil du Commissariat aux Comptes*), the French High Council of Statutory Auditors.
Appointments expired and exercised within the last five years:
Director of Ferco Developpement, Financière Agroservice and Orapi.

The Board of Directors of GL events is comprised of thirteen members, seven of which are considered independent within the meaning of article R8 of the MiddleNext corporate governance code. The number of independent directors serving on the Board is consistent with the recommendations of the MiddleNext code of corporate governance (article R8).

The definition of independent director can be consulted in the charter of the Board of Directors at our website (www.gl-events.com).

STATUS OF CORPORATE OFFICERS

To the best of the Company's knowledge, no officers of GL events have been convicted of fraud in the last five years.

In addition none of these persons have been involved as a corporate officer in a bankruptcy, receivership or liquidation proceeding or been convicted of an offence and/or official sanction by a statutory or regulatory authority.

No officers have been legally disqualified from serving as members of a Board of Directors, the executive management of a company or a Supervisory Board or from participating in the management of the operations of an issuer in the last five years.

Finally, to the best of the Company's knowledge, these officers have no personal interest that could generate conflicts of interest with the company.

MATERIAL CONTRACTS

In the last three financial periods and on the publication date of this registration document, the Group had not concluded any material contracts other than those concluded in connection with the normal conduct of its business, granting a material obligation or commitment for the entire Group. Details of off-balance sheet commitments are presented in note 8 of the consolidated balance sheets.

CHAIRMAN'S REPORT ON THE WORK OF THE BOARD OF DIRECTORS AND PROCEDURES OF INTERNAL CONTROL AND RISK MANAGEMENT

In compliance with the provisions of article L225-37 paragraph 6 of the French Commercial Code amended by article 117 of the French Law No 2003-706 of 1 August 2003 on financial security and ordinance 2009-8 of 22 January 2009, this report informs the shareholders of:

- The composition of the Board of Directors and the preparation and organisation of their work;
- Internal control and risk management procedures adopted by the company.

I- COMPOSITION OF THE BOARD OF DIRECTORS AND PREPARATION AND ORGANISATION OF THEIR WORK

GL events is managed by a Board of Directors comprised of thirteen members. Among these thirteen directors, nine are independent within the meaning of article R8 of the MiddleNext corporate governance code, because they do not exercise management functions in the company or in the Group to which it belongs and have no significant relations with the company, its Group or management that could affect their freedom of judgement. The number of independent directors serving on the Board is consistent with the recommendations of the MiddleNext corporate governance code.

Two of the Board's members are women and eleven are men. This membership is in conformity with the obligation of 23 January 2011 of ensuring the representative nature of the Board membership with respect to men and women
The Board of Directors will on this basis ensure that the proportion of Directors of men and women respectively will not be less than 40% starting in 2016.

The Chairman of the Board of Directors is vested with the broadest powers to act under all circumstances in the name of the company, subject to the authorities granted by law to shareholders' meetings as well as the powers that the law specifically accords to the Board of Directors within the scope of the corporate charter.

On 5 December 2003, the Board adopted internal rules of procedure (charter) in compliance with recommendations destined to improve the governance of publicly traded companies. This Board charter may be consulted at the GL events' website (www.gl-events.com).

The Board of Directors met four times in 2012 with a 86% attendance rate.

In addition to those issues and decisions falling under the specific scope of this body, the Board discussed the major events of 2012 including group acquisitions, marketing, markets and strategy, financial policy, organisation and internal control.

The Board of Directors created two special committees in 2008:

— AUDIT COMMITTEE

Comprised of three independent directors, Yves-Claude Abescat (Committee Chairman), Richard Goblet d'Alviella and Caroline Weber, this committee participates in preparing the meetings of the Board of Directors responsible for ruling on the corporate and consolidated semi-annual and annual financial statements. Its principal mission is to assure the pertinence and consistency of accounting principles applied by the company and ensure that the procedures of reporting and control are adequate. It is also responsible for overseeing the selection of independent auditors. Finally, it assesses risks incurred by the Company and monitors internal control procedures. To this purpose, it is provided with reports summarising the controls carried out in the year.

— COMPENSATION AND NOMINATING COMMITTEE

This committee is also comprised of three Directors, all independent, Philippe Marcel (Committee Chairman), Sophie Defforey-Crepet representing Aquasourça and Yves Claude Abescat. This committee is responsible for reviewing the compensation policy of the Group, and more specifically for managers as well as proposals for the grant of stock options and bonus shares. It is informed of the arrival and departure of key managers It is also consulted on the appointment of auditors in addition to the appointment and renewal of the terms of directors and officers.

Evaluation of the Board of Directors

In compliance with the provisions of MiddleNext corporate governance code, the Board must evaluate its procedures and the preparation of its work.

At least once a year, the agenda of GL events' Board of Directors provides for an assessment of its work. Using a questionnaire, all Directors are individually consulted for their assessment and suggestions to improve the Board's effectiveness.
In 2012, the Directors approved the Board's operating procedures.

II - INTERNAL CONTROL PROCEDURES ADOPTED BY THE COMPANY

II -1 OVERVIEW OF INTERNAL CONTROL OBJECTIVES AND PROCEDURES

The purpose of the internal control procedures and organisation given below is to identify, prevent and control risks faced by the Group. As with any control system, it cannot however ensure that all risks are totally eliminated.

Internal control is defined by GL events and its subsidiaries as a set of procedures adopted by Management for the following purposes:

- Safeguarding corporate assets;
- Ensuring the safety and proper consideration of persons;
- Optimal use of resources necessary to meet targets set for performance and profitability;
- Developing techniques for controls adapted to the Group's different trades and specialised activities;
- Prevention of risks of errors and fraud;
- Assuring the reliability of financial information;
- Compliance with laws, regulations and internal procedures.

Within GL events Group, the system of internal control is based on:

- Procedural manuals, departmental memorandums transmitted to concerned parties and integrated in training seminars destined for different personnel categories. They set forth the principles and controls to which each department or business unit must adhere as well as the areas where the holding company support services are necessary;
- Recruitment of qualified personnel adapted to the missions accompanied by ongoing training covering technical issues and the different group areas of expertise and individual employee development;
- Delegation of responsibility: all line managers implement and manage at their level internal control procedures to meet their objectives;
- The quality approach is destined to define specific operating processes to meet the needs expressed by our customers, optimising practices and limiting the risks associated with different activities;
- Shared corporate values that are regularly emphasised at information meetings. GL events promotes the decentralisation of responsibilities and the delegation of authority. To ensure the cohesion of teams and a common corporate culture, the Group relies on core human values that provide the foundation of the organisation. These include respect for customers, providing quality services based on ethical business practices, loyalty, team spirit, respect of deadlines and professional standards.

Areas covered include notably rules to be followed concerning:

- Commercial and customer credit management;
- Management of means of payments, bank relationships and cash flow;
- Administration of payroll and human resources management;
- Management of sourcing and investments;
- Management and safeguarding of corporate assets;
- Insurance and risk management policies;
- Principles of control in the area of financial reporting and consolidation.

II–2 PARTIES INVOLVED IN INTERNAL CONTROL AND PROCEDURES FOR OPERATING AND SUPPORT FUNCTIONS

The Board of Directors, the Group Executive Committee, the Audit Committee, Compensation and Nominating Committee, Risk Committee, Investment Committee

The role of these committees is presented on pages 80 pages 46 and 87.

The Internal Audit Department

The mission of the Internal Audit Department is to:

- Assess levels of internal controls of organisations and risk management capabilities;
- Propose recommendations destined to contribute to meeting the Group's objectives and increase efficiencies and the profitability of operations;
- Promote all principles or techniques of control capable of improving the quality of the internal control of activities;
- Ensure that all Group subsidiaries comply with these procedures.

To this purpose, the Internal Audit Department:

- Notifies Executive Management of situations distinguished by an insufficient level of security;
- Ensures that resources are used in a manner that fully complies with laws and internal procedures;
- Evaluates the adequacy of resources deployed by subsidiaries to achieve the performances expected in relation to plans and budgets;
- Controls the reliability of management information systems and the fair presentation of management information used in operating reports.

GL events has entrusted the management of this department to an employee with a solid knowledge of all the Group's business activities. This manager reports on the work carried out to the GL events' Executive Committee once a year.
It is assisted by an Auditor dedicated to this department as well as the team of internal auditor/controllers that has been in place since 2004. The latter have been selected from administrative and financial management of subsidiaries.

At the end of each mission, the internal auditors or controllers which perform their assignment in the companies in which they do not exercise a regular management role, discuss the report with the Internal Audit Manager who reports to the Group's General Management and Audit Committee.

This report is also sent to the subsidiary manager and his or her line manager tasked with implementing the recommendations that have been proposed.

The Internal Audit Department also monitors progress made with corrective actions.

The internal auditors and controllers work closely with management of the Group's support functions that are responsible for:

- Proposing operating procedures and contributing to their improvement;
- Implementing control systems and tools;
- Ensuring the monitoring and ongoing control of operations, notably through updates to procedures available through intranet, a common and accessible source of information.

In 2012, assignments performed by this department covered:

- Updating the risk mapping;
- Full audits of subsidiaries with audit programs now pursued on an ongoing and rotating basis and covering all important subsidiaries representing material potential risks and business volumes;
- Large international events;
- Audits of organisational processes.

Finance and management control

With a team of management controllers covering France and international operations, Management Control's mission is to assess compliance with Group internal rules and procedures for all Group sites and processes, identify incidents of non-compliance with laws and regulations, ensure that Group assets are safeguarded, evaluate the effectiveness of operations and ensure that operating risks are effectively anticipated and managed.

Group general management attaches considerable importance to the annual budget planning process as a means to convert strategic orientations into operational action plans.

To this purpose, Group Management Control issues guidelines and instructions for teams involved in preparing the budget.
It coordinates planning and budget control procedures through a manual defining management rules to be applied by all Group entities, procedures for producing budgets, forecasting and management reporting.
Management reporting is built around a management consolidation tool for results and indicators to monitor physical and financial items of the balance sheet such as trade receivables, investments and cash flows.

In addition, the monitoring of businesses constitutes a key element of Group steering and control procedures. Reviews are organised at the level of operating entities by Management Control and for the more significant entities with Group management.

Management Control prepares and distributes operating reports and analyses of variances and important trends based on information provided by the different entities in their monthly reports. Revised monthly forecasts are produced so GL events' Executive Management can assure optimal guidance and oversight of business operations.

Legal department

The legal department charged with safeguarding the legal interests of the Group and senior executives intervenes in three principal areas that contribute to internal control:

• Drawing up and updating model contracts and procedures for operations of a recurrent nature;
• Proposing to Executive Management, in coordination with Human Resources, procedures concerning the delegation of authority and the implementation and monitoring of these rules;
• Selecting outside legal counsel, monitoring their services, performances and their fees in coordination with management control.

Information systems steering committee

Group Executive Management created an Information Systems Steering Committee. It includes representatives of users including members of Finance, Human Resources Management Information Systems. This committee establishes and maintains an information systems master plan that meets the needs of the group organisation and general development policy. Within this framework, it decides notably on the nature of information systems projects, sets priorities for the allocation of resources and the information systems security policy.

Statutory Auditors

The Statutory Auditors contribute to Group internal control by providing an independent and objective perspective when they review semi-annual and annual financial statements and internal control procedures, both at the consolidated level and for each subsidiary audited.

II – 3 PREPARATION OF ACCOUNTING AND FINANCIAL INFORMATION

Internal control procedures for accounting and financial information are destined to ensure the quality of financial information produced by consolidated subsidiaries, the fair presentation of financial information reported by the Group and prevent the risk of errors, inaccuracies or omissions in Group financial statements.

We have previously described the role of group management control in overseeing monthly management consolidated financial information.

Budget controls indicate variances from targets within the framework of monthly consolidation based on terms of reference adapted for the oversight of operations in a rigorous manner and on a timely basis. They identify eventual inconsistencies in relation to budgeted financial information.

At the same time, the consolidation department carries out monthly consolidations of Group results by combining the financial statements of subsidiaries and a complete quarterly consolidation.

Quarterly consolidation makes it possible to produce a consolidated income statement by nature whose principal aggregates are compared with those produced by the management reporting consolidation mentioned above.

Every consolidated subsidiary produces a consolidation package adhering to Group standards based on the accounting manual and Group memorandums that define rules for accounting recognition and measurement.

This manual and the memorandums describe the underlying principles to be applied when preparing financial statements such as the going concern concept, time period concept, quality of financial information (comprehensibility, relevance, reliability and comparability).

They also describe Group principles concerning the recognition, measurement and presentation of the main accounting components of the financial statements. These include notably rules for the measurement of provisions for impairment of trade receivables, the depreciation or amortisation of leased assets and inventories, other commitments and contingencies, rules for the translation of the financial statements of foreign subsidiaries and the principles for recording and reporting inter-company transactions.

The consolidation department issues instructions before each consolidation, indicating the timetable and changes in applicable standards, rules and principles. In addition, an annual seminar of accounting management reviews the difficulties experienced in the prior year and the solutions adopted.

When the consolidation packages are received, the consolidation department performs different types of controls.These include the verification of subsidiary consolidation packages, reconciliation of changes in restated shareholders' equity, changes in the consolidation scope and consolidation accounting such as the elimination of inter-company transactions, the calculation of deferred tax, control of the tax calculations, the proper integration of consolidation packages by verifying financial statement aggregates and procedures retained for measuring and recording significant transactions of an exceptional nature.

For the communication of group financial statements, a Verification Committee is responsible for reviewing the published documents.

III – PROCEDURES FOR THE PARTICIPATION OF SHAREHOLDERS IN GENERAL MEETINGS

Refer to articles 22 *et seq*. of the company's articles of association (*statuts*)

IV – PRINCIPLES AND RULES ESTABLISHED BY THE BOARD OF DIRECTORS TO DETERMINE COMPENSATION AND BENEFITS OF ANY NATURE GRANTED TO CORPORATE OFFICERS

Compensation of corporate officers evolves over the years in line with the Group's development and the increasing responsibilities entrusted to these officers in connection with this economic development.

V – PROVISIONS OF MIDDLENEXT RECOMMENDATIONS NOT APPLIED

GL events Group applies all recommendations of the MiddleNext corporate governance code.

This corporate governance code can be consulted at the MiddleNext website (www.middlenext.com).

STATUTORY AUDITORS' REPORT, ISSUED IN ACCORDANCE WITH ARTICLE L.225-235 OF FRENCH COMMERCIAL CODE (CODE DE COMMERCE) ON THE REPORT PREPARED BY THE CHAIRMAN OF THE BOARD OF GL EVENTS SA.

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders:

As the Statutory Auditors of GL events and in accordance with the final paragraph of article L.225-235 of the French Commercial Code, we hereby report to you on the document prepared by the Chairman of the Board of Directors of your company in accordance with article L.225-37 of said code for the year ended 31 December 2011.

The Chairman is required to prepare a report describing the internal control and risk management procedures implemented within the Company and providing the other information required by article L. 225-37 of the French Commercial Code notably relating to the corporate governance system.

It is our responsibility to:

- Report our observations on the information set out in the Chairman's report on the internal control procedures relating to the preparation and processing of financial and accounting information;
- Certify that the report contains the other information required by article L. 225-37 of the French Commercial Code, while specifying that we are not responsible for verifying the fairness of this other information.

We performed our procedures in accordance with the relevant professional standards applicable in France.

INFORMATION CONCERNING THE INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

This standard requires us to perform procedures to assess the fairness of the information set out in the Chairman's report on the internal control and risk management procedures relating to the preparation and processing of financial and accounting information.

These procedures notably consist in:

- Obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information, on which the information presented in the Chairman's report is based, as well as reviewing supporting documentation;
- Obtaining an understanding of the work performed to prepare this information, as well as reviewing supporting documentation;
- Ensuring that material weaknesses in internal control procedures relating to the preparation and processing of financial and accounting information detected in the course of our engagement have been properly disclosed in the Chairman's report.

On the basis of these procedures, we have no matters to report in connection with the information given on the internal control and risk management procedures relating to the preparation and processing of financial and accounting information, contained in the Chairman's report, prepared in accordance with article L. 225-37 of the French Commercial Code.

OTHER INFORMATION

We certify that the Chairman's report contains the other information required by article L. 225-37 of the French Commercial Code.

Lyon and Villeurbanne, 2 April 2013

The Statutory Auditors

French original signed by:

Maza Simoens
Michel Maza

Mazars
Eric Gonzalez

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FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET – ASSETS

(€ thousands)	Notes	31/12/2012	31/12/11(*)
Goodwill	5.1	417,175	412,583
Other intangible assets	5.1	43,603	48,408
Land and buildings	5.2	31,747	15,887
Other property, plant and equipment	5.2	39,479	42,619
Rental equipment - assets and inventory	5.3	116,608	68,401
Other investments and non-current assets	5.4	74,161	58,313
Equity-accounted investments	5.5	533	414
Deferred tax assets	5.9	20,650	15,958
NON-CURRENT ASSETS		**743,956**	**662,583**
Inventories & work in progress	5.6	17,687	20,257
Trade receivables	5.7	167,077	177,929
Other receivables	5.8	108,352	103,917
Cash and cash equivalents	5.10	152,922	201,467
CURRENT ASSETS		**446,037**	**503,570**
TOTAL		**1,189,993**	**1,166,153**

(*) As indicated in note 2.6 "Change in method", amounts have been adjusted and in consequence differ from those presented in the 2011 financial statements.

CONSOLIDATED BALANCE SHEET – SHAREHOLDERS' EQUITY AND LIABILITIES

(€ thousands)	Notes	31/12/2012	31/12/11(*)
Capital	5.11	90,616	71,695
Reserves and additional paid in capital	5.11	278,789	229,736
Translation adjustments	5.11	(15,326)	(13,865)
Net income	6	28,246	14,549
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP		**382,325**	**302,115**
Non-controlling interests		31,850	36,688
TOTAL SHAREHOLDERS' EQUITY		**414,175**	**338,803**
Provisions for retirement severance payments	5.12	7,835	6,375
Deferred tax liabilities	5.9	4,619	4,305
Borrowings	5.14	269,090	311,738
NON-CURRENT LIABILITIES		**281,544**	**322,418**
Current provisions for contingencies and expenses	5.13	18,352	20,704
Current borrowings	5.14	96,262	100,837
Current bank facilities and overdrafts	5.14	14,907	18,719
Advances and down payments on outstanding orders		13,348	12,092
Trade payables		145,003	151,280
Tax and employee-related liabilities		80,557	79,372
Other liabilities	5.15	125,845	121,928
CURRENT LIABILITIES		**494,275**	**504,932**
TOTAL		**1,189,993**	**1,166,153**

(*) As indicated in note 2.6 "Change in accounting method", amounts have been adjusted and in consequence differ from those presented in the 2011 financial statements.

STATEMENT OF COMPREHENSIVE INCOME

(€ thousands)	Notes	31/12/2012	31/12/11(*)
REVENUE	4	**824,240**	**782,711**
Other revenue from ordinary activities	6.1	7,885	9,234
OPERATING INCOME		**832,125**	**791,945**
Raw materials and consumables	6.2	(51,825)	(43,982)
External charges	6.2	(477,514)	(461,024)
Taxes and similar payments (other than on income)		(18,112)	(18,881)
Personnel expenses and employee profit sharing	6.6	(194,081)	(186,271)
Allowances for depreciation and reserves	6.3	(38,854)	(51,340)
Other operating income and expenses	6.4	(1,130)	4,635
OPERATING EXPENSES		**(781,517)**	**(756,863)**
OPERATING PROFIT	4	**50,609**	**35,082**
Net interest expense	6.5	(4,827)	(6,632)
Other financial income and expense	6.5	(546)	(80)
NET FINANCIAL EXPENSE	6.5	**(5,372)**	**(6,712)**
EARNINGS BEFORE TAX		**45,237**	**28,370**
Income tax expense	6.7	(14,329)	(7,860)
NET INCOME OF FULLY CONSOLIDATED COMPANIES		**30,908**	**20,510**
Share of income from equity affiliates		402	817
NET INCOME		**31,310**	**21,327**
Attributable to non-controlling interests		3,064	6,778
NET INCOME		**28,246**	**14,549**
Number of shares		22,653,920	17,923,740
Net earnings per share (in euros)		**1.25**	**0.81**
Diluted average number of shares		23,223,703	18,145,590
Fully diluted earnings per share (in euros)		**1.22**	**0.80**

NET INCOME	**31,310**	**21,327**
Gains and losses from the translation of financial statements of foreign operations	(1,684)	(7,862)
Actuarial gains and losses relating to employee benefit liabilities	(782)	232
Impact of fair value measurement of financial instruments	(4,023)	(498)
TOTAL COMPREHENSIVE INCOME	**24,821**	**13,199**
Comprehensive income attributable to non-controlling interests	2,841	5,148
Comprehensive income attributable to equity holders of the parent	21,980	8,051

(*) As indicated in note 2.6 "Change in accounting method", amounts have been adjusted and in consequence differ from those presented in the 2011 financial statements.

CONSOLIDATED CASH FLOW STATEMENT

(€ thousands)	Notes	31/12/2012	31/12/2011
Net cash and cash equivalents at the beginning of the year	5.14	**182,748**	**106,842**
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income		**28,246**	**14,781**
Adjustments for non-cash income and expense or items unrelated to operating activities:			
Depreciation and provisions		33,197	41,951
Unrealised gains and losses from fair value adjustments		35	(153)
Expense and income linked to stock options		(2,254)	1,247
Gains and losses on disposals of fixed assets		2,637	(3,536)
Non-controlling interests in consolidated subsidiaries' net income		3,064	6,778
Share of income from equity affiliates	5.5	(122)	(18)
Operating cash flows		**64,803**	**61,050**
Net interest expense		4,829	6,632
Tax expense (including deferred taxes)	6.7	14,329	7,949
Cash flow before net interest expense and tax		**83,961**	**75,631**
Tax payments		**(10,635)**	**(12,126)**
Change in inventories		2,841	(5,662)
Change in trade receivables		7,203	(23,668)
Change in trade payables		(8,072)	19,334
Other changes		(2,334)	(20,681)
Changes in working capital requirements		**(362)**	**(30,677)**
NET CASH PROVIDED BY OPERATING ACTIVITIES (A)		**72,964**	**32,828**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of intangible fixed assets		(3,521)	(7,209)
Acquisition of PPE and capitalised rental equipment		(91,629)	(30,176)
Disposals of tangible and intangible assets		748	993
Acquisitions of financial assets		(18,124)	(7,710)
Disposal of financial assets		3,414	2,588
Net cash flows from the acquisition and disposal of subsidiaries		(506)	(5,961)
NET CASH USED IN INVESTING ACTIVITIES (B)		**(109,618)**	**(47,475)**
NET CASH FROM FINANCING ACTIVITIES			
Capital increase		71,059	
Dividends paid to shareholders of the parent		(8,264)	(15,876)
Dividends paid to minority shareholders of consolidated companies		(3,266)	(3,014)
Other changes in equity		(2,347)	(98)
Proceeds from the issuance of new debt		40,271	276,750
Repayment of debt		(99,327)	(160,213)
Net interest expense		(4,829)	(6,632)
NET CASH PROVIDED BY FINANCING ACTIVITIES (C)		**(6,703)**	**90,917**
Effect of exchange rate fluctuations on cash (D)		**(1,377)**	**(364)**
NET CHANGE IN CASH & CASH EQUIVALENTS (A + B + C + D)		**(44,734)**	**75,906**
Net cash and cash equivalents at year-end	5.14	**138,014**	**182,748**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€ thousands except shares)	*Number of shares (thousands)*	Attributable to the Group					Non-controlling interests	Total
		Capital stock	Additional paid-in capital	Retained earnings	Comprehensive income	Total Group		
EQUITY AT 31/12/2010	*17,924*	**71,695**	**122,347**	**85,047**	**32,750**	**311,838**	**41,293**	**353,131**
Comprehensive income appropriation for N-1				32,750	(32,750)			
Distribution of dividends				(15,876)		(15,876)	(3,014)	(18,890)
Cancellation of treasury shares				(1,405)		(1,405)		(1,405)
Stock option expenses				1,247		1,247		1,247
Change in ownership interests in subsidiaries				(1,742)		(1,742)	(6,739)	(8,481)
COMPREHENSIVE INCOME					**8,051**	**8,051**	**5,148**	**13,199**
EQUITY AT 31/12/2011	*17,924*	**71,695**	**122,347**	**100,021**	**8,051**	**302,114**	**36,688**	**338,803**
Capital increase	*4,730*	18,921	50,291			69,212		69,212
Comprehensive income appropriation for N-1				8,051	(8,051)			
Distribution of dividends				(8,264)		(8,264)	(3,266)	(11,530)
Cancellation of treasury shares				(1,565)		(1,565)		(1,565)
Stock option expenses				2,293		2,293		2,293
Change in ownership interests in subsidiaries				(3,445)		(3,445)	(4,414)	(7,859)
COMPREHENSIVE INCOME					**21,980**	**21,980**	**2,841**	**24,821**
EQUITY AT 31/12/2012	*22,654*	**90,616**	**172,638**	**97,090**	**21,980**	**382,325**	**31,850**	**414,175**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF GL EVENTS AT 31 DECEMBER 2012

The information given below is expressed in thousands of euros, unless stated otherwise.

These notes are an integral part of the consolidated financial statements for the year ended 31 December 2012. On 1 March 2013 the Board of Directors of GL events SA approved these financial statements and authorised their publication.
GL events (Route d'Irigny - 69 530 Brignais) is a joint stock company (*Société Anonyme*) governed by French law and incorporated in France under number 351 571 351 571 757 (RCS Lyon). As such it is subject to all laws and regulations governing commercial companies in France and in particular the provisions of the French Commercial Code (*Code de Commerce*).

NOTE 1 OPERATING HIGHLIGHTS

- **Signature of a framework agreement and an investment agreement in Brazil**

  The Group has thus signed with the Rio de Janeiro city government a framework agreement (commercial heads of agreement) providing for the following main items:
  - Hosting the Organising Committee for the FIFA World Cup at Riocentro over 30 months. For this occasion, and until the completion of the works currently in progress, these offices are partially installed in a temporary structure developed by the Group serving as a showcase for GL events' expertise in Brazil;
  - Hosting the International Broadcast Centre at Riocentro for which different halls will be outfitted;
  - 20,000 m^2 of commercial space linked to the activity of the exhibition centre rendered available for marketing;
  - The construction of a 306 room hotel under the Mercure franchise. In a local environment with a significant shortage of hotel space, this project will have two objectives: 1) strengthen the visibility and capacity of the convention centre integrated within Riocentro and 2) support major events coming up and the economic development of Rio de Janeiro in general and the Barra di Tijuca urban economic area currently undergoing a phase of strong development.

- **GL events carried out two capital increases in the form of cash issues**

  - The first issue was reserved for Sofina for a total amount of €28,499,998.86, including a nominal amount of €6,838,632 and total share premium of €21,661,366.86 through the issuance of 1,709,658 ordinary shares for a subscription price per unit equal to €16.67, i.e. a nominal value of €4 and share premium of €12.67 per share;
  - The second issue maintaining shareholders' pre-emptive subscription rights generated gross proceeds of €42,559,154.98 corresponding to the creation of 3,020,522 new shares.

  The proceeds from these two rights issues will contribute to financing in a balanced manner in conjunction with cash flow, the acceleration of the Group's development in emerging markets for global events like Brazil, Russia, Africa and the Middle East , while taking advantage of development opportunities in Europe, particularly in venue management.

- **GL events awarded a 20-year management concession for the Toulouse Exhibition Centre**

  GL events' management of Toulouse Exhibition Centre was renewed through a 20-year concession effective on 1 July 2012. The Group was first awarded an management concession for the Exhibition Centre in 2002 and also manages the Toulouse Pierre Baudis Convention Centre.
  A company has been created to manage the new concession that had no impact on the 2012 financial statements.

  The Urban Community of Greater Toulouse has in this way renewed its confidence in GL events to manage and promote its Exhibition Centre in view of the professionalism and ambitiousness of its proposal and the international network through which it is deployed. Within the framework of a revamped system of governance, this new management will permit the regional governing authorities to define and manage the development strategy for this infrastructure, in close collaboration with GL events.

  This management covers the current Exhibition Centre and, starting in March 2016, the future Exhibition Centre.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF CONSOLIDATION

2.1 Basis of preparation and statement of compliance

In accordance with EU regulations 1606/2002 and 1725/2003, GL events' consolidated financial statements are prepared on the basis of international accounting standards applicable in the European Union at 31 December 2012. These standards include IFRS (International Financial Reporting Standards), IAS (International Accounting Standards) and interpretations of the SIC and IFRIC (Standards Interpretations Committee and International Financial Reporting Interpretations Committee).

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 2012 and whose application was mandatory as of 1 January 2012.

The amendment to IFRS 7 on disclosures in with respect to changes in method for measuring financial assets applicable for periods commencing on or after 1 January 2012 has not had a material impact on the consolidated financial statements.

Furthermore, the Group adopted in advance the amendments to Revised IAS 19 with respect employee benefit liabilities that provide for the immediate recognition of actuarial gains and losses in equity.
The other standards and interpretations adopted by the European Union whose application is mandatory for periods commencing on or after 1 January 2013 were not applied in advance

Analysis is currently being performed to assess the potential impact of these standards on the financial statements.

2.2 Basis of measurement

Financial statements are prepared on the basis of the historical cost principle except for short-term investment securities and financial instruments that are measured at fair value. Financial liabilities are recognised on the basis of the amortised cost method. Carrying values of hedged instruments and their underlying assets and liabilities are recognised at fair value.

2.3 Estimates and assumptions

In preparing financial statements, use is made of estimates and assumptions that affect the amounts of assets and liabilities recorded in the consolidated balance sheet, expenses and income items of the income statement and commitments concerning the period under review. Actual subsequent results may in consequence differ. These estimates and assumptions are regularly updated and analysed on the basis of historical and forecast data.
These assumptions concern primarily the measurement of the recoverable value of assets (notes 2.5.1 to 2.5.5), the measurement of retirement severance benefits (note 2.5.16) and provisions for contingencies and expenses (note 2.5.15).

2.4 Basis of consolidation

2.4.1 Consolidation principles

Companies over which the Group exercises exclusive control are fully consolidated from the effective date of control.

Entities held between 20% and 50% in which the Group exercises a significant influence on management and financial policy are consolidated under the equity method.

The list of companies consolidated by the Group is presented in note 3.

The Group applies Revised IFRS 3" Business combinations" and IAS 27 - "Consolidated and separate financial statements" including rules for the recognition of dividends.

In accordance with this method, the Group recognises acquisition-date fair value of contingent assets and liabilities identifiable on this date. The acquisition cost equals the fair value at the date of exchange, of assets given, liabilities incurred or assumed and/or equity instruments issued by the acquirer, in exchange for control of the acquiree.

Costs relating to the business combination are not included in the fair value for the amount exchanged. They are in consequence recognised under expenses and not included in the acquisition cost of the securities.

The Group has a period of 12 months from the acquisition date to finalise the recognition of the business combination in question. Any modification in the purchase price (related to a debt instrument) occurring outside its allocation period, shall be recognised by an accounting entry under income without an adjustment to acquisition cost or goodwill.

2.4.2 Translation of financial statements of foreign subsidiaries

The financial statements of foreign subsidiaries have been translated using the following methods:

- Share capital and reserves are translated at historical rates;
- The balance sheet (not including share capital and reserves) is translated at year-end rates;
- The income statement is converted at average rates.

Translation differences resulting from the application of historic rates and average rates compared to year-end rates are allocated to the consolidated reserves (before non-controlling interests).

2.4.3 Elimination of intercompany transactions and balances

All reciprocal balance sheet accounts between Group companies and all other transactions between Group companies (purchases and sales, dividends, etc.) as well as accrued expenses on equity interests and loans to associates are eliminated.

2.4.4 Transactions with non-controlling interests

Disposals of interests that do not result in a loss of control are accounted for as equity transactions (i.e. as transactions with other shareholders acting in that capacity). The carrying value of Group controlling interests and non-controlling interests must be adjusted in consequence. Any disposal resulting in a loss of exclusive control, joint control, significant influence or dilution will result in a disposal gain or loss.

Within the framework of the acquisition of interests that do not result in a change in control, the impacts are recognised through equity, without generating additional goodwill.
When an acquisition of additional securities previously classified as held for sale results in a first-time consolidation, regardless of the method (full consolidation or equity method), the securities previously held are remeasured with an accounting entry recorded in the income statement.

2.4.5 Fiscal year

All consolidated subsidiaries have fiscal year cut-off dates of 31 December.

2.5 Accounting policies

2.5.1 Goodwill

When a subsidiary is consolidated for the first time, goodwill is generated for the Group as described in note 2.4.1 Principles of consolidation.

Positive goodwill is recorded under intangible assets.
In accordance with IAS 36, at each closing date and when there is evidence of impairment, goodwill impairment tests are conducted at the level of cash generating units as described below in note 2.5.5.
Negative goodwill is recognised directly in the income statement.

2.5.2 Other intangible assets

Research and development expenditures as well as pre-opening and start-up costs not meeting the criteria of intangible assets under IAS 38 and, as such qualifying for capitalisation, are expensed.

Intangible fixed assets are amortised over their useful life spans as follows: The depreciation periods are as follows:

	Depreciation period
Concessions	10 to 50 years
Software	1 to 3 years

2.5.3 Property, plant and equipment

In accordance with IAS 16 – *Property, plant and equipment* tangible assets are recognised at historical cost less accumulated depreciation and impairment.

Tangible assets are depreciated on a straight-line basis, according to a component approach on the basis of normal useful lives that are as follows:

	Depreciation period
Office buildings	10 to 50 years
Industrial buildings	10 to 50 years
Fixtures and fittings	10 years
Industrial equipment and tools	2 to 7 years
Transport equipment	3 to 5 years
Office furniture and equipment	2 to 5 years

2.5.4 Rental equipment (assets and inventory)

Rental equipment assets

As an exception to French GAAP, rental equipment inventory in the parent company financial statements are recognised as capitalised rental equipment under a specific heading in the balance sheet in the consolidated financial statements.
This classification offers a clearer indication of the importance of rental equipment by providing a breakdown between equipment destined for rental and capitalised equipment remaining at Group sites.
Capitalised rental equipment is recorded at the purchase price less accumulated depreciation expenses and impairment in accordance with IAS 16 – Property, plant and equipment.

To record impairment from wear and tear caused by the successive rental of this capitalised equipment, the specific depreciation periods, based on their useful lives, are as follows:

	Depreciation period
Flooring	7 to 10 years
Furniture	4 years
Structures and big tops	5 to 10 years
Grandstands and bleachers	5 to 10 years
Other rental equipment	2 to 7 years

Rental equipment inventory

Rental equipment is mainly comprised of items destined for installations and fixtures for temporary stands (aluminium structures) as well as flooring material (deck equipment)
Rental equipment inventory is recognised using the weighted average cost method. Manufactured products are recognised at production cost that includes, when applicable, direct expenses incurred by the subsidiary contributing to its production. Financial expenses are not included in the calculation of production costs. Work in progress is valued at production cost.
Depreciation expenses for rental inventory are based on the turnover rate for this equipment in prior periods. In addition, a provision for impairment is recorded when the products are considered obsolete or fail to meet the Group's quality standards.

2.5.5 Impairment of assets

In compliance with IAS 36 – *Impairment of assets*, the Group determines the recoverable amount of its fixed assets as follows:

- For property, plant and equipment and intangible assets that have been depreciated or amortised, the Group determines at the end of each period if there exists an indication that the asset may be impaired. These may consist of external or internal indicators. In such cases, an impairment test is conducted comparing the carrying amount with the recoverable value that is measured at the higher of its net selling price or value in use.
- In accordance with Revised IFRS 3 – Business Combinations, goodwill is not amortised. Goodwill is systematically tested for impairment whenever any indicators of impairment arise and at least at once a year.
  These impairment tests are conducted at the level of Cash Generating Units (CGUs) defined as a homogeneous group of assets generating cash inflows and outflows from continuing use that are largely distinct from cash inflows from other groups of assets. The CGUs correspond to GL events Group's three business units, GL events Live, GL events Exhibitions and GL events Venues.

Impairment tests consist in comparing the recoverable values for each CGU of the Group to the net carrying value of the corresponding groups of assets (including goodwill and WCR). These recoverable values are determined primarily on the basis of the present value of future operating cash flows expected over a five-year period and perpetual growth (the discounted cash flow method). The discount rate used is determined according to the weighted average cost of capital (WACC) method, representing a rate (distinct for each CGU) applied to cash flow after taxes. If applicable, goodwill impairment expenses will be recognised under income.

2.5.6 Leases

Real estate acquired through a capital lease is recorded as a fixed asset at the value on the date of entry into the scope. Other tangible assets acquired through finance leases with an initial value of more than €75,000 are recorded either as fixed assets or as rental equipment for the value of the assets on the date the contract is concluded. These assets are amortised or depreciated according to the methods described above. The value of the capital component of the debt remaining due is recorded under borrowings. The lease charges recorded for the financial year are then restated.

2.5.7 Service concession agreements

The IFRIC has published its interpretation on the treatment of service concession arrangements (IFRIC 12) whose application is mandatory effective 1 January 2010.
Notwithstanding the legal context governing relations local administrations and GL events, long-term public-to-private service arrangements (*contrats de délégations*) and concessions concluded by GL events do not fall under the scope of IFRIC 12, the conditions relating to the definition of the services provided, the setting of prices and the exercise of control over infrastructures at the end of the term are not met for the following reasons:

- In respect to services, the grantors provide GL events Group full leeway to guarantee equal access to the infrastructure without discrimination and for the largest possible use of the installations covered under the arrangement;
- In respect to prices, the grantors approve the rates proposed by the grantee determined in relation to the market on an arms length basis;
- In respect to control, the installations remain under the control of the grantees entrusting us with their management, with no right to the infrastructure being transferred in consequence to the grantee. However, all maintenance work and upgrades carried out during the management concession period systematically revert to the grantor at the end of the agreement's term, with or without consideration according to the specific terms of each agreement.

2.5.8 Investments and other non-current assets

Recognition

Financial instruments consist of securities of non-consolidated companies, shares of listed companies, loans and long-term financial receivables.

The financial assets are analysed and classified into the following four categories:
- Financial assets held for trading (securities purchased and held primarily for sale in the short-term);
- Held-to-maturity investments (securities giving rights to fixed or determinable payments and at a fixed maturity that the enterprise has the ability and intent to hold to maturity),
- Loans and receivables;
- And available-for-sale financial assets (all financial assets not included in one of the three preceding categories).

The classification depends on the reasons for acquiring the financial assets. The classification is determined at the time of initial recognition.

Securities held for trading are recognised at fair value and unrealised gains and losses on remeasurement are recognised in profit or loss.
Financial assets classified as held-to-maturity are measured at amortised cost according to the effective interest rate method.
Loans and receivables are measured at amortised cost according to the effective interest rate method. A provision for impairment may be recorded when there exists an objective indication of loss in value.

Available-for-sale securities are recognised at fair value (based on the stock market price when available). Unrealised gains and losses, corresponding to temporary changes in the value of these assets, are recognised under equity. When the securities are sold or written down, the unrealised losses and gains previously recorded under equity are then recognised under profit or loss.

Participating interests in non-consolidated companies are classified as available-for-sale securities. When they represent non-consolidated minority investments in listed companies (available-for-sale securities), they are measured at the fair value according to the closing price of year-end. Securities whose fair value cannot be reliably estimated are measured at historical cost.

Impairment

At the end of each period, the Group seeks to determine if there exists any objective indication of impairment of a financial asset or group of financial assets. For securities classified as available-for-sale, a significant (+20%) or prolonged (more than 6 months) decline in the fair value below the purchase price is considered to constitute an indication of impairment. When such an indication exists for available-for-sale financial assets, the accumulated loss (corresponding to the difference between the purchase price and the present fair value, less any impairment charges previously recorded in the income statement for this financial asset) is eliminated from equity and recognised under income.

When a loss in value is thus determined, an impairment loss is recorded in consequence. Impairment losses recognised in the income statement for available-for-sale assets may only be written back to income when the securities are sold.

2.5.9 Consumables, goods for resale and work-in-progress

These items are recorded on a distinct line under current assets and recognised either at their last purchase price or weighted average price. In addition, a provision for depreciation is recorded when the products are considered obsolete or fail to meet the Group's quality standards.
Inventory in progress and finished products are recognised at production cost that may include the cost of raw materials, direct labour and factory overheads.

2.5.10 Trade receivables and payables

Trade receivables and payables are recorded at face value. Balances denominated in foreign currencies and not hedged by forward covers are translated at the year-end exchange rate. Accounts receivable are analysed on a case-by-case basis and a provision for doubtful debts is made to cover potential collection risks.

2.5.11 Cash and cash equivalents

Cash equivalents consist of short-term highly liquid investments that are readily convertible to cash at known amounts and subject to insignificant risk of changes in value. These investments are recognised at fair value and unrealised gains and losses recorded under net financial expense. Fair value is determined on the basis of the closing market price at year-end.

2.5.12 Taxes

Current taxes:

Current taxes are calculated according to tax rates applicable in each country.

Deferred taxes:

In accordance with IAS 12, deferred taxes are recorded to reflect potential differences between the book value of an asset or a liability and its tax value. They are calculated on the basis of the liability method. Deferred taxes are offset by the fact entity and classified as non-current assets and liabilities.
Deferred tax assets are recorded only if it is probable that the company will recover them from taxable profit expected during that period. The carrying value of these assets is reassessed annually and an impairment is recorded when applicable.
Deferred tax assets are not discounted.

2.5.13 Treasury shares

Shares held in treasury are deducted from shareholders' equity regardless of the reason for their purchase and retention and the corresponding result is eliminated in the consolidated income statement.

2.5.14 Investment grants

Investment grants are deducted from the assets in question, with the portion of the grant recorded under income as subtracted from the corresponding amortisation expense.

2.5.15 Provisions for contingencies and expenses

Provisions are recorded to meet the potential costs related to litigation and other liabilities. They are recorded when the Group has a present obligation resulting from a past operative event expected to result in an outflow of economic resources that can be reasonably estimated. Provisions for contingencies and expenses maturing within less than one year are recorded under current liabilities.

2.5.16 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 Group decided to apply the amendments to Revised IAS 19 (See note 2.1 Basis of preparation and statement of compliance) that allows actuarial gains and losses to be recognised under equity (referred to as the "SORIE Method" for "Statement of Recognised Income and Expense").

2.5.17 Share-based payments

IFRS 2 on share-based payment covers transactions with personnel or third parties that receive shares or right to shares as consideration. Its application at GL events concerns stock purchase options and bonus shares granted to employees. As provided by this standard, only options granted after 7 November 2002 have been taken into account.
Under this standard, these plans are measured on the grant date and recognised under employee personnel expenses with a reverse entry under reserves, recorded on a straight-line basis over the period rights are vested by beneficiaries, in general between two and three years. For the measurement of these stock purchase option plans, the Group uses the Black and Scholes method generally applied by the market.

2.5.18 Financial liabilities

Financial liabilities consist primarily of current and non-current borrowings and debt with credit institutions. These liabilities are initially recorded at amortised cost on the basis of actual interest rate. Directly attributable transaction costs are taken into account when applicable.

2.5.19 Financial instruments

The Group uses financial instruments to hedge risks associated with interest rate and foreign exchange fluctuations. On the inception of the transaction, the Group documents the hedge relationship between the hedging instrument and the hedged asset, the objectives concerning risks and its hedging policy. Financial instruments are recorded at fair value and subsequent gains and losses in fair value are recognised on the basis of whether or not the derivative is designated as a hedging instrument.
For cash flow hedges (cash flows relating to floating-rate debt), gains or losses are recognised in equity for the effective portion and in the income statement for the non-effective portion.
When a financial instrument does not meet the criteria for hedge accounting, gains or losses in fair value are recognised in the income statement.
Derivative financial instruments are measured by banking institutions according to their mark-to-market value at the closing date.

2.5.20 Commitments to non-controlling shareholders

In compliance with IAS 32, put options granted by GL events to minority shareholders of fully consolidated subsidiaries are recorded as debt at fair value or the probable price for buying out the non-controlling interests.
Commitments to buy out minority interests are accounted for through equity when the acquisition of these interests does not result in a change in control.
Changes in liabilities with respect to commitments to buyout minority interests are recognised by an offsetting credit to equity.
This liability has not been revalued because it represents a non-significant amount.

When the fair value of financial liabilities associated with commitments to buy out minority interests cannot be determined because of the absence of sufficiently reliable forecasts or an active market, they are disclosed in note 8.5 Off-balance sheet commitments.

2.5.21 Revenue recognition

Revenue from trade shows, exhibitions and events is recognised according to the completed performance method or on the event's opening date.
In the specific case of long-term projects or projects implemented over a long-term period, revenue is recognised according to the percentage-of-completion method.
For rental contracts with no defined term and for long-term rental contracts, sales are recognised on a monthly basis.
Income from the sale of capitalised rental equipment is shown under net sales and the net carrying value is recorded under operating expenses.

2.5.22 Accounting treatment of new French tax on businesses (CVAE)

With respect to the replacement of the local French business tax (*Taxe Professionnelle*) starting in 2010 by the new regional tax on businesses referred to as the "*Contribution Economique Territoriale*" (CET), the Group did not consider it necessary to apply a different accounting treatment. These two new levies included in this tax, namely contributions assessed on business property (*contribution foncière des entreprises* or CFE) and added value (*cotisation sur la valeur ajoutée des entreprises* or CVAE) are in consequence recognised under operating expenses, according to the same accounting treatment as the in the previous local business tax.

2.5.23 Net earnings per share

Net (basic) earnings per share in the consolidated income statement correspond to net income divided by the number of shares for each period concerned.
For the last three years, the number of shares was as follows:

- 2010 = 17,923,740
- 2011 = 17,923,740
- 2012 = 22,653,920

2.5.24 Fully diluted earnings per share

Fully diluted earnings per share are restated to show the impact of all dilutive instruments (stock options and bonus shares, allocated or remaining to be allocated).
For the last three years, the average number of diluted shares was as follows:

- 2010 = 18,249,115
- 2011 = 18,145,590
- 2012 = 23,223,703[(*)]

[(*)] If all financial instruments outstanding were exercised, the potential dilution would represent 2.5% of the share capital at 31 December 2012.

02/05/2025 Consolidated cash flows

The consolidated cash flow statement has been presented in compliance with IAS 1 and includes notably the following rules:

- Gains and losses on disposal of fixed assets are net of tax;
- Depreciation of current assets are presented under changes in cash flows in connection with current assets;
- Net cash flows from the acquisition and disposal of subsidiaries correspond to the purchase price less the outstanding amount not yet paid and net available cash and cash equivalents (or increased by current borrowings) on the acquisition date. The same approach is applied for disposals;
- Net cash and cash equivalents at the beginning of the year and at year-end correspond to net cash (cash at bank and in hand, marketable securities) minus current borrowings (short-term bank loans and overdrafts, Dailly law receivables less bills of exchange discounted before maturity). These items do not include current account balances with non-consolidated companies.

2.6 CHANGE IN ACCOUNTING METHOD

On 1 January 2012, the Group decided to recognise actuarial gains and losses related to provisions for retirement severance benefits under comprehensive income items. Previously, actuarial gains and losses resulting from changes in assumptions were recorded under income or expenses in the period incurred.
The purpose of this change was to improve the comparability of accounting information, given that most listed companies use this method.

Furthermore, to facilitate comparisons between periods, the 2011 financial statements have been restated.

The impacts of this change in method on income statement aggregates are as follows:

(€ thousands)	31/12/2011 Reported basis	Restatement	31/12/2011 Restated
Operating profit	35,403	(321)	35,082
Profit before tax	28,691	(321)	28,370
Income tax expense	(7,949)	89	(7,860)
NET INCOME OF CONSOLIDATED OPERATIONS	**20,742**	**(232)**	**20,510**
NET INCOME ATTRIBUTABLE TO THE GROUP	**14,781**	**(232)**	**14,549**

The impacts of this change in method on balance sheet aggregates are as follows:

(€ thousands)	31/12/2011 Reported basis	Restatement	31/12/2011 Restated
Non-current assets	662,583		662,583
Current assets	503,570		503,570
TOTAL ASSETS	**1,166,153**		**1,166,153**
Shareholders' equity	338,803		338,803
Of which reserves and additional paid in capital	*229,504*	*232*	*229,736*
Of which net income	*14,781*	*(232)*	*14,549*
Non-current liabilities	322,418		322,418
Current liabilities	504,932		504,932
TOTAL EQUITY AND LIABILITIES	**1,166,153**		**1,166,153**

NOTE 3 CONSOLIDATED COMPANIES

The following companies were consolidated for the first time or deconsolidated in 2012:

Subsidiaries	Date of consolidation or deconsolidation
• Modamont	• Fully consolidated as of 1 January 2012
• Bleu Royal	• Fully consolidated as of 1 January 2012
• GL events Production LLC	• Fully consolidated as of 1 January 2012
• Maf Servizi	• Fully consolidated as of 1 May 2012
• Toulouse Evenements	• Fully consolidated as of 1 July 2012
• GL Empredimentos Immobiliaro	• Fully consolidated as of 1 July 2012
• GL events Fuarcilik	• Fully consolidated as of 1 July 2012

Because these changes have not had a material impact on the consolidated financial statements, no proforma information is provided.

Subsidiaries	Location of registration or incorporation	Company trade registration number	Controlling interest (%)		Ownership interest (%)		
			2012	2011	2012	2011	
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 (1)	Brignais	535 301 956	51.00		51.00		FC
Alice Evénements	Brignais	518 247 283	100.00	100.00	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(1)	Paris	750 800 625	70.00		70.00		FC
Brelet	Saint-Sébastien	857 803 084	100.00	100.00	100.00	100.00	FC
Brelet CE	Strasbourg	437 742 059	100.00	100.00	100.00	100.00	FC
Brelet Pyramide	Saint-Sébastien	348 162 819	100.00	100.00	100.00	100.00	FC
Cee(4)	Paris	393 255 765	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
Esprit Public	Lyon	384 121 125	100.00	100.00	100.00	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	95.00	99.50	97.31	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 (6)	Roanne	499 138 238	100.00	90.00	100.00	90.00	FC
GL events Services (8)	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
International Standing France(8)	Basse Goulaine	342 784 873	100.00	100.00	100.00	100.00	FC
Kobé(4)	Lyon	382 950 921	100.00	100.00	100.00	100.00	FC
Market Place(7)	Paris	780 153 862	90.00	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	100.00	100.00	49.00	49.00	FC
Ovation +(8)	Marseilles	444 620 074	100.00	100.00	90.00	90.00	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(3)	Lyon	403 131 956	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 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. Maison 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 (1)	Toulouse	752 926 923	100.00		100.00		FC
Toulouse Expo	Toulouse	580 803 880	90.23	90.23	90.23	90.23	FC
Vachon	Gentilly	343 001 772	100.00	100.00	100.00	100.00	FC

Subsidiaries	Location of registration or incorporation	Company trade registration number	Controlling interest (%)		Ownership interest (%)		
			2012	2011	2012	2011	
Foreign subsidiaries							
Aedita Latina	Rio de Janeiro	N/A	100.00	100.00	87.50	87.50	FC
Adors	Ankara	N/A	70.00	70.00	70.00	70.00	FC
Ankara Uluslararasi Kongre	Ankara	N/A	70.00	70.00	70.00	70.00	FC
CCIB Catering	Barcelona	N/A	40.00	40.00	32.00	32.00	EM
Eastern Exhibition Services	Virgin Islands	N/A	100.00	100.00	100.00	100.00	FC
Fagga Promoçao de eventos	Rio de Janeiro	N/A	87.36	87.36	87.36	87.36	FC
Frame	Ankara	N/A	70.00	70.00	70.00	70.00	FC
GL events Asia	Hong Kong	N/A	100.00	100.00	100.00	100.00	FC
GL events Algérie	Algiers	N/A	90.00	90.00	90.00	90.00	FC
GL events Belgium	Brussels	N/A	100.00	100.00	100.00	100.00	FC
GL events Brussels	Brussels	N/A	85.00	85.00	85.00	85.00	FC
GL events CCIB	Barcelona	N/A	80.00	80.00	80.00	80.00	FC
GL events Centro de Convençoes	Rio de Janeiro	N/A	100.00	100.00	91.80	91.80	FC
GL events Empredimentos Immobiliaro[1]	Rio de Janeiro	N/A	100.00		100.00		FC
GL events Exhibitions Shanghai	Shanghai	N/A	93.10	93.10	93.10	93.10	FC
GL events Fuarcilik [1]	Ankara	N/A	70.00		70.00		FC
GL events Hong Kong	Hong Kong	N/A	85.00	85.00	85.00	85.00	FC
GL events Hungaria Rt [5]	Budapest	N/A		100.00		100.00	FC
GL events Italia	Bologna	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 Portugal	Lisbon	N/A	85.71	85.71	85.71	85.71	FC
GL events Production LLC[1]	Dubai Jebel Ali	N/A	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	70.00	70.00	70.00	70.00	FC
GL events USA	New York	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 ME Tents Trading LLC (3)	Dubai Jebel Ali	N/A	49.00	49.00	49.00	49.00	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
Maf Servizi[1]	Bologna	N/A	100.00		100.00		FC
Museum food	Brussels	N/A	60.00	60.00	60.00	60.00	FC
New Affinity and its subsidiaries	Luxembourg	N/A	100.00	100.00	100.00	100.00	FC
Oasys Innovations [6]	Johannesburg	N/A	100.00	50.34	100.00	50.34	FC
Owen Brown	Derby	N/A	100.00	100.00	100.00	100.00	FC
Padova Fiere	Padua	N/A	80.00	80.00	80.00	80.00	FC
Première vision Brésil	Rio de Janeiro	N/A	68.25	68.25	68.25	68.25	FC
Première vision Inc.	New York	N/A	100.00	100.00	49.00	49.00	FC
Slick seating systems [6]	Redditch	N/A	100.00	100.00	70.00	70.00	FC
Serenas	Ankara	N/A	70.00	70.00	70.00	70.00	FC
Spaciotempo Arquitecturas Efimeras	Barcelona	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	87.50	87.50	FC
Traiteur Loriers	Brussels	N/A	95.54	95.54	95.54	95.54	FC
Traiteur Loriers Luxembourg	Brussels	N/A	70.00	70.00	66.88	66.88	FC
World Forum	The Hague	N/A	95.00	95.00	95.00	95.00	FC

(1) Consolidated for the first time in 2012
(2) Sepel, 46.25%-held and over which GL events exercises financial and operational control, is fully consolidated.
(3) Première Vision, 49%-held and over which GL events exercises financial and operational control, is fully consolidated.
(4) Merger of the companies CEE and Kobe into Package.
(5) GL Hungaria RT was merged into its subsidiary Hungexpo.
(6) In 2012, Oasys, GL Scarabée and Slick became wholly owned subsidiaries after the remaining interests were acquired.
(7) Merger of Ovation into Market Place
(8) Merger of ISF into GL Services

EM: Equity-accounting method
FC: Full consolidation

NOTE 4 SEGMENT REPORTING

GL events' activities are organised 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 250 proprietary trade fairs;
GL events Venues manages operations for its current network of 36 event venues.

REVENUE

(€ thousands)	31/12/2012	31/12/2011	Change	
			N / N-1	N / N-1 (%)
GL events Live	440,217	396,851	43,366	10.9%
% of total sales	53.4%	50.7%		
GL events Exhibitions	136,047	170,796	(34,749)	(20.3%)
% of total sales	16.5%	21.8%		
GL events Venues	247,976	215,063	32,913	15.3%
% of total sales	30.1%	27.5%		
TOTAL GROUP	**824,240**	**782,711**	**41,530**	**5.3%**

OPERATING PROFIT

(€ thousands)	31/12/2012	31/12/2011
GL events Live	27,411	6,320
GL events Exhibitions	8,130	20,473
GL events Venues	15,068	8,610
TOTAL GROUP	**50,609**	**35,403**

OTHER SEGMENT INFORMATION

GL EVENTS LIVE

(€ thousands)	31/12/2012	31/12/2011
Investments in property, plant and equipment and intangible assets	66,128	23,137
Allowances and reversals of depreciation and amortisation	(23,049)	(36,058)

GL EVENTS EXHIBITIONS

(€ thousands)	31/12/2012	31/12/2011
Investments in property, plant and equipment and intangible assets	1,009	1,032
Allowances and reversals of depreciation and amortisation	(884)	2,144

GL events Venues

(€ thousands)	31/12/2012	31/12/2011
Investments in property, plant and equipment and intangible assets	27,266	12,224
Allowances and reversals of depreciation and amortisation	(9,264)	(8,037)

With respect to geographic segment information, Europe accounts for the majority of Group revenue. A presentation of more detailed information would not be relevant.

NOTE 5 BALANCE SHEET INFORMATION

5.1 Intangible assets

(€ thousands)	31/12/2011	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	31/12/2012
Intangible assets						
Goodwill - GL events Live	122,130	669	(10)	306	4,224	127,319
Goodwill - GL events Exhibitions	240,681	71		(891)		239,861
Goodwill - GL events Venues	49,772	2		1,419	(1,199)	49,994
Goodwill	**412,583**	**742**	**(10)**	**834**	**3,025**	**417,175**
Other intangible assets	76,050	2,848	(179)	(3,919)	173	74,973
Depreciation	(27,642)	(4,212)	174	483	(173)	(31,370)
Net value of other intangible assets	**48,408**	**(1,364)**	**(5)**	**(3,436)**		**43,603**
Intangible assets	**460,991**	**(622)**	**(15)**	**(2,602)**	**3,025**	**460,778**

The valuation of goodwill on initial consolidation of these business combinations is not definitive and may result in additional allocations within twelve months following the acquisition date.

Changes in the Group structure with respect to goodwill result from the first-time consolidation of Maf Servizi (in 2012) and Serenas (in 2011, in accordance with the period provided for allocation indicated above).

Goodwill has been tested for impairment in accordance with IAS 36 – *Impairment of assets*, by applying the discounted cash flow method at the level of cash generating units as described in note 2.5.5 - Impairment of assets.

The risk-free rate and average cost of debt after tax used to estimate the recoverable value are respectively 2.48% (Euroswap 10 years) and 3.98%.

The market risk premium applied (source: "Financial Professional database" at 31 December 2012) is 6.4% with a beta coefficient of 99% for GL events Live and 94% for GL events Exhibitions and GL events Venues.

The discount rate (WACC) used to take into account these figures is 8.82% for GL events Live and 7.21% for and GL events Exhibitions and GL events Venues.

The assumption adopted for the growth rate is 3% and for the terminal growth rate 2%.
This approach is justified by the geographical diversity of the Group's activities, notably in strong growth regions (Brazil, Dubai, China) able to offset weaker growth cycles in Europe.

No impairment charges were recorded following these tests.

Sensitivity tests were performed on the main components i.e. the discount rate and the perpetuity growth rate.

The following table presents the results of these simulations by indicating the variances between the recoverable value and the carrying value of the assets for the Group CGUs:

(€ thousands)	GL events Live		GL events Exhibitions		GL events Venues	
Sensitivity of the discount rate	**+0.5%**	**-0.5%**	**+0.5%**	**-0.5%**	**+0.5%**	**-0.5%**
Variances between the recoverable value and the carrying value of assets	19,303	60,004	33,705	78,333	125,419	166,498
Sensitivity of the perpetuity growth rate	**+0.5%**	**-0.5%**	**+0.5%**	**-0.5%**	**+0.5%**	**-0.5%**
Variances between the recoverable value and the carrying value of assets	50,402	21,392	74,050	37,496	162,617	128,846

These sensitivity tests do not provide grounds for calling into question the net values retained.

5.2 Property, plant and equipment (excl. capitalised rental equipment)

(€ thousands)	31/12/2011	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	31/12/2012
Land	1,208			12	(245)	975
Buildings	27,340	17,485	(7,352)	(20)	543	37,996
Gross	**28,548**	**17,485**	**(7,352)**	**(8)**	**298**	**38,971**
Accumulated depreciation - buildings	(12,661)	(1,399)	7,079	(1)	(242)	(7,224)
Land and buildings - net	**15,887**	**16,086**	**(273)**	**(9)**	**56**	**31,747**

(€ thousands)	31/12/2011	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	31/12/2012
Installations, machinery and equipment	26,293	4,985	(2,370)	(1,454)	(2,085)	25,369
Other PPE	71,352	4,393	(2,182)	(1,539)	(7,903)	64,121
Other PPE under capital leases	2,323					2,323
PPE under construction	2,213	4,681	(75)	(150)	361	7,029
Gross	**102,181**	**14,057**	**(4,627)**	**(3,143)**	**(9,627)**	**98,842**
Installations, machinery and equipment	(18,588)	(2,579)	2,370	366	4,219	(14,212)
Other PPE	(39,635)	(6,106)	1,633	56	748	(43,304)
Other PPE under capital leases	(1,339)	(499)				(1,838)
Depreciation of PPE under construction		(10)				(10)
Accumulated depreciation and provisions	**(59,562)**	**(9,194)**	**4,003**	**422**	**4,967**	**(59,363)**
Other property, plant and equipment	**42,619**	**4,863**	**(624)**	**(2,721)**	**(4,660)**	**39,479**

5.3 Rental equipment

(€ thousands)	31/12/2011	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	31/12/2012
Rental equipment recognised under assets	153,792	68,523	(15,361)	652	10,596	218,201
Rental equipment recognised in inventory	10,836	758	(1,038)	(4)		10,552
Cost	**164,628**	**69,281**	**(16,399)**	**648**	**10,596**	**228,753**
Depr. capitalised rental equipment	(93,215)	(18,753)	7,906	(308)	(4,843)	(109,213)
Depr. and prov. of rental equipment inventory	(3,012)	(271)	351	1		(2,932)
Depreciation and provisions	**(96,227)**	**(19,024)**	**8,257**	**(308)**	**(4,843)**	**(112,145)**
Rental equipment - assets and inventory	**68,401**	**50,257**	**(8,143)**	**340**	**5,753**	**116,608**

5.4 FINANCIAL ASSETS

(€ thousands)	31/12/11	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	31/12/12
Available-for-sale securities	38,533	8,721	(1,944)	31	350	45,691
Loans and receivables	22,954	13,041	(3,414)	296	14	32,891
Impairment charges	(3,174)	(1,251)	4			(4,421)
Other investments and non-current assets	**58,313**	**20,511**	**(5,354)**	**327**	**364**	**74,161**

5.5 Investments in associates

Changes in investments in associates were as follows:

(€ thousands)	2012	2011
Value of securities at opening	414	394
Change in structure		
Dividends	(283)	(798)
Share of income in associates	402	818
Investments in associates	**533**	**414**

2012 financial aggregates of equity-accounted investments:

(€ thousands)	CCIB Catering SRL	SE Hôtel S.Rothschild
Non-current assets	176	16,816
Current assets	3,976	1,312
Total assets	**4,152**	**18,128**
Shareholders' equity	1,140	3,658
Liabilities	3,012	14,470
Total equity and liabilities	**4,152**	**18,128**
Revenue	**5,767**	**5,258**
Net income	**923**	**67**

5.6 Inventories & work in progress

Inventory and work in progress break down as follows:

(€ thousands)	31/12/2012	31/12/2011
Consumables	8,789	8,466
Work-in-progress	6,692	9,423
Trade goods	3,356	3,431
Gross	**18,837**	**21,320**
Impairment charges	(1,150)	(1,063)
Inventories & work in progress	**17,687**	**20,257**

5.7 Trade receivables

Trade receivables break down as follows:

(€ thousands)	31/12/2012	31/12/2011
Customers	177,696	187,047
Impairment charges	(10,619)	(9,118)
Trade receivables	**167,077**	**177,929**

Trade receivables have maturities of less than one year.

5.8 Other receivables

Other receivables break down as follows:

(€ thousands)	31/12/2012	31/12/2011
Advances and down payments on outstanding orders	9,392	7,016
Social security receivables	877	1,088
Tax receivables	41,501	36,744
Current account advances to non-consolidated companies	14,493	20,732
Other trade receivables and equivalent	21,851	19,362
Prepaid expenses	23,768	22,445
Provisions for current accounts	(445)	(445)
Provisions for other receivables	(3,086)	(3,026)
Other receivables	**108,352**	**103,917**

All other receivables have maturities of less than one year.

5.9 DEFERRED TAXES

Deferred tax assets and liabilities by nature break down as follows:

(€ thousands)	31/12/2011	Changes in Group structure and fair value adjustments of financial instruments	Translation reserves	Income (expense)	31/12/2012
Other depreciation differences	(2,036)		7	(225)	(2,254)
Loss carryforwards	9,221		(144)	3,422	12,499
Provisions	2,433			(335)	2,098
Retirement severance benefits	1,461	393		84	1,937
Organic fund and social housing tax	459			(2)	457
Employee profit sharing	1,062			(247)	815
Special excess depreciation	(15)			(11)	(26)
Other	(933)	2,792	84	(1,440)	503
Total	**11,653**	**3,185**	**(53)**	**1,246**	**16,031**

Based on the medium-term outlook, losses of €3,442,000 were capitalised as assets.
Group loss carryforwards not taken into account in the calculation of deferred tax totalled €3,068,000. This represents a deferred tax of €628,000 not recognised as tax assets.

The breakdown between deferred tax assets and liabilities is as follows:

(€ thousands)	31/12/2011	Changes in Group structure and fair value adjustments of financial instruments	Translation reserves	Income (expense)	31/12/2012
Deferred tax assets	15,958	467	137	4,087	20,650
Deferred tax liabilities	(4,305)	2,718	(191)	(2,841)	(4,619)
Net deferred tax assets (liabilities)	**11,653**	**3,185**	**(53)**	**1,246**	**16,031**

5.10 CASH AND CASH EQUIVALENTS AND MARKETABLE SECURITIES

(€ thousands)	31/12/2012	31/12/2011
Marketable securities	72,487	125,586
Cash at bank and in hand	80,435	75,881
Net cash	**152,922**	**201,467**

The fair value of marketable securities at 31 December 2012 was €72.5 million.
These liquid assets are invested in risk-free products such as money market funds, certificates of deposit or time deposit accounts.

5.11 SHAREHOLDERS' EQUITY

5.11.1 Capital stock

Capital stock

GL events shares are traded on NYSE Euronext Paris- Segment B (Mid Caps).
The share capital at 31 December 2012 was €90,615,680, divided by 22,653,920 shares at €4 per share.
No options were exercised in fiscal 2012.

Securities giving access to the capital

None

Authorised capital not issued

The Extraordinary General Meeting of 27 April 2012 authorised the Board of Directors to issue all types of negotiable securities conferring present or future access to shares of the company, with the maintenance and/or cancellation of the pre-emptive subscription right, for a maximum nominal amount of €60 million.
This authorisation was given for 26 months and expires on 30 June 2014.
The Board of Directors made use of this authorisation in the period for an amount of €18,920,720.

Information on stock options

Stock option plan highlights:

	Plan 10	Plan 11	Plan 12	Plan 13
Date of the General Meeting authorising the issue of stock options	16/05/2008	24/04/2009	30/04/2010	29/04/2011
Date of the Board of Director's meeting	08/12/2008	05/03/2010	04/03/2011	02/03/2012
Number of shares available for subscription	115,500	44,500	61,850	83,550
Of which: number to the top 10 grantees	60,000	33,000	25,000	41,500
Of which: number of shares available for subscription by current members of the Executive Committee	46,900	26,500	18,000	35,000
Number of directors concerned	5,000	5,000	--	5,000
Option exercise starting date	08/12/2011	05/03/2013	04/03/2014	04/03/2015
End of the holding period	08/12/2012	05/03/2014	04/03/2015	04/03/2016
Deadline for exercising the options	08/12/2013	05/03/2015	04/03/2016	04/03/2017
Subscription price (€)	12.02	16.34	25.14	15.71
Number of shares subscribed (*)	--	--	--	--
Remaining number of shares available for subscription	115,500	44,500	61,850	83,550

(*) After recording the exercise of options by the Board of Directors' meeting of 1 March 2013.

Information on bonus shares

Bonus share plan highlights:

	Plan 3	Plan 4	Plan 5	Plan 6	Plan 7
Date of the General Meeting authorising the issue of stock options	24/04/2009	30/04/2010	29/04/2011	29/04/2011	27/04/2012
Date of the Board of Director's meeting	05/03/2010	04/03/2011	02/03/2012	02/03/2012	26/07/2012
Number of shares available for subscription	70,675	74,346	94,475	18,390	6,500
Value on grant date	16.34	25.14	15.68	15.68	14.97
Of which: number of shares available for subscription by current members of the Executive Committee	37,500	25,000	37,000	--	--
Number of directors concerned	5,000	3,500	3,500	--	--
Of which: number to the top 10 grantees	49,500	30,000	45,500	(*)	6,500
End of vesting period	05/03/2013	05/03/2013	02/03/2014	02/03/2014	26/07/2014
End of selling restrictions (holding period)	05/03/2015	05/03/2015	02/03/2016	02/03/2016	26/07/2016
Number of shares exercised	--	--	--	--	--

(*) Not applicable because of the grant of bonus shares per employee of the company of the Group.

Share capital ownership structure

Breakdown of ownership of GL events' share capital at year-end:

(number of shares)	31/12/2012		31/12/2011	
Polygone S.A.	11,848,734	52.30%	10,202,024	56.92%
Sofina	1,972,682	8.71%		
CM CIC Capital Investissements	1,044,924	4.61%	905,602	5.05%
Free float	7,787,580	34.38%	6,816,114	38.03%
Total share capital	**22,653,920**	**100%**	**17,923,740**	**100%**

5.11.2 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.
Issuance costs from the equity transactions in the period are allocated to share premium.

In 2012, changes in "Reserves and additional paid in capital" broke down as follows:

(€ thousands)	31/12/2012	31/12/11(*)
Opening reserves and additional paid in capital	229,504	221,422
Capital increase	50,291	
Net income appropriation	14,781	26,354
Dividends	(8,264)	(15,876)
Impact of fair value measurement of financial instruments	(4,023)	(498)
Impact of Revised IAS 27	(3,445)	(1,741)
IAS 19 amendment	(782)	232
Cancellation of treasury shares	(1,565)	(1,405)
Stock option expenses	2,293	1,247
Closing reserves and additional paid in capital	**278,789**	**229,736**

(*) As indicated in note 2.6 "Change in method", amounts have been adjusted and in consequence differ from those presented in the 2011 financial statements.

5.11.3 Translation adjustments

Currency translation adjustments represent the difference between the historic exchange rates and the closing rate. At 31 December, translation adjustments represented a negative currency difference of €15,326,000.

5.11.4 Treasury shares

Within the framework of the share repurchase program renewed by the General Meeting of 27 April 2012, the following transactions were undertaken during the course of 2012:

(number of shares)	31/12/2011	Acquisitions	Disposals	31/12/2012
- Treasury shares	243,255	119,486	1,785	360,956
- Liquidity agreement	19,950	351,005	364,803	6,152

The liquidity agreement with an investment services provider adheres to the conduct of business rules recognised by the French financial market authority (AMF) for market making purposes. Trading fees for the above transactions in connection with this market making agreement totalled €30,500 for 2012.
At year-end there were 367,108 treasury shares and shares held in connection with a liquidity agreement.

5.12 PROVISIONS FOR RETIREMENT SEVERANCE PAYMENTS

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:

- Rate of government treasury bonds of 2.90% for 20-year OAT TEC,
- Average rate of salary increase: 2%;
- Retirement age of 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 calculated by employee age bracket.

(€ thousands)	31/12/2012	31/12/2011	Income statement items impacted by this recognition
Opening balance	**6,375**	**5,957**	
Service costs - benefit payments	283	551	Operating profit
Expense recognised under income	**283**	**551**	
Actuarial gains or losses of the period from changes in assumptions	1,177	(321)	
Changes in Group structure and reclassifications		188	
Provisions for retirement severance benefits	**7,835**	**6,375**	

This provision for retirement severance benefits includes mainly specific insurance policies taken out by Spaciotempo, Toulouse Expo, GL events Services (for ISF's portion) and GL events Exhibitions for total liabilities of €1,227,000 at 31 December 2012 and €1,224,000 at 31 December 2011.

5.13 CURRENT PROVISIONS FOR CONTINGENCIES AND EXPENSES

Provisions for contingencies and expenses break down as follows:

(€ thousands)	31/12/2011	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	31/12/2012
Provisions for employee-related risks	961	761	(837)	4	135	1,023
Provisions for tax contingencies	754	171	(495)	(24)		406
Other provisions (*)	18,989	603	(2,738)	11	57	16,922
Total	**20,704**	**1,535**	**(4,070)**	**(9)**	**192**	**18,352**

(*) In India, the Organising Committee and the Delhi Development Authority suspended payments of the amounts they owed to suppliers for the Delhi 2010 Commonwealth Games held in Delhi, India in 2010. Among these suppliers was GL Litmus events, a company incorporated in and governed by the laws of India, 70%-held by the Group, and that continues to have a trade receivables balance totalling €16 million still outstanding and owed by these two authorities. In consequence, GL Litmus events initiated a local arbitration procedure as provided for under the terms of the contracts concluded with these authorities to obtain payment for the services provided. A €15.7 million provision corresponding to the outstanding amount owed to GL Litmus events was recorded in the financial statements for the fiscal year ended 31 December 2012. Of this initial provision, €694,000 have been used.

5.14 Financial liabilities

5.14.1 Breakdown between current and non-current financial liabilities

(€ thousands)	31/12/2011	Increase	Decrease	Translation adjustments	Changes in Group structure & reclassifications	31/12/2012
Non-current financial liabilities	408,161	48,835	(99,248)	(1,769)	(9)	355,970
Financial instruments	2,570	5,664				8,234
Other financial liabilities	1,845	322	(263)	(149)	(606)	1,149
Non-current financial liabilities(1)	**412,575**	**54,821**	**(99,511)**	**(1,918)**	**(615)**	**365,352**
Current debt	**18,719**		**(3,622)**	**(190)**		**14,907**
Total financial liabilities	**431,294**	**54,821**	**(103,133)**	**(2,108)**	**(615)**	**380,259**
Marketable securities	(125,586)	123	52,515	462		(72,487)
Cash at bank and in hand	(75,881)	(4,167)		547	(934)	(80,435)
Net cash	**(201,467)**	**(4,044)**	**52,515**	**1,008**	**(934)**	**(152,922)**
Net debt	**229,827**	**50,777**	**(50,618)**	**(1,100)**	**(1,549)**	**227,338**

(1) Of which at 31 December 2012	Non-current portion of long-term debt	269,090
	Current portion of long-term debt	96,262

Net cash represents the difference between cash investments and liquid assets and the short-term financial liabilities. At 31 December 2012, net cash amounted to €182,748,000 compared to €138,014,000 at 31 December 2011.

The breakdown of financial liabilities by maturity is as follows:

(€ thousands)	31/12/2012	Amounts due in less than 1 year	Amounts due in more than 1 year & less than 5 years	Amounts due in more than 5 years
Non-current borrowings	355,971	93,021	236,912	26,038
Financial instruments	8,234	2,093	5,608	533
Other financial liabilities	1,149	1,149		
Current bank facilities and overdrafts	14,907	14,907		
Borrowings	**380,259**	**111,169**	**242,520**	**26,570**

5.14.2 Net debt by currency

Net debt by currency breaks down as follows:

(€ thousands)	Non-current financial liabilities	Current borrowings	Net cash	Net debt
Total euro zone	**249,193**	**103,785**	**(112,877)**	**240,102**
USD		33	(1,098)	(1,065)
AED		35	(1,025)	(991)
CHF			(211)	(211)
GDP		1,397	(14,752)	(13,354)
HUF		828	(623)	206
HKD			(2,446)	(2,446)
CNY			(2,816)	(2,816)
DZD			(126)	(126)
TRY		9	(1,496)	(1,487)
ZAR		1,189	(4,772)	(3,583)
INR			(8)	(8)
BRL	19,897	3,893	(10,672)	13,117
Total non-euro debt	**19,897**	**7,384**	**(40,045)**	**(12,764)**
Net debt	**269,090**	**111,169**	**(152,922)**	**227,338**

5.15 Other liabilities

Other liabilities break down as follows:

(€ thousands)	31/12/2012	31/12/2011
Current account payables	2,807	1,349
Other payables	14,397	7,914
Prepaid income	108,641	112,665
Other liabilities	**125,845**	**121,928**

Other liabilities have maturities of less than one year.
At 31 December 2012, prepaid income related to amounts invoiced relative to the 2013 edition of SIRHA, the international hotel, catering and food trade exhibition.
The stability of prepaid income in relation to 2011 reflects mainly amounts invoiced in advance for major events in early 2012 (for example, the Africa Cup of Nations).

NOTE 6 INCOME STATEMENT INFORMATION

6.1 Other revenue from ordinary activities

"Other revenue from ordinary activities" breaks down as follows:

(€ thousands)	2012	2011
Reversal of provisions	2,705	3,258
Revenue grants	1,780	1,572
Other income	3,400	4,404
Other revenue from ordinary activities	**7,885**	**9,234**

6.2 Purchases and external charges

(€ thousands)	2012	2011
Raw materials and consumables	(51,825)	(43,982)
Subcontracting and external personnel	(257,863)	(227,930)
Equipment and property rental	(87,310)	(84,759)
Travel and entertainment expenses	(29,289)	(34,725)
Other purchases and external expenses	(103,052)	(113,610)
Purchases and other external charges	**(529,339)**	**(505,006)**

6.3 Allowances for depreciation and reserves

(€ thousands)	2012	2011 (1)
Allowances for depreciation and reserves/PPE	(14,956)	(9,924)
Allowances for depreciation and reserves/rental equipment	(19,024)	(16,186)
Allowances for contingencies and expenses (2)	(1,454)	(19,100)
Allowances for depreciation of other current assets	(3,420)	(6,130)
Allowances for depreciation and reserves	**(38,854)**	**(51,340)**

(1) As indicated in note 2.6 "Change in method", amounts have been adjusted and in consequence differ from those presented in the 2011 financial statements.
(2) Exceptional €16.3 million provision in 2011 for the 2010 Commonwealth Games contract

6.4 Other operating income and expenses

(€ thousands)	2012	2011
Proceeds from the disposal of securities	(2,575)	3,689
Losses on non-recoverable receivables	(1,895)	(1,133)
Other operating income and expenses[1]	3,340	2,079
Other operating income and expenses	**(1,130)**	**4,635**

[1] This line includes an insurance claims payment in 2011 of €1.9 million following the fire at the company Vachon.

6.5 Net financial income (expense)

(€ thousands)	2012	2011
Net proceeds from sale of marketable securities	2,150	1,555
Other interests and similar income	1,341	2,089
Interest expense	(8,318)	(10,276)
Net interest expense	**(4,827)**	**(6,632)**
Financial income from participating interests	212	511
Currency gains	732	1,856
Currency losses	(864)	(1,630)
Allowances for amortisation and reserves	(626)	(817)
Other financial income and expense	**(546)**	**(80)**
Net financial expense	**(5,372)**	**(6,712)**

6.6 Staff costs

Staff costs break down as follows:

(€ thousands)	2012	2011
IFRS 2 share-based payment expenses	2,293	1,247
Wages, profit sharing and social charges	191,788	185,024
Staff costs	**194,081**	**186,271**

6.7 Tax expense

The change in tax expenses breaks down as follows:

(€ thousands)	2012	2011[*]
Current tax	(15,575)	(9,557)
Deferred taxes	1,246	1,697
Corporate income tax	**(14,329)**	**(7,860)**

(*) As indicated in note 2.6 "Change in accounting method", amounts have been adjusted and consequently differ from those presented in the 2011 financial statements.

The tax calculation is as follows:

(€ thousands)	2012	2011
Profit before tax	45,237	28,370
Tax rate in France excluding the 3.3% social contribution	33.33%	33.33%
Theoretical tax	**(15,079)**	**(9,475)**
Tax deducted/added back to income	327	1,541
Stock options and bonus shares	127	(392)
Differences in tax rates	55	284
3.30% social contribution	355	154
Losses not recognised as tax assets/use of tax losses from prior periods not recognised as tax assets	(114)	28
Corporate income tax	**(14,329)**	**(7,860)**

NOTE 7 NUMBER OF EMPLOYEES

The average number of employees of the Group breaks down as follows:

By business unit	2012	2011
Corporate	134	148
GL events Live	2,630	2,512
GL events Exhibitions	379	377
GL events Venues	720	696
Total	**3,864**	**3,733**

By category	2012	2011
Senior executives	83	93
Managers	1,091	1,050
Supervisors	1,151	1,007
Employees	885	896
Workers	654	687
Total	**3,864**	**3,733**

NOTE 8 OFF-BALANCE SHEET COMMITMENTS

8.1 COMMITMENTS

Commitments by category (€ thousands)	
Commitments given	
- Short-term guarantee	
- Medium-term guarantee	5,340
- Joint security, miscellaneous guarantees	
Commitments received	
- Joint security, miscellaneous guarantees	40

In compliance with the principles for the presentation of notes to the consolidated financial statements that present only Group commitments to third parties and non-consolidated companies, off-balance sheet commitments between consolidated companies are eliminated as are all intercompany transactions and balances

8.2 Concession fees, property rental and lease payments – non-cancellable portions

(€ thousands)	< 1 year	1 to 5 years	> 5 years
Exhibition and convention centres	31,458	100,134	227,440
Property rental	17,060	32,752	35,057
Lease payments	3,177	11,312	2,741

In addition, concession agreements may provide for the payment of lease payments representing variable amounts generally based on pre-tax earnings.

8.3 Payables and receivables guaranteed by collateral

(€ thousands)	Guaranteed debts	Nature of the guarantee
- Bank guarantees	658	Pledge of financial instruments

8.4 Other capital commitments

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

(€ thousands)	< 1 year	1 to 5 years	> 5 years
Capital commitments	7,319	10,883	12,206

8.5 Commitments to buy out non-controlling interests:

The non-controlling shareholder of Fagga may sell its shares to GL events though in light of negotiations in progress seeking to ensure its long-term role in the company, this commitment was not recognised at 31 December 2012.

NOTE 9 INFORMATION ON RISK FACTORS

Foreign exchange risk

Most of GL events' purchases and sales are in France or euro countries. As such, it is not subject to foreign exchange risk for most of its business.

In the case of major international contracts, specific attention is paid to foreign exchange risk, and hedging is used on a case-by-case basis.
Foreign subsidiaries do not generate a regular flow of business that could constitute a structural risk. Expenses incurred by foreign subsidiaries are local charges, most of which are paid in the same currency as the currency of the customer's payment.

The inventory of rental equipment available to foreign subsidiaries consists of durable goods (structures, platforms, screen walls, furniture, etc.). GL events is always able to transfer them to another structure without their intrinsic value being reduced by the fluctuation of exchange rates.

However, in light of the Group's continued international expansion, assets and liabilities in foreign currency are increasing. This may be expected to result in more significant translation adjustments.

The value of assets in foreign currency (total balance sheet assets of foreign subsidiaries after subtracting their equity investments in consolidated companies and adding investments in foreign currency of French companies) and liabilities in foreign currency (financial and operating liabilities of foreign subsidiaries) is presented below.

Currencies expressed (€ thousands)	USD	GBP	TRY	HUF	HKD	CNY	ZAR	INR	BRL	AED	Other currencies
Balance sheet											
. Assets in foreign currency	30,673	83,117	20,562	52,789	5,381	3,098	23,957	13,093	93,283	27,131	2,448
. Liabilities in foreign currency	(13,854)	(51,817)	(12,052)	(3,830)	(1,807)	(402)	(9,423)	(11,233)	(62,121)	(26,528)	(1,454)
Net position before hedging	**16,819**	**31,300**	**8,510**	**48,959**	**3,574**	**2,696**	**14,534**	**1,860**	**31,162**	**603**	**994**
Off-balance sheet											
Net position after hedging	**16,819**	**31,300**	**8,510**	**48,959**	**3,574**	**2,696**	**14,534**	**1,860**	**31,162**	**603**	**994**

Interest rate, credit and equity market risk

The management of risks related to treasury activities and foreign exchange rates is subject to strict rules defined by Group Management. According to these rules, the Finance Department systematically pools liquid assets, positions and the management of financial instruments. Management is assured through a cash department responsible for daily monitoring of limits, positions and validation of results.

Most debt is indexed on three-month rates. On occasion, all or a portion of the variable-rate long-term debt may be hedged by interest rate swaps. Given the level of debt, market forecasts, fair value adjustments recorded at 31 December 2012 and amounts already hedged, the residual risk is considered low.

Average net floating-rate debt is presented in the table below:

Characteristics of securities issued or debt contracted	Fixed/floating rate	Total credit lines: average gross debt/2012 (€ thousands)	Term	Recourse to hedging
- Medium-term debt indexed on 3 month Euribor	Floating rate	256,428	2013 to 2025	Partial
- Other medium-term borrowings	Fixed rate	39,043	2013 to 2019	No
- Capital lease debt indexed on 3-month Euribor	Floating rate	1,893	2013 to 2018	No
- Other debt from capital leases	Fixed rate	12,541	2013 to 2019	No
- Other borrowings	Floating rate	1,149	2013	No
- Bank credit facilities and overdrafts	Floating rate	14,907	2013	Yes
Total		**325,960**		

If the benchmark (3-month Euribor) increases 1% only the unhedged portion of non-current borrowings would be affected.

Interest rate risk on short-term bank loans is partially hedged by the aggregation of the interest rate ladder of bank account balances that offsets overdrafts by cash at bank and in hand.
Hedging instruments implemented are effective for the period in question.

In addition, a portfolio of money market funds, certificates of deposit and time deposit accounts for an average amount in 2012 of €99 million offsets part of the potential risk from an increase in bank lending rates.

In consequence, an increase of 1% in interest rates at 31 December 2012, based on interest rate hedges in place and the corresponding increase in the return of money market funds, would result in an increase in net financial expense of €1.7 million.

Equity risk

The Group also holds shares in publicly traded companies whose total market value fluctuates in line with financial market trends, valuations of the respective sectors of activity of these companies, economic and financial data for each company. At the end of the reporting period, potential changes in the fair value of these securities are recognised under Group equity or profit and loss until their disposal. Because the amount of these holdings is insignificant, it does not give rise to material risks.

Risks relating to bank covenants

90% of medium to long-term loans are subject to conditions imposed by covenants.

The medium-term Club Deal that alone accounts for 35% of non-current borrowings is subject to compliance with the following covenant ratios:
- Gearing ≤ 120%
- Leverage ≤ 3

At 31 December 2012, GL events Group was in compliance with these covenants.

GL events negotiated terms for new loan agreements in 2012 providing for leverage of up to 3.5.
However, the cross default clauses of our credit facilities provide for compliance with a ratio of 3 for leverage until the Club Deal's term in December 2015.

Liquidity risk

The Group has conducted a specific review of liquidity risk and on that basis considers it has the resources to meet its future obligations. In addition to medium and long-term financing and finance lease agreements, the Group has negotiated through these different entities, short-term credit lines. At 31 December 2012, amounts drawn under these credit lines totalled €15 million (note 5.14 of the consolidated financial statements) In addition, at 31 December 2012, the business operations of GL events Group had generated a net source of funds of €76.3 million. The liquidity risk is in consequence not significant.

NOTE 10 INFORMATION ON RELATED PARTIES

The consolidated financial statements include all companies within the Group structure of consolidated operations (see note 3). Polygone SA is the parent company. 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 chairman, Gille Gouedard Comte and Erick Rostagnat as deputy chief executive officers 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 2012:

Description	Income (expenses)
General management services[1]	(2,638)
Travel allowances and expenses, insurance	268
Property lease payments and land taxes[2]	(15,578)
	Balance at 31/12/2012
Rent deposit guarantees [3]	22,599
Customers	313
Suppliers	(1,976)
Current account	(2,276)

[1] General management services include remuneration paid to Messrs. Ginon and Roux, associated employer charges and travel costs incurred in the performance of their duties. These amounts are renewed annually by tacit renewal and approved by the annual general meeting under regulated agreements.
[2] Rental payments concern 13 operating sites including the Turin and Budapest exhibition centres 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 for square meter for comparable properties.
[3] The amount for deposit guarantees corresponds to one year's rent including tax.

Compensation paid in 2012 to directors and officers breaks down as follows:

(€ thousands)	Total	Fixed	Variable	Benefits in kind
Olivier Ginon [1]	339	332		7
Olivier Roux [1]	310	302		8
Olivier Ferraton	346	256	60	30
Erick Rostagnat	328	186	139	3

[1] Remuneration paid by Polygone SA, the holding company of GL events whose share capital is presented in section 6 (information on the share capital) page 154.

NOTE 11 FEES PAID BY THE GROUP TO THE AUDITORS AND MEMBERS OF THEIR NETWORK

(in euros)	Mazars				Maza-Simoens			
	Amount		%		Amount		%	
	2012	2011	2012	2011	2012	2011	2012	2011
Auditing								
• Auditing, certification, examination of the individual and consolidated accounts								
- Issuer	153,508	119,425	19%	21%	56,000	49,125	20%	17%
- Fully consolidated subsidiaries	634,936	542,301	79%	79%	213,000	238,425	75%	83%
• Other assignments and services directly related to the mission of the statutory auditors								
- Issuer					16,000		5%	
- Fully consolidated subsidiaries								
Subtotal	788,444	661,726	98%	100%	285,000	287,550	100%	100%
Other services	20,000		2%					
Subtotal	20,000		2%					
TOTAL	**808,444**	**661,726**	**100%**	**100%**	**285,000**	**287,550**	**100%**	**100%**

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. The Statutory Auditors' Report includes information specifically required by French law in such reports, whether qualified or not. Thisinformation is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures. This report also includes information relating to the specific verification of information given in the Group management report and in the documents addressed to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders:

In accordance with the terms of our appointment as auditors by your annual general meetings, we hereby report to you for the year ended 31 December 2012 on:

- The audit of the consolidated financial statements of GL events SA as enclosed herewith,
- The justification of our assessments,
- The specific procedures and disclosures required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
In our opinion the consolidated accounts referred to above, in respect to IFRS as adopted by the European Union, give a true and fair view of the Group's financial position, its assets and liabilities and the results of operations of companies and parties included in the scope of consolidation for the year ended.
Without qualifying the opinion expressed above, we draw your attention to the change in accounting method for liabilities relating to employee severance benefits presented in notes 2.5.16 and 2.3 hereto.

II - JUSTIFICATION OF OUR ASSESSMENTS

In application of the terms of Article L. 823-9 of the French Commercial Code relating to the basis of our assessments, we bring to your attention the following matters:

Impairment of intangible assets
The company performs impairment tests at year-end for goodwill and indefinite life intangible assets and determines if there exists an indicator of a long-term impairment in the value of assets, according to the procedures described in note "2.5.5 – Impairment of assets" of the financial statements. We have examined the methods applied for performing these impairment tests, the estimations concerning future cash flows and assumptions used and ensured that the appropriate information on these items is provided in note "2.5.5 – Impairment of assets".

Provisions for contingencies and expenses
The company records provisions to cover contingencies as described in note 2.5.15 to the financial statements. On the basis of information available to date, our assessment of the provisions is based on an analysis of processes implemented by the company to identify and evaluate the risks as well as a review of the situation.

Our assessments on these matters are part of our audit approach regarding the consolidated financial statements taken as a whole and contribute to the formation of our unqualified audit opinion expressed in the first part of this report.

III – SPECIFIC PROCEDURES

We have also reviewed in accordance with French professional standards the information provided in the Group management report.

We have nothing to report with respect to the fair presentation of such information and its consistency with the consolidated financial statements.

Lyon and Villeurbanne, 2 April 2013

The Statutory Auditors
French original signed by:

Maza Simoens
Michel Maza

Mazars
Eric Gonzalez

BALANCE SHEET – ASSETS

(€ thousands)	Notes	31/12/2012 Cost	31/12/2012 Depreciation, amortisation, provisions	31/12/2012 Net	31/12/2011 Net
Intangible assets	2.2 & 3.1	14,154	125	14,029	13,974
Property, plant and equipment	2.3 & 3.1	2,851	1,228	1,623	1,456
Participating interests	2.4 & 3.2	502,749	15,593	487,155	481,553
Investment-related receivables	2.6 & 3.2	118,931	1,237	117,693	73,985
Other financial assets	3.2	26,461	3,648	22,813	18,706
NON-CURRENT ASSETS		**665,145**	**21,831**	**643,314**	**589,674**
Trade receivables and related accounts	2.5 & 3.3	28,485		28,485	12,933
Other receivables	2.5 & 3.4	11,021	3,086	7,936	7,278
CURRENT ASSETS		**39,506**	**3,086**	**36,421**	**20,211**
Marketable securities	3.5	56,957	864	56,092	119,244
Cash at bank and in hand	3.5	23,964		23,964	6,557
CASH AND CASH EQUIVALENTS		**80,921**	**864**	**80,057**	**125,801**
Accrual accounts	3.6	597		597	1,028
TOTAL ASSETS		**786,169**	**25,781**	**760,389**	**736,714**

BALANCE SHEET – SHAREHOLDERS' EQUITY AND LIABILITIES

(€ thousands)	Notes	31/12/2012	31/12/2011
Capital stock	3.7	90,616	71,695
Additional paid-in capital	3.7	172,638	122,347
Legal reserve	3.7	7,169	6,491
Other reserves	3.7	17,611	11,597
Net income for the period		**15,487**	**14,642**
Special excess depreciation	3.7	3,656	3,217
SHAREHOLDERS' EQUITY		**307,177**	**229,989**
PROVISIONS FOR CONTINGENCIES AND EXPENSES	2.7 & 3.8	**3,802**	**2,380**
Borrowings	3.9	433,750	489,982
Trade payables and equivalent	2.5 & 3.10	8,905	4,795
Tax and employee-related liabilities	2.5 & 3.10	4,756	2,379
Other liabilities	2.5 & 3.10	1,997	7,172
CURRENT LIABILITIES		**449,408**	**504,328**
Accrual accounts		2	18
TOTAL EQUITY AND LIABILITIES		**760,389**	**736,714**

INCOME STATEMENT

(€ thousands)	Notes	31/12/2012	31/12/2011
Revenue	2.9	27,694	24,439
Other revenue from ordinary activities		539	
Reversals of provisions, expense reclassifications		266	350
Operating income	4.1	**28,499**	**24,789**
External charges		(24,341)	(25,654)
Taxes and similar payments		(154)	(347)
Staff costs	5	(2,254)	(3,521)
Allowances for depreciation and reserves		(534)	(636)
Other expenses		(187)	(172)
Operating expenses		**(27,471)**	**(30,330)**
OPERATING PROFIT / (LOSS)		**1,028**	**(5,541)**
Financial income	4.3	27,585	33,245
Financial expenses	4.3	(16,739)	(21,060)
Net financial expense	4.3	**10,846**	**12,185**
CURRENT INCOME BEFORE TAXES		**11,874**	**6,643**
Exceptional income	3.10 & 4.4	3,721	17,542
Exceptional expenses	3.10 & 4.4	(4,108)	(17,265)
NET EXCEPTIONAL ITEMS	3.10 & 4.4	**(387)**	**277**
Income tax	3.13 & 4.5	(3,999)	(7,721)
NET INCOME		**15,487**	**14,642**

NOTES TO GL EVENTS' SEPARATE FINANCIAL STATEMENTS OF 31 DECEMBER 2012

NOTE 1 SIGNIFICANT EVENTS

GL events carried out two capital increases in the form of cash issues:
- The first issue was reserved for Sofina for a total amount of €28,499,998.86, including a nominal amount of €6,838,632 and total share premium of €21,661,366.86 through the issuance of 1,709,658 ordinary shares for a subscription price per unit equal to €16.67, i.e. a nominal value of €4 and share premium of €12.67 per share;
- The second issue maintaining shareholders' pre-emptive subscription rights generated gross proceeds of €42,559,154.98 corresponding to the creation of 3,020,522 new shares.

The proceeds from these two rights issues will contribute to financing in a balanced manner in conjunction with cash flow, the acceleration of the Group's development in emerging markets for global events like Brazil, Russia, Africa and the Middle East , while taking advantage of development opportunities in Europe, particularly in venue management.

NOTE 2 ACCOUNTING POLICIES

2.1 General accounting principles

The separate parent company financial statements have been prepared with the objective of providing a true and fair view in accordance with the general principles of conservatism and fair presentation, and notably going concern, consistency of presentation, the time period concept, and French generally accepted accounting principles ("*Plan Comptable Général 1999*") for the presentation of financial statements.

For the recognition and measurement of balance sheet items, the historical cost method has been applied.

2.2 Intangible assets

Intangible assets represents mainly negative goodwill (*mali de fusion*) and computer software.
Software is measured at cost and depreciated on a straight-line basis over useful lives of one to three years.
Allowances for depreciation are recognised under operating income.
At the end of each reporting period, an impairment test is conducted if there exist evidence of loss, and a provision is recorded when value in use is lower the carrying value.

2.3 Property, plant and equipment

Tangible fixed assets are recognised at cost. They are subject to depreciation plans determined according to the straight-line method, the duration and their probable useful lives.

The depreciation periods generally retained are as follows:

	Depreciation period
Fixtures and fittings	10 years
Transport equipment	3 to 4 years
Office furniture and equipment	4 to 5 years

Allowances for depreciation are recognised under operating income.

2.4 Participating interests and other fixed securities (*Titres immobilisés de l'activité de portefeuille* or TIAP)

Participating interests are recognised at their cost price.
A provision for impairment is recorded when value in use of the shares is estimated to be lower than the carrying value. The value in use of companies on consolidation is determined on the basis of the restated consolidated value corresponding to the net present value of future cash flows. Value in use of non-consolidated companies is determined by taking into account the share in equity, restated, as applicable, to reflect the growth and earnings prospects. Post-closing adjustments are taken into account when they can be reliably estimated.
Fixed securities of the investment portfolio are recognised at cost. A provision for impairment is recorded when the cost price is lower than the carrying value. The carrying value corresponds to the estimated trading value for the securities.

2.5 Trade receivables and payables

Trade receivables are measured on a case-by-case basis. A provision for impairment is recorded in consequence based on the specific risks incurred.
Receivables and payables in foreign currencies are translated on the basis of year-end exchange rates. Resulting currency gains and losses are recorded in the balance sheet under assets or liabilities in translation adjustments. A provision is recorded to cover unrealised currency losses.

2.6 Receivables and payables of subsidiaries and participating interests

Trade receivables and payables are recorded under current assets or liabilities. Upon term, and in accordance with a Group cash pool agreement, these receivables and payables are reclassified under partners/associates - current accounts in assets or liabilities. Upon reimbursement, when applicable, the corresponding amounts are in consequence deducted from these same current accounts.
Current account advances of a financial nature on inception are recognised directly in the same current accounts.
These current accounts, whether under assets or liabilities, concern maturities of less than one year. However, given the long-term nature of some of these current accounts balances, it has been decided, by convention, that all treasury advances representing assets shall be presented under the heading receivables from interests while those representing liabilities are included under financial liabilities.

2.7 Provisions for contingencies and expenses

Provisions are recorded to meet the potential costs related to litigation and other liabilities.
With respect to bonus share plans, a provision for expenses is recorded according to the vesting period. The reversal of a provision is recognised when the shares have been unconditionally granted to the beneficiaries at the end of the vesting period.

2.8 Requirement severance benefits

Costs associated with severance benefits payable on retirement are incurred, in accordance with the option allowed for under applicable laws, in the year of retirement. This obligation is determined according to the projected unit credit method based on actuarial assumptions retained. The estimated amount of these obligations is disclosed in note 6.

2.9 Revenue

The primary activity of GL events is the acquisition of shareholdings in all companies, French or foreign joint ventures.
In exchange for services provided to its subsidiaries, GL events invoices the companies in which it exercises control. These fees represent the primary source of its revenue.

2.10 Exceptional expenses and income

Exceptional expenses and income recorded under this heading comply with French accounting standards (*Plan Comptable Général*). The debt waivers that GL events may grant to one or more of its subsidiaries in a given period constitute non-recurring items and are consequently recognised under this heading.

2.11 Marketable securities

Marketable securities are recognised at cost. A provision for impairment is recorded when the cost price is lower than the carrying value. The carrying value corresponds to the average monthly price for listed companies and their estimated trading value for securities not publicly traded.

2.12 Financial instruments

Financial instruments used by the company consisting of tunnel type derivatives, both zero-premium or with premium payment, are used exclusively for hedging purposes. The hedge accounting method applied symmetrically recognises the offsetting effects on net profit or loss of changes in the values of the hedging instrument and the related hedged item.

2.13 Income tax

A French tax group headed by GL events includes the following companies: The following companies are included in the French tax group:

GL events	GL events Exhibitions	SE Centre Congrès Amiens
Alice Evénements	Hall Expo	SE Centre Congrès Saint Etienne
Altitude	GL events Management	SE. Centre Congrès Pierre Baudis
Chorus	Menuiserie Expo	SE. Château de St Priest
Décorama	SEPE Parc Floral	SE. Palais Brongniart
Esprit Public	Mont Expo	SE. Palais Mutualité
Fabric Expo	Package	SE. Polydome Clermont-Ferrand
GL events Audiovisual	Polygone Vert	Spaciotempo
GL events Cité centre de Congrès Lyon	Profil	Sign'Expo
GL events Parc Expo Metz Métropole	Ranno Entreprise	
GL events Services	SE Acropolis de Nice	
GL events Mobilier	SECIL	

Corporate income tax for the companies is determined by each member of the tax group, without the possibility of allocating specific losses to the subsidiary arising during the period it is included in the tax sharing arrangement. The company heading the tax group records under tax expenses, the gain or loss resulting from the difference between the total tax charge payable by the companies and the tax payable by the tax group.
Resulting tax savings from the tax sharing provisions are definitively acquired by the parent company. However, if a subsidiary withdraws from this tax group, this savings is then returned to the subsidiary. No company had withdrawn from this tax sharing arrangement at the end of the reporting period.

NOTE 3 BALANCE SHEET INFORMATION

3.1 Intangible assets and property, plant and equipment

(€ thousands)	31/12/2011	Increase	Decrease	Other changes	31/12/2012
Software	287	77			364
Accumulated amortisation	(103)	(22)			(125)
Goodwill [(1)]	13,789				13,789
Net intangible fixed assets	**13,974**	**55**			**14,029**
Property, plant, equipment	2,813	840	(846)		2,807
Accumulated depreciation	(1,357)	(303)	433		(1,227)
Assets under construction	0	45			45
Net tangible fixed assets	**1,456**	**582**	**(413)**		**1,623**

[(1)] Goodwill represents the difference between the book value of the holding in the receiving company and the transfer value of net assets received (*mali technique*) from the simplified merger with Agor Holding entailing the transfer of all assets and liabilities.

3.2 Financial assets

(€ thousands)	31/12/2011	Increase	Decrease	Other changes	31/12/2012
Participating interests	484,533	1,643	(666)	3,632	489,141
Provisions for impairment of investments	(10,754)	(5,612)	772		(15,594)
Other fixed investment securities	7,774	8,378	(2,544)		13,608
Net fixed securities	**481,553**	**4,409**	**(2,438)**	**3,632**	**487,155**
Investment-related receivables	75,223	45,551	(1,843)		118,931
Impairment of receivables	(1,238)				(1,238)
Net receivables	**73,985**	**45,551**	**(1,843)**		**117,693**
Loans	9,172	5,522			14,694
Provisions for loans	(798)				(798)
Other securities	11,367	191			11,558
Deposits and guarantees	815	118	(724)		209
Provisions for other financial assets	(1,850)	(1,000)			(2,850)
Other financial assets	**18,706**	**4,831**	**(724)**		**22,813**
Net financial assets	**574,244**	**54,791**	**(5,005)**	**3,632**	**627,661**

A detailed presentation of participating interests and receivables from interest is presented under subsidiaries and associates in note 10.

Note 3.3 Trade receivables and sub-accounts

Trade receivables and sub-accounts totalled €28,485,000 of which €3,895,000 represented receivables from non-group companies. All trade receivables have maturities of less than one year.

3.4 Other receivables

All receivables in this category have a maturity of less than one year. None are represented by commercial paper.

3.7 Cash and cash equivalents and marketable securities

(€ thousands)	31/12/2012	31/12/2011
Marketable securities	56,957	120,283
Provision for impairment	(864)	(1,039)
Net value of marketable securities	**56,092**	**119,244**
Cash at bank and in hand	23,964	6,557
Net total	**80,057**	**125,801**

3.6 Accrual accounts – Assets

(€ thousands)	31/12/2012	31/12/2011
Prepaid expenses	56	353
Bond issuance costs to be amortised over several periods	541	675
Accrual accounts	**597**	**1,028**

3.7 Statement of changes in shareholders' equity

(€ thousands except shares in thousands)	*Number of shares*	Capital stock	Additional paid-in capital	Legal reserve	Other reserves & retained earnings	Net income for the period	Special excess depreciation	Total
Equity at 31/12/2011	***17,924***	**71,695**	**122,347**	**6,491**	**11,597**	**14,642**	**3,217**	**229,989**
2011 net income appropriation				678	13,964	(14,642)		
Capital increase	*4,730*	18,921	50,291					**69,212**
Distribution of dividends					(7,950)			**(7,950)**
2012 net profit						**15,587**		**15,587**
Special excess depreciation							439	**439**
Equity at 31/12/2012	***22,654***	**90,616**	**172,638**	**7,169**	**17,611**	**15,587**	**3,656**	**307,277**

Breakdown of ownership of GL events' share capital at year-end:

(number of shares)	31/12/2012		31/12/2011	
Polygone S.A.	11,848,734	52.30%	10,202,024	56.92%
Sofina	1,972,682	8.71%		
CM CIC Capital Finance	1,044,924	4.61%	905,602	5.05%
Free float	7,787,580	34.38%	6,816,114	38.03%
Total share capital	**22,653,920**	**100%**	**17,923,740**	**100%**

The share capital at 31 December 2012 was €90,615,680, divided by 22,653,920 shares at €4 per share.

3.8 Provisions for contingencies and expenses

(€ thousands)	31/12/2011	Increase	Decrease		Other changes	31/12/2012
			Provisions used in the period	Reversal of unused provisions		
Contingencies for subsidiaries	142					142
Provision for impairment of bonus shares	1,023	2,273				3,296
Other provisions	1,215		(851)			364
Total	**2,380**	**2,273**	**(851)**			**3,802**

11 Net borrowings

(€ thousands)	31/12/2011	Increase	Decrease	Other changes	31/12/2012
Non-current borrowings	372,494	11,500	(88,212)		295,783
Current bank facilities	547	582		16	1,145
Accrued interest	163	86		(16)	232
Total bank borrowings	**373,204**	**12,168**	**(88,212)**		**297,159**
Payables to interests	115,755	19,848			135,603
Other miscellaneous borrowings	1,023		(37)		986
Total miscellaneous loans and borrowings	**116,778**	**19,848**	**(37)**		**136,589**
Total borrowings	**489,982**	**32,016**	**(88,249)**		**433,750**
Group loans	(8,374)	(5,522)			(13,896)
Investment-related receivables	(74,255)	(43,438)			(117,693)
Marketable securities and cash at bank & in hand	(125,801)		45,745		(80,057)
Net borrowings	**281,552**	**(16,944)**	**(42,504)**		**222,102**

3.10 Maturity of loans and borrowings

(€ thousands)	31/12/2012	Less than 1 year	1 -5 years	More than 5 years
Non-current borrowings	295,783	90,594	197,612	7,577
Other bank borrowings	1,376	1,376		
Current account loans from subsidiaries and associates	135,603	135,603		
Other miscellaneous borrowings	986	986		
Total borrowings	**433,750**	**228,559**	**197,612**	**7,577**
Trade payables and equivalent	8,905	8,905		
Tax and employee-related liabilities	4,756	4,756		
Other liabilities	1,997	1,997		
Total other liabilities	**15,658**	**15,658**		
Total	**449,408**	**244,217**	**197,612**	**7,577**

3.11 Accrued expenses and income

(€ thousands)	31/12/2012	31/12/2011
Accrued expenses		
Borrowings	232	163
Unbilled payables	8,569	3,005
Tax and employee-related liabilities	386	422
Other payables, credit notes payable	156	104
Total	**9,343**	**3,694**
Accrued income		
Unbilled receivables	2,969	7,024
Credit notes receivable	24	173
Other accrued financial income	4,202	863
Total	**7,195**	**8,060**

NOTE 4 INCOME STATEMENT INFORMATION

4.1 Operating income

GL events' primary source of revenue is fees invoiced to companies in which it exercises controls for services rendered.

4.2 Compensation of directors and officers

Compensation paid to members of the Executive Committee during the period totalled €1,177,000. 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.

4.3 Net financial income (expense)

(€ thousands)	2012	2011
Dividends received	21,288	24,224
Interest income	2,332	2,457
Net proceeds from the disposal of fixed assets:	1,796	1,294
Loan interest income	337	1,040
Reserves written back to income	1,812	4,208
Interest rate hedges, currency gains	21	21
Total financial income	**27,585**	**33,245**
Interest expense	(5,641)	(6,523)
Interest on interest rate hedges	(1,346)	(1,990)
Currency losses	(4)	(1)
Miscellaneous expenses		(940)
Allowances for impairment (1)	(9,749)	(11,606)
Total financial expenses	**(16,739)**	**(21,060)**
Net financial expense	**10,846**	**12,185**

(1) of which €1 million for the impairment of a non-consolidated investment.

4.4 Net exceptional items

(€ thousands)	2012	2011
Income from non-capital transactions	23	601
Net proceeds from the disposal of fixed assets:		
- PPE	40	9
- Financial assets	3,049	15,870
Reversals of provisions, expense reclassifications	609	1,063
Total exceptional income	**3,721**	**17,542**
Book value of fixed assets sold:		
- PPE	(414)	(9)
- Financial assets	(3,211)	(12,540)
Exceptional expenses on management operations		(10)
Allowances for contingencies and expenses	(440)	(1,264)
Other exceptional expenses	(44)	(3,442)
Total exceptional expenses	**(4,108)**	**(17,265)**
Net exceptional items	**(387)**	**277**

4.5 Income taxes and deferred taxes

(€ thousands)	2012	2011
Tax expense/ (income) from the French tax group	(3,869)	(7,553)
Income tax	130	168
Recognised income tax	**(3,999)**	**(7,721)**

Breakdown of tax expense between current income and net exceptional items (€ thousands)	Tax base	Corresponding tax (charge)/income	Net income
Current operating income	11,874	4,131	16,005
Net exceptional items	(387)	(132)	(519)
Total	**11,487**	**3,999**	**15,486**

Current income includes dividends of €21.3 million subject to a 95% tax exemption.

4.6 Impact of special tax valuations on shareholders' equity and net earnings

Because no special tax valuations were performed, the corresponding impact on shareholders' equity and net earnings was nil.

NOTE 5 AVERAGE HEADCOUNT

	2012	2011
Managers	7	7

NOTE 6 OFF-BALANCE SHEET COMMITMENTS

Commitments given (euro thousands)	
Guarantees	
- Medium-term guarantee	6,485
- Medium-term guarantee	60,254
Joint security, miscellaneous guarantees	19,422
Retirement severance payments	197
Commitments received (€ thousands)	
Joint security, miscellaneous guarantees	

Commitments to buy out non-controlling interests:

The non-controlling shareholder of Fagga may sell its shares to GL events though in light of negotiations in progress seeking to ensure its long-term role in the company, this commitment was not recognised at 31 December 2012.

Earnout payments are recognised in the balance sheet when they can be reliably measured at year-end.

Other commercial commitments

None

NOTE 7 IDENTITY OF THE CONSOLIDATING COMPANY

GL events, a publicly traded company, produces consolidated financial statements.
At 31 December 2012, it was 52.30%-owned by Polygone S.A.

NOTE 8 CHANGES IN FUTURE TAX LIABILITIES

Future tax credits: 2012 Organic tax: €35,000.

NOTE 9 TRANSACTIONS WITH RELATED PARTIES

(€ thousands)	**Balance at 31/12/2012**
Participating interests	489,226
Customers	24,590
Suppliers	(6,917)
Loans and other financial assets	16,591
Other receivables and payables	(2,710)
Net current account assets	110,732
Current account liabilities	(138,721)
	Income (expenses)
Dividends received	21,146
Other financial income - current account interest	2,243
Other financial expenses - current account interest	(140)

NOTE 10 SUBSIDIARIES AND ASSOCIATES

(€ thousands)	Capital	Equity before appropriation of income	Ownership interest (%)	Gross carrying value of shares	Net carrying value of shares	Loans and advances granted	Guarantees and sureties granted	Sales ex-VAT for year ended	Dividend income in the period	Notes
Subsidiaries (+50%-held by the company)										
Alice Evénements	37	748	100	37	37	(55)	3,286	22,195		
Auvergne Evénements	50	1,097	59.04	130	130	(2,305)	100	6,154	177	
Bleu Royal	150	91	70.00	105	105	(173)		1,631		
Chorus	50	391	100.00	900	900	(460)		1,827	225	
Fagga Promoção de Eventos	1,540	19,109	87.36	16,578	16,578	2,072		19,831	2,072	
GL events Middle East	207	20,612	100.00	231	231	(16,783)	5,000	8,181		
GL events Mobilier	241	392	99.77	343	343	1,862		10,275		
GL events Asia	127	668	99.00	154	154	297		0	344	
GL events AS Turquie	11,852	10,563	99.93	8,166	8,166	386	6,239	1,677		
GL events Audiovisual	2,633	8,213	33.86	7,214	7,214	(2,624)	1,076	37,479	497	
GL events Belgium	1,000	2,032	100.00	2,720	2,720	1,320		7,069		
GL events Brussels	250	466	85.00	212	212	13	1,500	13,427		
GL events campus	10	10	99.84	10	10	382		1,241		
GL events CCIB	2,005	5,547	80.00	1,604	1,604	(10,669)	1,316	27,743	1,032	
GL events Exhibitions Shanghai	1,355	2,696	90.00	1,083	1,083			2,511		
GL events Cité Centre Congrès Lyon	500	1,492	99.88	499	499	(5,041)		20,032	899	
GL events Exhibitions	7,624	47,340	98.92	125,343	125,343	(21,602)		71,722	6,999	
GL events Greece	60		99.98	60	0	365		0		(1)
GL events Italia	8,783	32,871	95.21	71,927	61,927	1,908	220	16,127		(7)
GL events Management	10	(428)	100.00	10	10	388		0		
GL events Parc Expo Metz Métropole	50	1,900	100.00	50	50	279	9,550	8,715	750	
GL events Portugal	35	(548)	85.71	30	0	1,089	90	533		(2)
GL events Scarabée	50	69	100.00	50	50	(371)		1,185		
GL events Services	24,632	19,020	98.68	81,731	80,231	23,647	2,517	125,538		(6)
GL events SI	10	194	99.84	10	10	7,553		4,952	184	
GL events Suisse	83	166	84.80	55	55	117		1,481	49	
GL events Support	10	293	99.84	10	10	6,616		13,731	283	
GL events World Forum	100	(818)	95.00	95	95	26		7,548		
GL events USA	1	(820)	100.00	1	1	1,305		0		(3)
Hall Expo	2,063	7,097	36.51	1,191	1,191	12,530	10,875	30,940		
Hungexpo	10,263	28,584	100.00	42,335	42,335	(21,136)	1,026	10,201	180	
Market Place	541	526	89.95	3,664	3,664	(1,685)		16,715	94	
New Affinity	6,000	5,346	100.00	6,213	6,213	62		0		
Owen Brown	5,379	13,119	100.00	14,892	14,892	(47)	613	65,808		
Package	984	2,739	100.00	6,483	6,483	(1,076)		19,545	300	
Padova Fiere	8,000	6,878	80.00	20,000	20,000	(4,765)		12,692		
Polygone Vert	381	279	99.92	608	608	119		3,000		
Profil	8	518	100.00	1,679	1,678	(321)		6,423	70	
Pyramide XV	12,859	2,620	54.67	7,590	4,790	3,495		0		(8)
SEAN (Acropolis Nice)	250	638	99.97	250	250	(1,171)	500	15,934		
SECECAM (Amiens)	50	311	100.00	50	50	(884)		4,008		
SECCSE (Centre Fauriel St-Etienne)	50	92	100.00	50	50	(402)	50	1,864	63	
SECCPB (Pierre Baudis)	8	380	100.00	15	15	(1,857)		4,219	225	
SECIL	660	(257)	99.92	1,550	1,550	1,641		1,951		

(€ thousands)	Capital	Equity before appropriation of income	Ownership interest (%)	Gross carrying value of shares	Net carrying value of shares	Loans and advances granted	Guarantees and sureties granted	Sales ex-VAT for year ended	Dividend income in the period	Notes
Subsidiaries (+50% owned by the company) - continued										
SECSP (Chateau St-Priest)	8	(33)	100.00	8	8	(120)		705		
SE Palais Brongniart	300	(1,027)	100.00	300	300	(530)		12,338		
SEPMU (Palais Mutualité)	50	660	100.00	50	50	2,967	3,750	10,845		
SEPCFD (Polydome Clermont-Fd)	50	334	100.00	50	50	(584)		3,327	219	
SEPE (Parc Floral Paris)	297	996	100.00	297	297	(2,698)	900	4,361	585	
SEPEAT (Troyes)	50	(363)	90.00	45	45	312		2,279		
SESR (Hôtel Salomon de Rothschild)	100	3,658	50.00	50	50	8,491	995	5,258		
Slick seating system	1	(1,492)	100.00	581	581	16,440	3,063	26,312		
Spaciotempo	2,211	15,355	100.00	16,740	16,740	(6,264)		40,625	2,825	
Spaciotempo UK	123	3,606	100.00	10,208	10,208	1,819	613	8,471		
Toulouse Evenements	38	355	100.00	38	38	(2,522)	1,700	4,153		
Toulouse Expo	468	16,510	90.23	4,110	4,110	(17,245)		7,106	25	
Total	114,647	279,422		458,405	444,014	(25,889)	54,979	753,397	18,097	
2) Associates (10% to 50%-owned)										
GL Events Centro de Convencoes	17,262	23,213	34.49	10,500	10,500	890	26,402	23,137	890	
Idées en tête	77		35.06	0	0					
Première Vision	10,050	24,746	49.00	19,611	19,611			38,758	1,234	
Le Public Système	1,978		10.78	2,388	2,325				142	
SA Lyonnaise de Télévision	5,000		10.00	501	0					(5)
SA Perpignan St. Esteve			34.17	205	155					
Sepel	5,172	13,384	46.25	8,211	8,211			22,738	925	
Société du Partage	5	42	39.22	2	0			0		(4)
Total	39,544			41,418	40,802	890	26,402		3,191	
3) Other participating interests (-10%)				10,721	7,284	0	0			
Total	**154,191**			**510,544**	**492,100**	**(24,999)**	**81,381**		**21,288**	

(1) Current account write-down of €365,000
(2) Current account write-down of €91,000
(3) Current account write-down of €682,000
(4) Loan write-down of €798,000
(5) Securities write-down of €501,000
(6) Securities write-down of €1.5 million
(7) Securities write-down of €10 million
(8) Securities write-down of €20.8 million

2012 net income for the most significant companies in terms of the gross value of securities is as follows:

- Hungexpo: - €2,693,000;
- GL events Exhibitions: - €4,648,000;
- GL events Services: - €2,432,000;
- GL events Italia et Padova: - €5,116,000;
- Fagga Promoção de Eventos:€1,443,000;
- Spaciotempo: €4,007,000.

STATUTORY AUDITORS' REPORT ON THE PARENT COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. The Statutory Auditors' Report includes information specifically required by French law in such reports, whether qualified or not. Thisinformation is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures. This report also includes information relating to the specific verification of information given in the Group management report and in the documents addressed to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders:

In accordance with the terms of our appointment as auditors by your annual general meetings, we hereby report to you for the year ended 31 December 2012 on:
- The audit of the annual financial statements of GL events SA as enclosed herewith,
- The justification of our assessments,
- The specific procedures and disclosures required by law.

The annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - OPINION ON THE ANNUAL FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the annual financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
In our opinion, the annual financial statements give a true and fair view of the financial position and the assets and liabilities of the company as at 31 December 2010 and the results of its operations for the year ended in accordance with French accounting standards.

II - JUSTIFICATION OF OUR ASSESSMENTS

Pursuant to the provisions of article L.823-9 of the French Commercial Code defining our obligation to explain our assessments, we draw your attention to the following:
The assets of your company consist primarily of equity investments recorded according to the procedures set forth in note 2.4 of the annual financial statements. We have reviewed the method adopted by the company on the basis of available information and assessed the reasonable nature of the estimates and assumptions retained.
Our assessments on these matters are part of our audit approach regarding the annual financial statements taken as a whole and contribute to the formation of our unqualified audit opinion expressed in the first part of this report.

III - SPECIFIC PROCEDURES AND DISCLOSURES

We have also performed the other procedures required by law, in accordance with professional standards applicable in France.
We have no matters to report on the fair presentation and consistency of the financial statements with the information given in the management discussion and analysis of the Board of Directors and documents sent to shareholders in respect to the financial position and the annual financial statements.

Regarding the information provided in accordance with the provisions of article L.225-102-1 of the French Commercial Code on compensation and benefits paid to corporate officers as well as commitments incurred in their favour, we have verified their consistency with the accounts or with the data used to prepare these accounts, and when necessary, obtained by your company from companies exercising control over or controlled by it. On the basis of these procedures, in our opinion this information is accurate and provides a fair presentation.

Lyon and Villeurbanne, 2 April 2013

The Statutory Auditors
French original signed by:

Maza Simoens
Michel Maza

Mazars
Eric Gonzalez

AUDITORS' REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

This is a free translation into English of the Statutory Auditors' report on regulated agreements and commitments issued in French and is provided solely for the convenience of English speaking readers. This report on regulated agreements and regulated commitments should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and tqhe report does not apply to those related party agreements described in IAS 24 or other equivalent accounting standards.

To the shareholders:

In our capacity as statutory auditors of your company, we hereby report on certain related party agreements and commitments.

The terms of our engagement do not require us to identify such other transactions, if any, but to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or discovered in the performance of our engagement, without expressing an opinion on their merits. It is your responsibility, pursuant to article R.225- 31 of the French Commercial Code, to assess the interest of these agreements and commitments with a view to their approval.

In addition, we are required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code (*Code de Commerce*) concerning the implementation, during the year, of the agreements and commitments already approved by the General Meeting of Shareholders.

We performed procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des Commissaires aux Comptes*) relating to this engagement. These standards require that we ensure that the information provided to us is consistent with the relevant source documents.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL TO THE SHAREHOLDERS' MEETING

Agreements and commitments approved in the period ended

Pursuant to Article R.225-40 of the French Commercial Code, the following transactions, previously authorised by the Board of Directors of your Company, have been brought to our attention.

Trademark license and technical and sales support services agreements with Bleu Royal
On 2 March 2012, the Board of Directors authorised the execution of an agreement to provide technical and sales support services as well as a trademark license agreement with Bleu Royal, the managing company of the restaurant located at the Maison de la Mutualité (Terroir Parisien).
Fees for 2012 payable under this agreement are presented below:

- Technical and sales support: € 24,464
- Trademark license fees (1% of sales): € 16,309

Investment agreement
Within the framework of the financial reorganisation of GL events and Polygone, on 6 September 2012, your Board of Directors authorised the signature of an investment agreement, the main terms of which are summarised below:

- a €28.5 million capital increase including share premium reserved for Sofina (a Belgian investor);
- a €43.4 million capital increase, including share premium with pre-emptive subscription rights;
- Sofina and Polygone took up a second capital increase with pre-emptive subscription rights pro-rata the amounts of their respective pre-emptive subscription rights, it being specified that take-up by Polygone is financed by funds paid by Sofina to Polygone within the framework
  - of a capital increase by Polygone without pre-emptive subscription rights in favour of Sofina for €10.5 million (including share premium);
  - issuance by Polygone of ORA bonds redeemable in GL events shares for a total nominal amount of €12.5 million, to be paid in full by the delivery of 695,603 existing shares.

This investment agreement has been implemented and in consequence has been duly recognised in the financial statements of the period.

Tax sharing agreement:
GL events is the head of a French tax group under provisions providing for sharing taxes between a parent company and subsidiaries. On this basis, only GL events is liable for corporate income tax and additional contributions payable by the tax group formed by itself and companies less than 95%-held having opted for this tax sharing arrangement.
Following changes in case law by the French Council of State (*Conseil d'Etat*), the Group has decided to modify this tax sharing agreement with respect to the following point: tax savings passed on to GL events by subsidiaries incurring losses during the period they are included in this tax sharing arrangement are returned to the subsidiary if the latter subsequently withdraws.
A new agreement was drawn up to incorporate this change in accordance with the authorisation of the Board of Directors of 26 July 2012.

Losses recorded by subsidiaries included in this tax sharing arrangement in 2012 were as follows:

Participating companies	**Tax result (€)**
Esprit Public	215,360
Fabric'Expo	98
GL events Management	40,371
GL events Services	7,554,011
Menuiserie Expo	3,405
Palais Brongniart	63,329
Château St Priest	21,745
SECIL – Grand cercle	365,275

Loan to Fagga in connection with an external growth project
In connection with an external growth project in Brazil, GL events decided to grant Fagga, its Brazilian subsidiary, an intra-group loan, with the main terms and conditions summarised below:

- Amount in €: € 400,000
- Rate: 6-month Euribor +1%
- Maturity date: 31/12/2014

The Board authorised GL events to conclude this loan agreement in favour of its subsidiary Fagga on 31 October 2012.

This loan granted on November 2012 in accordance with the stipulated terms was duly recorded in the financial statements of the period. Interest recognised under financial income in the period amounted to €631.

Agreements and commitments authorised after the year-end

We have been informed of the following agreements and commitments, authorised after the end of the fiscal year and approved in advance by your Board of Directors of your Company.

Loan to GL events Centro de Convencoes in connection with a real estate project in Brazil
Within the framework of investments undertaken in Brazil for the construction of a hotel, GL events decided to grant GL events Centro de Convencoes, it subsidiary, an intra-group bridge loan, with the main terms and conditions summarised below:

- Amount in €: € 3,000,000;
- Rate: 6-month Euribor +1%;
- Maturity date: one year after its date of inception.

The Board authorised GL events to conclude this bridge loan agreement on 23 January 2013.

Loan to Fagga in connection with an external growth project

In connection with an external growth project in Brazil, GL events SA decided to grant Fagga, its Brazilian subsidiary, an intra-group loan, with the main terms and conditions summarised below:

- Amount in €: € 7,000,000;
- Rate: 6-month Euribor +1%;
- Maturity date: 15/03/2014 (for one year).

The Board authorised GL events to conclude this loan agreement in favour of its subsidiary Fagga on 1 March 2013.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE GENERAL MEETING

Agreements and commitments authorised in prior periods that remained in force during the period under review

In accordance with the provisions of Article R.225-30 the French Commercial Code, we were informed that the following agreements and undertakings, already approved in prior periods, remained in force in the period under review.

Fees payable under an agreement to provide technical and sales assistance
Technical and sales support provided by GL events SA to certain entities is governed by a regulated agreement when it involves a fixed amount or is contingent on the sales of these entities.
Fees for 2012 payable under this agreement are presented below:

Entities	Terms and conditions	Amount (€)
GL events SI	Fixed	47,000
Altitude Expo	Fixed	12,000
Fabric Expo	Fixed	36,000
Foncière Polygone	Fixed	20,000
GL mobilier	Fixed	84,000
Menuiserie Expo	Fixed	48,000
Mont Expo	Fixed	24,000
Sepel	Fixed	240,000
Slick Seating Systems	1.50%	394,675

Legal reorganisation of GL events Group's activities
This reorganisation consists in creating business units in the form of distinct legal entities, GL events Live, GL events Exhibitions and GL events Venues and then contributing or selling to these sub-holdings the interests directly held by GL events.
This organisation allows these different business units to have their own capital resources, directly finance their investments and obtain financing from banks according to terms that are adapted to their circumstances.
This agreement was not applied in fiscal 2012.

Lease agreement with SAS Le Grand Rey
The lease agreement concluded by GL events SA (lessee) with SAS Le Grand Rey (lessor) commenced on 1 January 2007 and was terminated in advance on 30 June 2012.
The amount recorded under expenses in the period totalled €411,230.

General management services provided by Polygone
Polygone SA provides general management services to GL events in exchange for fees representing 0.32% of sales.
Fees invoiced under this agreement by GL events in the period totalled €2,623,246 excluding tax.

Trademark license agreement
The Board of Directors of GL events SA authorised the conclusion of a trademark license agreement based on the sales of the companies concerned.
This agreement was implemented retroactively effective as of January 2011.

Fees for 2012 payable under this agreement are presented below:

Entity	Rate	Amount (€)	Entity	Rate	Amount (€)
Acropolis de Nice	1.00%	159,343	GL events Suisse	1.50%	22,208
Adors	1.00%	2,501	GL events Turquie	0.75%	28,502
Aedita	1.50%	15,823	GL Middle East	0.75%	83,154
Alice Evènements	1.00%	221,822	Hall Expo	1.00%	208,435
Amiens Mégacité	1.00%	40,081	Hôtel Salomon de Rothschild	1.00%	52,582
Ankara	1.00%	39,719	ISF (merged into GL events Services)	1.00%	119,822
Auvergne Evénements	1.00%	61,576	Le Chorus	1.00%	18,272
Auvergne Evénements Spectacles	1.00%	13,071	Market Place	1.00%	164,736
Brelet	1.00%	166,529	Oasys Innovation	1.25%	329,775
Brelet Centre Europe	1.00%	32,216	Owen Brown	1.50%	1,021,810
CCIB Catering	2.75%	163,724	Package	1.00%	195,453
Centre de Congrès Saint Etienne - Fauriel	1.00%	18,635	Palais Brongniart	1.00%	123,375
Centre de Conventions Rio	1.50%	373,555	Maison de la Mutualité	1.00%	108,452
Château Saint-Priest	1.00%	7,050	Parc des Expos de Metz	1.00%	87,153
Decorama	1.00%	171,976	Parc des Expositions de Troyes	1.00%	22,786
Eastern Exhibition Services	0.75%	13,528	Parc Floral Paris	1.00%	43,614
Esprit Public	1.00%	14,958	Polydome Clermont-Ferrand	1.00%	33,266
Fagga	1.50%	299,620	Polygone,Vert	1.00%	29,999
Frame	1.00%	1,823	Profil	1.00%	64,234
GL events Audiovisual	1.00%	357,344	Ranno	1.00%	146,965
GL events Belgium	1.50%	106,039	Secil - Grand Cercle	1.00%	19,726
GL events Bruxelles	1.00%	134,275	Serenas	1.00%	137,382
GL events CCIB	1.50%	824,242	Signexpo	1.00%	50,572
GL events China (Pudong)	0.75%	18,827	Slick Seating Systems	1.00%	263,116
GL events Cité Centre de Congrès Lyon	1.00%	200,317	Sodem System	1.00%	72,183
GL events Exhibitions	1.00%	710,618	Spaciotempo France	1.00%	402,334
GL events Furniture Asia	0.75%	12,555	Spaciotempo UK	1.50%	126,385
GL events Hong Kong	0.75%	33,438	Top Gourmet	1.50%	40,931
GL events Macao	0.75%	3,960	Toulouse Evènements	1.00%	41,529
GL events Portugal	1.50%	7,997	Toulouse Expo	1.00%	71,064
GL events Production	0.75%	27,963	Vachon	1.00%	18,454
GL events Scarabée	1.00%	11,849	World Forum The Hague	1.50%	113,227
GL events Services	1.00%	1,054,269			

Lyon and Villeurbanne, 2 April 2013

The Statutory Auditors
French original signed by:

Maza Simoens
Michel Maza

Mazars
Eric Gonzalez

APPENDIX I

PERSONS CONCERNED BY REGULATED AGREEMENTS AND COMMITMENTS FRENCH COMPANIES

Entity	Olivier Ginon	Olivier Roux	Gilles Gouedard Comte	Erick Rostagnat	Olivier Ferraton	Yves Claude Abescat	Nicolas de Tavernost	Richard Goblet d'Alviella	GL events shareholder > 10%
Alice Evènements		X							Yes
Altitude									Yes
Auvergne Evènements	X (PR)	X (until 19/04/2012)		X	X (until 20/04/2012)				Yes
Auvergne Evènements Spectacles									Yes
Chorus		X		X (PR)					Yes
Décorama					X				Yes
Fabric Expo									Yes
Foncière Polygone SAS	X		X	X					
GL events	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
GL events Audiovisual									Yes
GL events campus									Yes
GL events Cité Centre de Congrès Lyon		X		X (PR)					Yes
GL events Exhibitions	X	X							Yes
GL events Management				X					Yes
GL events Parc Expo Metz Métropole									Yes
GL events Scarabée									Yes
GL events Services		X			X				Yes
GL events SI SNC									Yes
GL Mobilier					X				Yes
Hall Expo	X (PR)				X				Yes
Le Grand Rey	X								
Market Place		X		X (PR)	X				Yes
Menuiserie Expo									Yes
Mont Expo									Yes
Ovation +									Yes
Package		X		X (PR)	X				Yes
Polygone SA	X	X		X		X (Since 31/10/2012)	X (Since 31/10/2012)	X (Since 31/10/2012)	
Polygone Vert									Yes
Profil									Yes
Ranno Entreprise		X			X				Yes
SEAN - Acropolis Nice		X		X (PR)					Yes
SECCPB - Pierre Baudis									Yes
SECCSE - Saint Etienne Fauriel									Yes
SECECAM - Amiens Mégacité									Yes
SECIL - Grand Cercle et Verrière		X		X					Yes
SECSP - Château de Saint Priest									Yes
SEGLPB - Palais Brongniart		X							Yes
SEPCFD - Polydôme Clermont Ferrand									Yes
SEPE - Parc Floral		X							Yes
SEPEAT - Parc Expo.Agglo.Troyenne									Yes
SEPEL - Eurexpo	X				X				Yes
SEPMU - Palais de la Mutualité									Yes
SESR - Hôtel Salomon de Rothschild									Yes
Sign'Expo									Yes
Spaciotempo France SA		X		X (PR)					Yes
Toulouse Evènements	X (Since 13/07/2012)	X (Since 13/07/2012)		X (Since 13/07/2012)					Yes
Toulouse Expo	X	X	X	X					Yes
Vachon		X		X	X				Yes

APPENDIX II

PERSONS CONCERNED BY REGULATED AGREEMENTS

FOREIGN COMPANIES

Entity	Country	Olivier Ginon	Olivier Roux	Gilles Gouedard Comte	Erick Rostagnat	Olivier Ferraton	Yves Claude Abescat	Nicolas de Tavernost	Richard Goblet d'Alviella	GL events shareholder > 10%
Adors	Turkey				X	X				Yes
Aedita Latina	Brazil									Yes
Ankara	Turkey				X					Yes
CCIB Catering	Spain									Yes
Eastern Exhibitions Services Ltd	United Arab Emirates									Yes
Fagga	Brazil	X			X	X				Yes
Frame	Turkey									Yes
GL events Belgium	Belgium	X								Yes
GL events Brussels	Belgium	X								Yes
GL events CCIB	Spain	X			X					Yes
GL events Centro de Convençoes	Brazil									Yes
GL events China - Pudong	China	X	X		X	X				Yes
GL events Estaçao Centro de Convençoes	Brazil									Yes
GL events Hong Kong	Hong Kong	X			X					Yes
GL events Kongre (Turkey)	Turkey				X (PR)					Yes
GL events Macao	China	X			X	X				Yes
GL events Oasys Consortium	South Africa				X	X				Yes
GL events Suisse	Switzerland									Yes
GL Furniture Asia	Hong Kong	X								Yes
GL Litmus events	India				X	X				Yes
GL Middle East	United Arab Emirates	X				X				Yes
GL Portugal	Portugal									Yes
GL events USA	United States	X		X	X					Yes
GL World Forum La Haye	Netherlands				X (PR)					Yes
Hungexpo	Hungary	X			X					Yes
Oasys Innovations	South Africa				X	X				Yes
Owen Brown	United Kingdom	X			X					Yes
Serenas	Turkey				X	X				Yes
Slick Seating Systems	United Kingdom				X					Yes
Spaciotempo UK Ltd	United Kingdom				X					Yes
Traiteurs Loriers	Belgium				X (PR)					Yes

(PR): Directors serving as permanent representatives of GL events.

Note: Shareholdings refer to both direct and indirect holdings.

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SHAREHOLDER INFORMATION

STATUTORY INFORMATION ON THE COMPANY

Company name and registered office:

GL events
Route d'Irigny – Zone Industrielle – 69530 Brignais

Country of incorporation: France

Form and applicable law: *Société Anonyme* (French equivalent of a joint stock company) governed by French law.

French trade and company register: 351 571 757 RCS Lyon – APE Code: 741 J

Corporate charter:

The company's corporate purpose is:
The acquisition of interests in any companies and firms, whether French or foreign joint ventures, current or future, by any means, including by contribution, subscription or purchase of shares, merger, etc.
Any financial transactions or transactions involving movable and immovable property related directly or indirectly to the corporate purpose and to any similar or related purposes;
Any administrative consulting services and other services and any research and development activities;
The organisation, communication, management, general installation and layout of exhibitions, fairs, public or private events, and events of any type, whether in France or other countries, as well as training;
The design, manufacture, leasing, installation and layout of stands, floor covering, floral decoration, decoration of any premises and exhibitions, signs, museum fittings, venue design, furnishings, furniture-equipment and accessories, electricity distribution, lighting systems, light space design, heating, air-conditioning, sound system, captation and projection of films and high-power video projection on any media, multimedia screen walls, temporary structures, platforms, , exhibition items, and, more generally, any products, processes and undertakings related to these events, as well as their advertising and their promotion in any form whatsoever.

It may act directly or indirectly and may engage in all of these undertakings on its behalf or on behalf of third parties either alone, or through partnerships, associations, joint ventures or companies, with any other persons or companies and carry them out in any form whatsoever.

It may also acquire interests in any companies and business dealings, regardless of the purpose thereof.

Fiscal year

Each fiscal year lasts for one year, commencing on 1 January and ending on 31 December.

General meetings (Articles 22 and 23 of the articles of association or *statuts*)

General meetings of the Shareholders are called by the Board of Directors, or, in its absence, the auditors and any person so authorised by law.

In particular, one or more shareholders, representing at least the required share of the share capital and acting according to the conditions and periods fixed by the law, may request by registered mail with request for acknowledgement of receipt that draft resolutions be included on the meeting's agenda.

The forms and periods for calling such meetings are governed by law. The meeting notice must fix the place of the meeting, which may be the registered office, or any other place, as well as its agenda.

Any shareholder may attend general meetings and proceedings in person or through a representative, regardless of the number of his or her shares, subject to providing proof of identity, and provided that no payments are due on said shares on condition they have been registered in his or her name no later than three days preceding the meeting.

Any shareholder may vote by mail using a form that may be obtained according to the conditions indicated by the general meeting notice. Any shareholder may, under the conditions fixed by laws and regulations, send his or her proxy and voting form by mail concerning any general meeting, either in paper form, or, based on a decision of the Board of Directors, published in the meeting announcement and notice, by electronic transmission.

A shareholder may also be represented according to the conditions fixed by regulations in effect, provided that the representative is equally a shareholder. A shareholder may also be represented by his or her spouse. A shareholder not domiciled in France whose shares are registered in the name of an intermediary under the conditions fixed in Article L. 228-1 of the French Commercial Code may be represented by this intermediary.

The right to attend or to be represented at the general meetings is conditional either upon registration of the shareholder holding the registered shares in the accounts kept by the company, or upon filing at the place indicated in the meeting notice certificates issued by the authorised intermediaries confirming that until the date of the meeting, bearer shares are held in an account by the latter and remain non-transferable. These formalities must be accomplished no later than three days preceding the meeting.

The Board of Directors may however reduce or set aside these time requirements.

Holders of registered shares are admitted upon furnishing proof of their identity, while owners of bearer shares are admitted subject to furnishing proof of the aforementioned certificate.

Access to the general meeting is open to registered shareholders, subject to proof of their status. However, if it deems this useful, the Board of Directors may provide shareholders personal admission cards in their name.

Voting rights (article 25 of the articles of association)

At general meetings, each member of the meeting has one vote for each share that he or she possesses or represents, without limitation. However, a voting right double that conferred upon the other shares, with regard to the percentage of the capital they represent, is given to all fully paid up shares held in registered form for at least the last three years in the name of the same shareholder.

If new shares are issued further to the capitalisation of reserves or an exchange of shares in connection with a stock-split or reverse split, the double voting right is conferred upon shares granted in registered form, provided they were held in registered form since their allotment. This double voting right is conferred upon shares held in registered form for three years after being allotted.

Mergers or demergers of the company do not affect the double voting right that may be exercised at the beneficiary company provided the articles of association of the latter have established a double voting right.

Appropriation of income (Article 28 of the articles of association)

At least one-twentieth of the year’s profit, less any losses carried forward, is deducted and allocated to a reserve fund, called the "legal reserve", limited to one-tenth of the share capital. Said deduction shall once again be necessary if, for any reason whatsoever, the "legal reserve" falls below said level.
The distributable profit is constituted by the year’s profit, less any loss carried forward and amounts posted to reserves pursuant to the law or the articles of association, and increased by retained earnings.

From this profit the general meeting then deducts amounts it deems appropriate to allocate to any optional reserve funds, whether ordinary or extraordinary, or to retained earnings.
The balance, when it exists, is allocated to the shares in proportion to their paid up, unredeemed amount.

However, with the exception of a capital reduction, no distribution may be made to the shareholders if, following said transaction, the equity capital is or falls below the amount of the capital increased by the reserves that cannot be distributed pursuant to the law or the articles of association.
The general meeting may decide to distribute amounts deducted from available reserves. In this case, the decision must expressly indicate the reserve accounts from which the deductions are made.

The losses, if any, after approval of the accounts by the general meeting, are registered under liabilities in a special balance sheet account, to be charged to the profits of subsequent years, until extinction or charged to reserves.

Disclosure requirements concerning ownership thresholds (Article 12 of the articles of association)

In addition to the legal obligation to inform the company of certain percentages of voting rights attached to the capital held, any shareholder, whether an individual or a legal entity, who comes to own or control (whether directly or indirectly, or jointly with other shareholders pursuant to the law) at least 2.5% of the capital and/or voting rights of the company, must inform the company thereof by registered mail with acknowledgement of receipt within fifteen days of the crossing of the threshold. It must also indicate if the shares are held on behalf of, under the control of or jointly with other individuals or legal entities. This notification is repeated for each additional fraction of 2.5% of the capital and/or voting rights up to the threshold of 50% of the capital.

Documents and information concerning the company may be consulted at:

The registered office: Route d’Irigny – Zone Industrielle – 69530 Brignais.

INFORMATION ON THE SHARE CAPITAL

Capital stock

Pursuant to the above, on 31 December 2012 the share capital was €90,615,680, divided by 22,653,920 shares at €4 per share.
GL events shares are traded on NYSE Euronext Paris-Segment B (Mid Caps).

Securities giving access to the capital

None

Stock options

The combined ordinary and extraordinary of 16 May 2008 authorised the Board of Directors to issue a total of 200,000 options to subscribe for new shares and/or purchase existing shares in favour of employees of GL events and of the Group and/or the directors of the company or companies of GL events Group. 150,000 stock options were allotted by the Board of Directors on 8 December 2008 (plan 10).

The combined ordinary and extraordinary of 24 April 2009 authorised the Board of Directors to issue a total of 200,000 options to subscribe for new shares and/or purchase existing shares in favour of employees of GL events and of the Group and/or the directors of the company or companies of GL events Group. 44,500 stock options were allotted by the Board of Directors on 5 March 2010 (plan 11). 61,850 stock options were allotted by the Board of Directors on 4 March 2011 (plan 12).

The combined ordinary and extraordinary of 29 April 2011 authorised the Board of Directors to issue a total of 200,000 options to subscribe for new shares and/or purchase existing shares in favour of employees of GL events and of the Group and/or officers of the company or companies of GL events Group. 83,550 stock options were allotted by the Board of Directors on 2 March 2012 (plan 13).

Beneficiaries can only exercise the options allotted to them by the Board of Directors after a period of three years following the date of the Board meeting on which they were granted, on condition that said beneficiaries have retained their status as employee or officer of GL events or one of the Companies of the Group during this period. In consequence, if beneficiaries of options cease to exercise their functions as a salaried employee or officer before exercising their options, the vested rights accruing to them will be forfeited *ipso jure* by the beneficiaries.

The Combined Ordinary and Extraordinary of 27 April 2012 authorised the Board of Directors to issue a total of 400,000 options to subscribe for new shares and/or purchase existing shares in favour of employees and/or directors of the Company or companies of the Group.

Stock option plan highlights:

	Plan 10	**Plan 11**	**Plan 12**	**Plan 13**
Date of the General Meeting authorising the issue of stock options	16/05/2008	24/04/2009	30/04/2010	29/04/2011
Date of the Board of Director's meeting	08/12/2008	05/03/2010	04/03/2011	02/03/2012
Number of shares available for subscription	115,500	44,500	61,850	83,550
Of which: number to the top 10 grantees	60,000	33,000	25,000	41,500
Of which: number of shares available for subscription by current members of the Executive Committee	46,900	26,500	18,000	35,000
Number of directors concerned	5,000	5,000	--	5,000
Option exercise starting date	08/12/2011	05/03/2013	04/03/2014	04/03/2015
End of the holding period	08/12/2012	05/03/2014	04/03/2015	04/03/2016
Deadline for exercising the options	08/12/2013	05/03/2015	04/03/2016	04/03/2017
Subscription price (€)	12.02	16.34	25.14	15.71
Number of shares subscribed (*)	--	--	--	--
Remaining number of shares available for subscription	115,500	44,500	61,850	83,550

(*) At 1 March 2013, after recording the exercise of options by the Board of Directors' meeting of 1 March 2013.

Bonus shares

The Combined Ordinary and Extraordinary General Meeting of 24 April 2009 granted authority to the Board of Directors for thirty eight months, in accordance with the provisions of articles L225-197-1 *et seq*. of the French Commercial Code, to grant bonus shares either from the existing shares of the Company or the issue of new shares. The Combined Ordinary and Extraordinary General Meeting fixed the number of bonus shares that may be granted at 100,000.

The Board of Directors' meeting of 5 March 2010 decided to grant 70,675 bonus shares (Plan 3) subject to the following conditions to be fully vested:
- The beneficiaries must possess the status of employee in the Company or companies and or groups of companies affiliated therewith, from the first to the last day of the vesting period,
- The occurrence of no incident of unfair conduct by the beneficiary causing a prejudice to the Company or an affiliated company;
- Average growth in revenue of the Group for 2010 and 2011 of at least 6% per year.

The Board of Directors' meeting of 4 March 2011 decided to freely grant 75,946 existing shares of the Company, including 46,621 bonus shares subject to the condition precedent of the renewal of the authorisation by the Combined Ordinary and Extraordinary General Meeting of 29 April 2011 (Plan 4). Shares granted under Plan 4 shall become fully vested subject to the following conditions:
- The beneficiaries must possess the status of employee in the Company or companies and or groups of companies affiliated therewith, from the first to the last day of the vesting period,
- The occurrence of no incident of unfair conduct by the beneficiary causing a prejudice to the Company or an affiliated company;
- Average growth in revenue of the Group for 2011 and 2012 of at least 3% per year.

The Ordinary and Extraordinary General Meeting of 29 April 2011 granted authority to the Board of Directors for thirty eight months, in accordance with the provisions of Articles L. 225-197-1 *et seq.* of the French commercial code, to grant bonus shares either from the existing shares of the Company or the issue of new shares. The Combined Ordinary and Extraordinary General Meeting fixed the number of bonus shares that may be granted at 100,000. The 46,621 bonus shares granted under the conditions precedent of Plan 4 were in consequence unconditionally granted on 29 April 2011.

Under the terms of this authorisation, the Board of Directors' meeting of 2 March 2012 decided to freely grant 94,475 existing shares of the Company, including 41,096 bonus shares subject to the condition precedent of the renewal of the authorisation by the Combined Ordinary and Extraordinary General Meeting of 27 April 2012 (Plan 5).

Under Plan 5 share shall become fully vested subject to the following conditions:
The unconditional grant of shares at the end of the vesting period is subject to the following conditions:
- The beneficiaries must possess the status of employee in the Company or companies and or groups of companies affiliated therewith, from the first to the last day of the vesting period,
- The occurrence of no incident of unfair conduct by the beneficiary causing a prejudice to the Company or an affiliated company;
- Average growth in revenue of the Group for 2012 and 2013 of at least 3% per year.

The Ordinary and Extraordinary General Meeting of 27 April 2012 granted authority to the Board of Directors for thirty eight months, in accordance with the provisions of Articles L. 225-197-1 *et seq.* of the French commercial code, to grant bonus shares either from the existing shares of the Company or the issue of new shares. The Combined Ordinary and Extraordinary General Meeting fixed the number of bonus shares that may be granted at 400,000. The 67,256 bonus shares granted under the conditions precedent of Plan 5 were in consequence unconditionally granted on 27 April 2012.

The Board of Directors' meeting of 2 March 2012 decided to freely grant 75,946 existing shares of the Company eligible to all employees of French companies are the Group (or a total of 18,390 existing bonus shares of the Company), subject to the condition precedent of the renewal of the authorisation by the Combined Ordinary and Extraordinary General Meeting of 29 April 2011 (Plan 6). Shares granted under Plan 6 shall become fully vested subject to the following conditions:
- The beneficiaries must possess the status of employee in the Company or companies and or groups of companies affiliated therewith, from the first to the last day of the vesting period,
- The occurrence of no incident of unfair conduct by the beneficiary causing a prejudice to the Company or an affiliated company;

The Board of Directors' meeting of 26 July 2012 decided to grant 6,500 bonus shares (Plan 7) subject to the following conditions to be fully vested:

- The beneficiaries must possess the status of employee in the Company or companies and or groups of companies affiliated therewith, from the first to the last day of the vesting period,
- The occurrence of no incident of unfair conduct by the beneficiary causing a prejudice to the Company or an affiliated company;
- Average growth in revenue of the Group for 2012 and 2013 of at least 3% per year.

In accordance with the provisions of L. 225-197-4 of the French commercial code, the following information is provided:

Information on bonus shares

Bonus share plan highlights:

	Plan 3	Plan 4	Plan 5	Plan 6	Plan 7
Date of the General Meeting authorising the issue of stock options	24/04/2009	30/04/2010	29/04/2011	29/04/2011	27/04/2012
Date of the Board of Director's meeting	05/03/2010	04/03/2011	02/03/2012	02/03/2012	26/07/2012
Number of shares available for subscription	70,675	74,346	94,475	18,390	6,500
Value on grant date	16.34	25.14	15.68	15.68	14.97
Of which: number of shares available for subscription by current members of the Executive Committee	37,500	25,000	37,000	--	--
Number of directors concerned	5,000	3,500	3,500	--	--
Of which: number to the top 10 grantees	49,500	30,000	45,500	(*)	6,500
End of vesting period	05/03/2013	05/03/2013	02/03/2014	02/03/2014	26/07/2014
End of selling restrictions (holding period)	05/03/2015	05/03/2015	02/03/2016	02/03/2016	26/07/2016
Number of shares exercised	--	--	--	--	--

(*) Not applicable because of the grant of bonus shares per employee of the company of the Group.

Authorised capital not issued

The Extraordinary General Meeting of 27 April 2012 authorised the Board of Directors to issue all types of negotiable securities conferring present or future access to shares of the company, with the maintenance and/or cancellation of the pre-emptive subscription right, for a maximum nominal amount of €60 million.
This authorisation was given for 26 months and expires on 30 June 2014.
The Board of Directors made use of this authorisation in the period for an amount of €18,920,720.

Five-year summary of changes in GL events' share capital

		Change in capital						
Date	Type of transaction	Issue in cash or in kind		Capitalisation of reserves / debt offset	Successive amounts of capital	Number of shares		Nominal value
		Nominal	Premium			Issued	Total	
07/03/2008	Exercise of options	10,000	26,875		71,666,960	2,500	17,916,740	€ 4
13/03/2008	Exercise of options	4,000	12,570		71,670,960	1,000	17,917,740	€ 4
09/05/2008	Exercise of options	4,000	8,020		71,674,960	1,000	17,918,740	€ 4
14/05/2008	Exercise of options	12,000	24,060		71,686,960	3,000	17,921,740	€ 4
04/09/2008	Exercise of options	8,000	25,140		71,694,960	2,000	17,923,740	€ 4
06/11/2012	Cash contribution	6,838,632	21,661,367		78,533,592	1,709,658	19,633,398	€ 4
04/12/2012	Cash contribution	12,082,088	28,629,492		90,615,680	3,020,522	22,653,920	€ 4

Analysis of capital and voting rights

At 1 March 2013, the total number of voting rights was 33,612,240. Information concerning the allotment of voting rights is provided on page 150 of the registration document or article 25 of the articles of association.

To the best of the company's knowledge, the breakdown of capital and voting rights held at 1 March 2013 is as follows:

	Number of shares	Percentage of capital	Percentage of voting rights
Polygone [(1)]	11,848,734	52.30	64.03
Sofina	2,287,927	10.10	6.81
CM CIC Investissement	1,044,924	4.61	5.80
Corporate officers			
- Olivier Ginon	3,048	0.01	0.00
- Olivier Roux	4,200	0.02	0.02
- Gilles Gouedard-Comte	40,618	0.18	0.24
- Nicolas de Tavernost	651	0.00	0.00
- Aquasourça	1	0.00	0.00
- Philippe Marcel	3,925	0.02	0.02
- Yves-Claude Abescat	100	0.00	0.00
- André Perrier	8,500	0.04	0.04
- Erick Rostagnat	38,544	0.17	0.20
- Maxence Tombeur	75	0.00	0.00
- Caroline Weber	1,500	0.00	0.00
Free float	7,371,173	32.55	22.84
TOTAL	**22,653,920**	**100.00**	**100.00**

(1) Polygone is a holding company whose capital on 1 March 2013 was held as follows:
- Olivier Ginon: 47.90%
- Olivier Roux: 18.80%
- Sofina: 13.14%
- Aquasourça: 7.63%
- CM CIC Capital Investissements: 4.78%
- Xavier Ginon: 2.98%
- Omnès Capital 2.14%
- Le Grand Rey: 1.91%
- LCL Régions Développement: 0.41%
- Calixte Investissement: 0.30%
- Other individual investors holding jointly a total of 0.01% of the capital.

The company is controlled as described above. However the company considers that there exists no risk of control being exercised in an abusive manner.

Disclosures concerning the crossing of ownership thresholds

- By letter dated 7 November 2012, supplemented by a letter of 9 November 2012, Sofina (31 rue de l'Industrie, 1040 Brussels), reported having crossed above, on 5 November 2012, in concert with Messrs. Olivier Ginon(1) and Olivier Roux (the founders) and Polygone that they control, the thresholds of 5%, 10%, 15%, 20%, 25%, 30% and 50% of the share capital and 2/3 of the voting rights of GL Events, and to hold in concert 12,044,994 GL events shares representing 21,723,081 voting rights or 61.35% of the share capital and 70.40% of the voting rights of this company.
  On this occasion, Sofina furthermore individually crossed the threshold of 5% of the share capital and voting rights and 10% of the share capital of GL events.

  The crossing of the thresholds results from Sofina's subscription for, on 5 November 2012, (i) a reserved capital increase of GL events and the conclusion of a shareholders agreement with the founders with respect to Polygone and GL events and (ii) 695 ORA bonds redeemable in GL events shares having been issued.

(1) Including Le Grand Rey SAS, controlled by Olivier Ginon.

By letter dated 6 December 2012, CM-CIC Investissement (26 rue de l'Opéra, 75002 Paris) reported, in accordance with applicable disclosure requirements, having crossed below, on 7 November 2012, the threshold of 5% of the share capital of GL events and holding on that date, 912,602 GL events shares representing 1,818,204 boarding rights or 4.65% of the share capital and 5.89% of the voting rights of this company.

To the best of the Company's knowledge, no other shareholder ownership thresholds were crossed in 2013 subject to disclosure requirements.

Own shares held directly or through group subsidiaries

In accordance with the provisions of L225-211 of the French Commercial Code, the following information is provided:
Within the framework of the share repurchase program renewed by the combined shareholders' meeting of 27 April 2012, GL events engaged in the following transactions:

	Balance at 31/12/2011		Acquisitions 11/2012 (12 months)		Disposals 2012 (12 months)		Balance at 31/12/2012		Balance at 31/12/2012
	1	2	1	2	1	2	1	2	Total
Number of shares	243,255	19,950	119,486	351,005	1,785	364,803	360,956	6,152	367,108
Average price (in €)	21.71	13.9(1)	16.03	15.81	19.51	15.58	19.87	16.9(1)	19.82
Purchase price (€ thousands)	5,280	277(1)	1,915	5,549	23		7,143	104(1)	7,277
Sale price (€ thousands)						5,685			
Percentage of capital	1.36%	0.11%	0.53%	1.55%	0.00%	1.61%	1.59%	0.03%	1.62%

Col. 1: Treasury shares
Col. 2: Liquidity agreement
(1) Valuation based on the market's share price of the day.

The liquidity agreement with an investment services provider adheres to the conduct of business rules recognised by the French financial market authority (AMF) for market making purposes. Trading fees for the above transactions in connection with this market making agreement totalled €30,500 for 2012.

Treasury stock is destined for use in connection with external growth transactions, stock option programs or bonus share grants.

Non-transferable shares

None.

Changes in the shareholder structure over the last three years

Pursuant to the changes in capital described in the above table "Five-year summary of changes in GL events' share capital", the shareholder structure has evolved as follows:

Percentage of capital (at 31 December)	2010	2011	2012
Polygone	56.62	56.92	52.30
Sofina			8.71
CM CIC Investissement	5.05	5.05	4.61
Other shareholders	38.33	38.03	34.38

Percentage of capital (at 31 December)	2010	2011	2012
Polygone	69.68	68.19	63.55
Sofina			5.83
CM CIC Investissement	6.36	6.21	5.76
Other shareholders	23.96	25.60	24.86

SHAREHOLDERS' AGREEMENT AND ANY ARRANGEMENT KNOWN TO THE ISSUER WHICH COULD HAVE AN IMPACT ON ITS CONTROL

On 5 November 2012, a shareholders agreement was concluded between Sofina and Messrs. Olivier Ginon and Olivier Roux.

It is stipulated that this Shareholders Agreement does not impose any restrictions on the transfer of the Company's shares held by Sofina nor particular provisions restricting the liquidity of the shares.

A. GOVERNANCE

1- Governance of the Company

1.1 Provisions relating to the composition of the Board of Directors and the Audit Committee of the Company

The number of members of the Company's Board of Directors (that currently includes 11 directors) shall not be limited by provisions of the Shareholders Agreement. It provides that Sofina will have two Representatives on the Company's Board of Directors. In consequence, as of the Completion Date, the Board of Directors would be comprised of 13 members including two elected from candidates proposed by Sofina.

The Company's Audit Committee will have four members as of the Completion Date that shall include one representative appointed at the proposal of Sofina. With the purpose of promoting rules of good corporate governance within the Group, it is also provided that the Chairman of the Audit Committee of the Company shall be a "Non-Group Director", i.e., within the meaning of the Shareholders Agreement, a person (i) who is not or has not been an employee or corporate officer of Polygone SA or a company that it controls within the meaning of Article L. 233-3, I of the French Commercial Code (*code de commerce*) (including the Company) over the last 10 years and (ii) is unrelated to Mr. Ginon or Mr. Roux. Decisions will be adopted by simple majority of members of the Company's Audit Committee. The Audit committee of the Company will notably have the authority to discuss the Company's annual budget prepared by Executive Management and issue an opinion thereon to the attention of the Company' Board of Directors.

1.2 Rules governing corporate decision-making

The provisions of the Shareholders Agreement will not directly interfere in the corporate decision-making process of the governance bodies of the Company. Accordingly, Sofina will have only those rights accruing to it by law and regulations as a shareholder and director.

However, Messrs. Olivier Ginon and Olivier Roux will undertake under the terms of the Shareholders Agreement to ensure that exceptional decisions relating to the disposal of assets, acquisitions, mergers and material public transactions of the Company, such as those relating to the Company significant new loans, as well as relating to the membership of the Company's Executive Committee that were not adopted by the Board of Directors of Polygone SA in accordance with the rules of majority presented here below will not be submitted to a vote to the Company's Board of Directors or adopted by the latter.

2- Polygone SA governance

2.1 Provisions relating to the composition of the Board of Directors of Polygone SA

Under the terms of the Shareholders Agreement, the Board of Directors of Polygone SA that currently numbers five directors, must include:

- Five directors, of which two Non-Group Directors within the meaning of the Shareholders Agreement, during a transitional period running from the Completion Date until no later than the date of the general meeting of the Company called to approve the financial statements for the fiscal year ending 31 December 2014 (the "Transitional Phase"), and
- Eleven Directors including five Non-Group Directors during a period beginning from the expiration of the Traditional Phase (the "Normal Phase").

During the Transitional Phase and the Normal Phase, Sofina will have a representative on the Board of Directors of Polygone SA, it being specified that the latter shall have the status of a Non-Group Director.

The parties to the Shareholders Agreement have however decided to immediately adopt the corporate governance provision applicable to the Normal Phase.

2.2 Decisions requiring the approval of a director appointed on the proposal of Sofina to the Board of Directors of the Polygone SA

Decisions shall be submitted to a debate within the Board of Directors of Polygone SA and may only be adopted if approved by the simple majority of directors present or represented, including the director appointed on the proposal of Sofina:

- Any decision requiring that an extraordinary general meeting of Polygone SA be called for items that include a change in the corporate charter or form, the creation of new classes of shares, the issuance of preferred shares or any security convertible into preferred shares or shares of a different class, any capital increase for which Sofina does not have a mechanism for anti-dilution, the modification of rights attached to shares (including through the creation of double voting rights) and the modification of rules for the distribution of earnings, reserves or the proceeds of liquidation, and
- Any assignment, contribution, transmission or transfer, in any form whatsoever, directly or indirectly, of an amount of assets of Polygone SA or the Company representing more than one third of the total consolidated assets of Polygone SA (excluding the scenario of a change in control of the Company allowing Sofina to exercise at the expense of Messrs. Olivier Ginon and Olivier Roux a put option for the total amount of its shares in Polygone SA as indicated below in paragraph 0).

2.3 Decisions requiring the approval of one or more Non-Group Directors

The following decisions shall be submitted to deliberations of the Board of Directors of Polygone SA and may only be adopted if approved by a simple majority of directors present or represented, including approval (i) of at least one Non-Group Director during the Transitional Phase and (ii) at least two Non-Group Directors during the Normal Phase (the "Qualified Majority"):

- Acquisitions, mergers, asset disposals, public transactions involving more than 20% of total consolidated assets of Polygone SA;
- Real estate transactions involving more than €20 million, including at the level of Foncière Polygone (a wholly-owned property management subsidiary of Polygone SA) ;
- Proposals for the distribution of dividends or shares to shareholders of Polygone SA;
- An increase or reduction in the capital of Polygone SA;
- The purchase, sale or subscription by Polygone SA of shares giving access to the share capital of the Company;
- New borrowings concerning (i) with respect to the Company, total leverage of 3.5 x EBITDA, (ii) with respect to Foncière Polygone, a loan-to-value (LTV) ratio of more than 80%, and (iii) with respect to Polygone SA, an amount exceeding €10 million;
- Off-balance sheet commitments, granting security by Polygone SA for more than €10 million (outside the scope of normal operating activities);
- Approval of the annual budget of Foncière Polygone;
- Operational decisions other than those relating to normal conduct of business in which the shareholders, directors or executive management of Polygone SA might be interested parties.

The following decisions shall be submitted to deliberations of the Board of Directors of Polygone SA and be approved by the simple majority of directors present or represented:

- The approval of the annual budget of Polygone SA;
- The composition of the Company's Executive Committee.

Finally, any proposal to replace persons occupying the offices of Chairman, Chief Executive Officer, Deputy Chief Executive Officer or Chief Financial Officer of the Company must be submitted to prior deliberations by the Board of Directors of Polygone SA.

3- Lapsing of Sofina's rights with respect to governance

Sofina's rights with respect to governance as summarised herein in paragraph A shall lapse as soon as Sofina's direct financial and indirect stake in the capital of the Company falls below the threshold of 8% (it being specified that for the calculation of this threshold, GL events shares to be delivered to Sofina for the redemption of ORA bonds will notably be taken into account).

B. CLAUSES RELATING TO THE TRANSFER OF SHARES

The Shareholders Agreement imposes no restrictions on the transfer of GL events shares held by Sofina nor particular provisions restricting the liquidity of the shares.
As for the transfer of Polygone SA shares, the main restrictions with respect to transfer provided by the Shareholders Agreement are as follows:

- An undertaking providing for a lock-up period for Polygone SA shares held by Sofina for a period of five years from the Completion Date (except for transfers to its affiliates;
- A full tag-along right of Sofina in the event of a transfer of control of Polygone SA by Messrs. Olivier Ginon and Olivier Roux;
- A right of pre-emption of Sofina for the securities held by Messrs. Olivier Ginon and Olivier Roux (except for transfers in favour of each other or their beneficiaries or persons with whom they are related);
- A right of pre-emption of Messrs. Olivier Ginon and Olivier Roux for securities held by Sofina (except for transfers to its affiliates).

The Shareholders Agreement also provides for an anti-dilution mechanism in favour of Sofina within the framework of any issue revoking pre-emptive rights of subscription, able to give access, immediately or in the future, to the capital of Polygone SA.

Sofina will furthermore benefit from a put option for the full amount of Polygone SA shares with respect to Messrs. Olivier Ginon and Olivier Roux, exercisable under the following conditions: (i) If Mr. Olivier Ginon no longer exercises effective control over the Company's management; (ii) if Messrs. Olivier Ginon and Olivier Roux no longer control Polygone SA or if Polygone SA no longer controls the Company within the meaning of Article L. 233-3 of the French commercial code; (iii) if Messrs. Olivier Ginon and Olivier Roux or Polygone SA no longer meet the rules for a majority provided for by the Shareholders Agreement within the Board of Directors of Polygone SA, (iv) if Polygone SA issues shares other than accordance with the terms of the Investment Agreement without complying with the anti-dilution right of Sofina, (v) in the event of a breach of a material provision of the Shareholders Agreement by Polygone SA, Mr Olivier Ginon or Mr Olivier Roux; (vi) If any representation made by Messrs. Olivier Ginon and Olivier Roux under the terms of the Investment Agreement is found to be inexact or results in loss for Sofina of more than €2,500,000; (vii) on the fifth, eighth, eleventh anniversary dates of the Shareholders Agreement's execution date; or (vii) if Messrs. Olivier Ginon and Olivier Roux create a situation giving rise to an obligation to file a draft public offer for the Company for Sofina, a situation with respect to which Sofina would object or would not be able to grant its authorisation.

Finally, Messrs. Olivier Ginon and Olivier Roux will possess a drag-along right (*droit de cession forcée)* over Sofina's shares in Polygone SA should they transfer control of Polygone SA.

INVESTMENT AGREEMENT

Within the framework of the financial reorganisation of GL events and Polygone, on 6 September 2012, the Board of Directors authorised the signature of an investment agreement, the main terms of which are summarised below:

- a €28.5 million capital increase including share premium reserved for Sofina;
- a €43.4 million capital increase, including share premium with pre-emptive subscription rights;
- Sofina and Polygone took up a second capital increase with pre-emptive subscription rights pro-rata the amounts of their respective pre-emptive subscription rights, it being specified that take-up by Polygone is financed by funds paid by Sofina to Polygone within the framework
  - of a capital increase by Polygone without pre-emptive subscription rights in favour of Sofina for €10.5 million (including share premium);
  - issuance by Polygone of ORA bonds redeemable in GL events shares for a total nominal amount of €12.5 million, to be paid in full by the delivery of 695,603 existing shares.

PLEDGES, GUARANTEES AND SURETIES

Pledges of shares of the issuer registered in an account in the name of the shareholder (*nominatif pur*): 4.5 million GL events share pledged by Polygone SA as collateral for the Club Deal syndicated loan agreement.

07

ADDITIONAL INFORMATION

DRAFT RESOLUTIONS SUBMITTED TO THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING OF 26 APRIL 2013

Ordinary resolutions

RESOLUTION ONE

(Approval of the parent company financial statements for the fiscal year ended 31 December 2012 and grant of discharge to directors)

The shareholders, having reviewed the report of the Board of Directors, the report of the chairman on the preparation and organisation of the work of the Board of Directors and internal control procedures, and the report of the statutory auditors on the parent company financial statements and their report on this latter report of the Chairman, and additional explications given orally, approve for all sections of these reports, the annual financial statements and notably, the balance sheet, income statement and notes to the financial statements for the period ended 31 December 2012, as presented, as well as the operations reflected in the financial statements or summarised in the reports.

In accordance with article 223 *quater* of the French General Tax Code, they approve the expenses and charges provided for under article 39-4 of said code that totalled €29,771.

In consequence, the shareholders grant a discharge to the directors for their management for the period under review.

RESOLUTION TWO

(Approval of the consolidated financial statements for the fiscal year ended 31 December 2012)

The shareholders, having reviewed the report of the Board of Directors and the report of the statutory auditors on the consolidated financial statements, approve the consolidated annual financial statements and notably, the balance sheet, income statement and notes to the financial statements for the period ended 31 December 2012, as presented, as well as the operations reflected in the financial statements or summarised in the reports.

RESOLUTION THREE

(Appropriation of net income of the period)

The shareholders, in accordance with the conditions of quorum and majority that apply at ordinary general meetings, decide to appropriate the net income of €15,486,760.46, as follows:

Determination of distributable amounts	
Net income for the period	15,486,760.46
Retained earnings	€14,101,641.83
Distributable amount	**€29,588,402.29**

Proposed appropriation

Legal reserve	€774,338.02
Dividends or €0.60 per share (x 22,653,920)	€13,592,352.00
Retained earnings	€15,221,712.27
Total	**€29,588,402.29**

The company’s shareholders' equity after distribution would be €293,585,000.

As required by law, dividends distributed for the last three financial periods are disclosed below:

Fiscal year	Net dividend	Rebate (**)
31/12/2009	€ 0.90	€ 0.36
31/12/2010	€ 0.90	€ 0.36
31/12/2011	€ 0.45	€ 0.18

(**) Individual investors are eligible for a 40% tax rebate for dividends distributed in 2012, 2011 and 2010 for fiscal years 2011, 2010 and 2009.

The dividend will be payable as from 1 July 2013.

In compliance with the provisions of Article 243 *bis* of the French General Tax Code, shareholders duly note that the breakdown of the dividend eligible or not for the 40% tax deduction provided for under article 158 of the French General Tax Code amended by the 30 December 2005 law 2005-1719 is as follows:

Year	Registered shares held by individuals(*)	Registered shares held by legal entities	Dividend eligible for a 40% tax rebate	Dividend not eligible for a 40% tax rebate
31/12/2012	7,787,580		€ 4,672,548	
		14,866,340		€ 8,919,804

(*) Under this heading are included by default all bearer shares including those that may be held by legal entities.

The General Meeting duly noted that French social taxes (CSG – CRDS) on investment income will be withheld by the Company, as well as, as applicable, the compulsory withholding tax (*prélèvement à la source obligatoire non libératoire*) of 21% for payment to the tax authorities no later than within the first fifteen days of the month following the payment of the dividend. On that basis, the amount of dividends reverting to natural persons has been reduced by 15.5% from French social taxes and 21% under the compulsory withholding tax.

RESOLUTION FOUR

(Approval of related-party agreements presented in the Auditors' special report)

The shareholders, in accordance with the conditions of quorum and majority that apply at ordinary general meetings, review the Auditors' special report on regulated agreements governed by articles L. 225-38 et seq. of the French Commercial Code and approve the agreements concluded or remaining in force in the period presented therein.

RESOLUTION FIVE

(Setting of attendance fees)

The shareholders, in accordance with the conditions of quorum and majority that apply at ordinary general meetings, after reviewing the Board of Directors’ report, allocated a maximum amount of €201,000 for attendance fees to members of the Board of Directors.

This decision applies for the year in progress and subsequent periods until issuance of a new decision by the shareholders' meeting.

RESOLUTION SIX

(Authority of the Board of Directors to buy back shares of the company)

The shareholders, in accordance with the conditions of quorum and majority that apply at ordinary general meetings, having reviewed the Board of Directors' report:

- Terminate, with immediate effect for the unused portion, the authorisation granted under resolution six of the ordinary general meeting of 27 April 2012 for repurchase by the Company of its own shares;
- Authorise the Board of Directors in accordance with the provisions of articles L.225-209 *et seq.* of the French Commercial Code to purchase shares of the Company not to exceed 10% the number of shares representing the share capital of the company on the date of this meeting (including treasury shares currently held), as follows:
  - The maximum purchase price per share under this authorisation is €80 (excluding execution fees) In the event of equity transactions including notably the capitalisation of reserves and the grant of bonus shares, stock splits or reverse splits, or a modification of the nominal value of the shares, this price will be adjusted in consequence.

On this basis, the maximum funds destined for this share repurchase program is €151,862,720 calculated on the basis of the share capital at 1 March 2013 with 367,108 treasury shares held on the same date. This maximum amount may be adjusted to take into account the amount of capital on the date of the general meeting.

This authorisation is granted for the following purposes:

- Grants of shares to employees or corporate officers of the company and French or foreign companies or groups of companies related thereto according to the procedures provided by law, and notably in connection with employee profit-sharing, stock ownership or company savings plans, stock option programs or the grant of bonus shares;
- Hold shares for subsequent use as a means of payment or exchange in connection with acquisitions, in compliance with market practices admitted by the AMF (*autorité des marchés financiers*) and subject to the limits provided for under paragraph 6 of Article L.225-209 of the French Commercial Code;
- Ensure the liquidity of the market of the company's share through an independent investment service provider within the framework of a liquidity agreement in compliance with conduct of business rules admitted by the AMF, it being specified that the number of shares taken into account to calculate the aforementioned 10% limit corresponds to shares purchased minus the number of shares sold over the duration of this authorisation;
- Reduce the share capital of the company, in accordance with resolution seven of this general meeting, subject to its adoption;
- Remit shares following the exercise of rights attached to securities giving immediate or future access to shares;
- Engage in any market practice subsequently admitted by law or the AMF.

The shares may be acquired, sold or transferred, on one or more occasions, by any means and at any time, including during takeover bids, on or off-market, and notably over-the-counter and including through block trades or recourse to derivative financial instruments and the purchase of stock purchase options in compliance with applicable regulations.

In compliance with article L.225-209 paragraph 3 of the French Commercial Code, the Board of Directors grants full powers to its Chief Executive Officer to proceed with one or more share repurchase programs, whereby the Chief Executive Officer must report to the Board of Directors on usages of this authority.

All powers are granted to the Board of Directors, which it may in turn further delegate, to implement this authorisation and notably to:

- Produce, as applicable, a description of the program mentioned under article 241-2 of the AMF General Regulation and publish the procedures in accordance with article 221-3 of this Regulation, before proceeding with a share repurchase program;
- Place all stock market orders, sign all purchase, sale or transfer agreements;
- Conclude all agreements and carry out all formalities and all other measures required for the application of this authorisation.

This authorisation is granted for eighteen months from the date of this meeting.

II: Extraordinary resolutions

RESOLUTION SEVEN

(Authority of the Board of Directors to reduce the share capital through the cancellation of treasury shares)

The shareholders, in accordance with the conditions of quorum and majority that apply at extraordinary shareholders' meetings, having reviewed the Board of Directors' report and the Auditors' special report, in accordance with the provisions of article L.225-209 of the French Commercial Code, and subject to approval of the preceding resolution six, authorise the Board of Directors to:

- Cancel shares acquired under said resolution and previous authorisations, on one or more occasions, subject to a limit of 10% of the share capital on the date of the Board of Directors' decision to cancel the shares and per 24 month period and reduce in consequence the share capital of the company;
- Adjust, if necessary, the rights of holders of securities conferring rights to share capital and stock options or stock purchase options for which issuance may have previously been decided and is still outstanding on the date the capital reduction is carried out.
- All powers are granted to the Board of Directors, which it may in turn further delegate, to implement this authorisation and notably to:
- Make all decisions concerning cancellations or reductions of capital;
- Allocate the difference between the purchase price of potential shares and their par value to reserve accounts of their choosing including "additional paid-in capital;
- Take all measures, make all declarations, fulfil all formalities, including declarations with the AMF;
- Amend the articles of association of the company in consequence;

And in general, undertake all that is necessary.

This authorisation is granted for eighteen months from the date of this meeting. It supersedes and replaces the authorisation granted under resolution seven of the shareholders meeting of 27 April 2012.

RESOLUTION EIGHT

(Authority of the Board of Directors to issue new shares in payment of contributions in kind)

The shareholders, in accordance with the conditions of quorum and majority that apply at extraordinary shareholders' meetings, having reviewed the Board of Directors' report and the Auditors' special report, in accordance with article L. 225-147 of the French Commercial Code:

- Terminate, with immediate effect, for the unused portion, the authorisation granted under resolution nine of the extraordinary shareholders' meeting of 29 April 2011;
- Grant the Board of Directors authority which may in turn delegate in accordance with applicable laws and regulations for a maximum period of 26 months from the date of this meeting, on the basis of the report of the equity auditor(s) mentioned in the 1st and 2nd paragraphs of the aforementioned Article L. 225-147, to issue ordinary shares of the company or securities conferring present or future rights to existing ordinary shares or shares to be issued in payment for contributions of kind granted to the company consisting of equity securities or other securities giving access to the share capital when the provisions of article L.225-148 of the French commercial code do not apply, and resolve, as necessary, to cancel, in favour of holders of shares or securities concerned by the contribution in kind, the pre-emptive subscription rights of shareholders to ordinary shares and securities thus issued.

The maximum nominal amount of the capital increase, present or future, resulting from the issues carried out under this authority shall not exceed 10% the company's share capital (on the basis of the amount on the date of this meeting).

The shareholders duly note that this authorisation shall entail waiver by existing shareholders of the pre-emptive rights to which they may be entitled to subscribe for ordinary shares issued under this resolution.

The Board of Directors will be vested with all powers to implement this resolution, and to establish the list of equity shares or securities tendered, determine the share exchange rate, and when applicable the balance to be paid in cash, rule, on the basis of the report of the equity auditor(s) mentioned in the 1st and 2nd paragraphs of article L. 225-147, on the evaluation of the contributions and the grant of special benefits, record the completion of the capital increases undertaken by virtue of this authority, amend the company's bylaws in consequence, and in general undertake all formalities and representations necessary for the completion of the contribution.

RESOLUTION NINE

(Modification article 21 of the articles of association of the company with respect to the authority of general meetings)

The shareholders, in accordance with the conditions of quorum and majority that apply at extraordinary general meetings, and after having reviewed the Board of Directors' report, decide to cancel and replace subsection four of Article 21 of the articles of association to henceforth read as follows:

"*It grants to the Board the authorisations that the latter considers warranted to request and that are not reserved to the extraordinary general meeting* "

The rest of this article remains unchanged.

RESOLUTION TEN

(Modification article 23 of the articles of association of the company with respect to shareholder presentation)

The shareholders, in accordance with the conditions of quorum and majority that apply at extraordinary general meetings, and after having reviewed the Board of Directors' report, decide to cancel and replace subsection 3 of Article 23 of the articles of association to henceforth read as follows:

"*3. A shareholder may be represented by another shareholder or by his or her spouse or civil law partner.*
The shareholder may be represented by any other individual or legal entity of his or her choice.
The grant of this proxy, and, as applicable, its revocation shall be in writing and notified to the company. This proxy shall be revoked in the same manner that the proxy holder is designated.
A shareholder not domiciled in France whose shares are registered in the name of an intermediary under the conditions fixed in Article L. 228-1 of the French Commercial Code may be represented by this intermediary."

The rest of this article remains unchanged.

RESOLUTION ELEVEN

The shareholders, in accordance with the conditions of quorum and majority that apply at ordinary general meetings, having reviewed the Board of Directors' report, duly noting that the term of office of:
- Yves-Claude Abescat

as director has expired on this day, hereby renew his appointment for four (4) years or until the annual shareholders' meeting to be held in 2017 called to approve the financial statements for the fiscal year ending 31 December 2016.

RESOLUTION TWELVE

Full authority is hereby granted to the bearer of the minutes of this meeting or a copy thereof for the purpose of performing all required legal and administrative formalities.

INFORMATION AVAILABLE ON THE WEBSITES (WWW.GL-EVENTS.COM AND WWW.AMF-FRANCE.ORG)

Announcements

Dates	Announcements
Monthly and weekly disclosures - Purchases and sales of own shares	
Monthly disclosures - Voting rights	
January 2012	Annual report on the liquidity agreement
31 January 2012	2011 sales
6 March 2012	2011 annual results
23 March 2012	Preliminary notice of meeting (*avis de réunion*) of the shareholders' meeting of 27 April 2012
24 April 2012	2012 first-quarter sales
31 May 2012	GL events awarded a 20-year management concession for the Toulouse Exhibition Centre
21 June2012	GL events Brazil venue and expertise in the service of the Rio+20 Summit
July 2012	Interim report on the liquidity agreement
11 July 2012	2012 second-quarter sales
26 July 2012	2012 first-half results
21 September 2012	GL events plans a capital increase to accelerate its development in the markets of emerging powers for worldwide events
16 October 2012	2012 third-quarter sales
17 October 2012	Notice of availability of the update of the 2011 registration document and prospectus for the proposed reserved capital increase
6 November 2012	GL events announces the terms and conditions of the capital increase reserved for Sofina approved for registration by the AMF under No. 12-503
29 November 2012	GL events' capital increase: a success
January 2013	Annual report on the liquidity agreement
29 January 2013	2012 revenue
12 March 2013	2012 annual results
14 March 2013	Presentation of 2012 results
22 March 2013	Preliminary notice of meeting (*avis de réunion*) of the shareholders' meeting of 26 April 2013

Registration document and offering memorandums

Dates	Announcements
11 April 2012	Registration document 2011 No. .12-0319
17 October 2012	Update of the registration document 2011 No.D.07-0338-A011
17 October 2012	Transaction Memorandum 2012 No. D.12-503
5 November 2012	Transaction Memorandum 2012 No. D.12-530

INFORMATION PUBLISHED THROUGH THE PRESS

Dates	Announcements	Publication
31 May 2012	GL events awarded a 20-year management concession for the Toulouse Exhibition Centre	Les Echos
19 June 2012	GL events Brazil's venues and expertise in the service of the Rio+20 Summit	Les Echos
13 March 2013	2012 annual revenue: €824m (+5.3%) Net income: €28.2m (+90%) (+27% excl. the Indian provision & business disposal capital gains) Promising outlook in Brazil	Les Echos

OFFICIAL LEGAL ANNOUNCEMENTS (*BULLETIN DES ANNONCES LEGALES ETOBLIGATOIRES*)

Dates	Publication No.	Announcements
23 March 2012	36	Preliminary notice of the AGM
11 April 2012	44	Final notice of the AGM
1 June 2012	66	Certification of the Statutory Auditors
1 June 2012	66	Voting rights
26 September 2012	116	Preliminary notice of the AGM
10 October 2012	122	Final notice of the AGM
7 December 2012	147	Voting rights
22 March 2013	35	Preliminary notice of the AGM

FILINGS WITH THE REGISTRAR OF THE LYON COMMERCIAL COURT

Dates	Announcements
2012	Filing of the 2011 annual financial statements
21 June 2012	Filing of the 2011 consolidated financial statements

ANNUAL FILINGS AND DISCLOSURES

This annual information document has been published in accordance with article 451-1-1 of the French Monetary and Finance Code and article 221-1-1 of the AMF General Regulation. This document contains information published or made available to the public between 1 January 2012 and 31 March 2013 by GL events in compliance with legal or regulatory disclosure obligations.

OFFICER RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Olivier Ginon
Chairman

RESPONSIBILITY STATEMENT

"I hereby certify, having taken all reasonable care to ensure that such is the case, that the information contained in this document provides a true and fair picture of the company's existing situation. It does not contain any omissions that could affect the validity of this document.

I furthermore declare that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable financial reporting standards and give a true and fair view of the assets and liabilities, financial position and results of the operations of the company and the group formed by the companies included in the consolidated financial statements, and that the management report for the period, included on page 50 herein faithfully presents business trends, the results and financial position of the company and consolidated operations and the description of the main risks and uncertainties.

I have obtained a letter from the company's statutory auditors confirming the completion of their engagement whereby, in compliance with accounting doctrine and professional standards applicable in France, they performed procedures to verify the information on the financial position and financial statements presented in this registration document and reviewed its entire content.

The statutory auditors have issued reports on the historical information presented in the registration document.
Their report on the consolidated financial statements for the fiscal year ended 31 December 2012 reproduced on page 128 of this document includes an observation: "Without qualifying the opinion expressed above, we draw your attention to the change in accounting method for liabilities relating to employee severance benefits presented in notes 2.5.16 and 2.3 hereto."

Olivier Ginon
Chairman

Lyon 5 April 2013

AUDITORS

	Date of first appointment	Renewal date	End of appointment (AGM approving the accounts closed at)
Statutory auditors: **Maza – Simoens** Michel Maza 302, rue Garibaldi 69007 Lyon	16 May 2008		31 December 2013
Mazars Eric Gonzalez 131, boulevard Stalingrad 69624 Villeurbanne - France	13 July 2005	16 May 2008	31 December 2013
Alternate auditors: Raphael Vaison de Fontaine 513, rue de Sans Souci 69760 Limonest - France	16 May 2008		31 December 2013
Olivier Bietrix 131, boulevard Stalingrad 69624 Villeurbanne - France	13 July 2005	16 May 2008	31 December 2013

INFORMATION INCORPORATED BY REFERENCE

In accordance with article 28 of the Commission Regulation (EC) 809-2004 implementing the prospectus directive, the following information shall be incorporated by reference in this registration document:

- The consolidated financial statements for the period ended 31 December 2011 and the auditors' report on these financial statements presented respectively on pages 70 to 102 and 103 of the registration document No. D12-319 filed with the French financial market authority (AMF) on 11 April 2012;

- The consolidated financial statements for the period ended 31 December 2010 and the auditors' report on these financial statements presented respectively on pages 70 to 103 and 104 of the registration document No. D11-280 filed with the AMF on 11 April 2011,

TABLE OF CROSS-REFERENCES (ART R225-105-1 OF THE FRENCH COMMERCIAL CODE):

Disclosures provided for under Article 225-105-1:

I. Social information

II. Environmental information

TABLE OF CROSS-REFERENCES (EC REGULATION 809/2004-APPENDIX I)

This table provides cross-references with the minimum disclosure requirements for annual registration documents.

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

"This registration document was filed with the French financial market authority (*Autorité des Marchés Financiers* or AMF) on 5 April 2013, number 13-0301, in compliance with article 212-13 of the AMF General Regulation.
It may be used in connection with a financial transaction only if accompanied by a memorandum approved by the AMF."
The issuer prepared this document and the signatories are responsible for the information herein.