

PRESS RELEASE

THE BOARD OF DIRECTORS APPROVED THE INTERIM FINANCIAL REPORT AT MARCH 31, 2018

The Tuscan Airport System set a new record with over 1.4 million passengers handled in the first quarter of 2018 (+2.3%)

Revenues rose (+17.2%) and EBITDA grew (+4.7%).

In the reporting period, traditionally impacted by the seasonality of the business, P&L results benefitted from the income generated by a non-recurring event

- Consolidated **total revenues**: €25.8 million, up +17.2%;
- **Operating revenues¹**: €20.3 million (+5.1% compared to the same period of 2017);
- **EBITDA**: €6.3 million, compared to €2.3 million for Q1 2017. Net of higher extraordinary income reported in Q1 2018, adjusted EBITDA rose by 4.7%.
- **Group's net profit for the period** at March 31, 2018: €1.8 million benefiting from the above-mentioned extraordinary income compared to a net loss of €506 thousand for Q1 2017.
- Consolidated **Net Financial Debt**: €31.4 million compared to €28.5 million at December 31, 2017 and €28.7 million at March 31, 2017. Debt/Equity ratio was 0.27.

Consolidated figures(€ million)	Q1 2018	% on revenues	Q1 2017	% on revenues	Δ	Δ%
Total revenues	25.8	100%	22.0	100%	3.8	+17.2%
Operating revenues¹	20.3	78.5%	19.3	87.6%	1.0	+5.1%
EBITDA	6.3	24.3%	2.3	10.2%	4.0	+178.8%
Adjusted EBITDA²	2.4	9.1%	2.3	10.2%	0.1	+4.7%
EBIT	2.9	11.4%	(0.5)	n.a.	3.5	n.a.
PBT	2.6	10.1%	(0.8)	n.a.	3.4	n.a.
Group's net profit (loss) for the period	1.8	6.9%	(0.5)	n.a.	2.3	n.a.
Adjusted net profit (loss) for the period³	(0.9)	n.a.	(0.5)	n.a.	(0.4)	+73.7%

Florence, May 10, 2018 – The Board of Directors of Toscana Aeroporti S.p.A. – an Italian company listed on the electronic share market (MTA) of Borsa Italiana S.p.A. which manages the Florence and Pisa airports – met today to examine and approve the Interim Financial Report at March 31, 2018.

“The first quarter of the year represented a continuation of the company's performance in 2017 and the current summer flight schedule suggests that growth rates will be positive in 2018,” commented **Chairman of Toscana Aeroporti Marco Carrai**, who emphasized *“the particularly strong results on the Russian market, thanks to the launch of service between Pisa and Saint Petersburg and an increase in frequency of service to Moscow.”*

¹ Following the adoption of IFRIC 15 and the renewal currently underway of marketing support contracts with major air carriers, operating revenues for the two quarters under review have been restated net of the network development expenses arising from the above-mentioned contracts. The said development expenses amounted to €2.9 million at March 31, 2017 and to €2.5 million at March 31, 2018.

² Adjusted EBITDA at March 31, 2018: EBITDA at March 31, 2018, net of the €3.9 million increase in extraordinary income for the first quarter of 2018 compared to the same period of the 2017.

³ Group's adjusted Consolidated Net Profit for the period: Consolidated Net Profit at March 31, 2018, net of the €3.9 million increase in extraordinary income reported in the first quarter of 2018 compared to the same period of the 2017 and the ensuing tax effect.

PASSENGER AND CARGO TRAFFIC RESULTS AT MARCH 31, 2018

The Tuscan Airport System set a new record with 1,400,740 passengers handled in the first three months of 2018 (+2.3%). In the reporting quarter, the Florence and Pisa airports served 77 destinations, of which 10 domestic and 67 international (13 covered by both airports), through 29 airlines (of which 6 operating at both airports), of which 16 IATA airlines and 13 low-cost operators. Cargo traffic grew (+1.2%) with nearly 2,780 tons of carried goods and mail.

Pisa Galileo Galilei airport

In the reporting quarter, the Pisa Galileo Galilei airport's passenger traffic was virtually unchanged compared to the same period of 2017, with 879,433 passengers handled at March 31, 2018 compared to 883,062 handled at March 31, 2017 (-0.4%). International scheduled passenger traffic accounted for 63.7% of the Pisa airport's total traffic (down 1.8% on the same period of 2017), whereas domestic scheduled passenger traffic accounted for the remaining 36.3% (up 2.3%). The Pisa airport's key markets – besides the domestic one – were the UK (15% of total), Spain (13.6% of total) and Germany (6.8% of total).

In the first quarter of 2018, cargo traffic increased by 1.3% compared to the same period of the previous year, carrying 2,735 tons of goods and mail.

Florence Amerigo Vespucci airport

In the first quarter of 2018, the Florence Amerigo Vespucci airport posted a record passenger traffic with 521,307 passengers handled, increasing by 7.1% over the same period of 2017. In the quarter under review, the number of re-routed/cancelled flights continued to be significant, amounting to 273 and generating an estimated loss of approximately 26,000 passengers. Among these flights, 112 were re-routed/cancelled due to adverse weather conditions, confirming the inadequate infrastructure of the Florence airport. Net of the estimated passenger loss, the Florence airport's passenger traffic would have grown by 12.5%.

The Florence airport closed each month of the first quarter of 2018 with record passenger traffic, marking an increase in both international scheduled passenger traffic (+6.6%, accounting for 83.7% of total traffic) and domestic passenger traffic (+12.6%) compared to the same period of 2017. The Florence airport's key markets are Germany and France (both accounting for 21.2% of total), the domestic market (16.3% of total) and Spain (11.4% of total). Worth of mention is the uptrend recorded by both the Spanish market, thanks to the increase in the flights operated by Vueling to Barcelona and Madrid, and the Dutch market, as the connection operated by Vueling to Amsterdam became fully operational.

CONSOLIDATED RESULTS

Total revenues amounted to €25.8 million, up 17.2% compared to €22.0 million for the same period of 2017. This result was attributable to the increase in operating revenues⁴

⁴ Following the adoption of IFRIC 15 and the renewal currently underway of marketing support contracts with major air carriers, operating revenues for the two quarters under review have been restated net of the network development expenses arising from the above-mentioned contracts. The said development expenses amounted to €2.9 million at March 31, 2017 and to €2.5 million at March 31, 2018.

(€20.3 million, up 5.1%), the decline in revenues from construction services⁵ (€1.2 million compared to €2.4 million at March 31, 2017) and the increase in other revenues and income (€4.3 million compared to €385 thousand for the same period of 2017). In detail, the change in the latter item was chiefly due to the increase in contingent assets (+3.9 million compared to Q1 2017), mainly as a result of the favorable judgement No. 6528/2016 – which became final in February 2018 – handed down by the Court of Appeal of Rome and concerning the adjustment for inflation of the Florence airport's airport fees for prior financial years.

In detail, with regard to operating revenues, **Aviation revenues** totaled **€16.7 million at March 31, 2018**, in line with the figure for Q1 2017 (-0.5%). **Non-Aviation revenues** amounted to €6.0 million, **up by 12.2%**, mainly as a result of the positive performance reported by revenues associated with VIP lounge, other sub-concession and advertising activities.

Total costs for the first quarter of 2018 stood at €19.5 million, down by 1.2% compared to €19.8 million for the same period of 2017. This result was attributable to the combined effect of the increase in operating costs amounting to €18.6 million at March 31, 2018 (+5.1%) and the decrease in construction services costs totaling €944 thousand at the same date (-54.9%). The change in operating costs was mainly attributable to the increase in both service costs (+9.3%, chiefly related to the growth in traffic and costs for professional services, partly regarding new corporate projects) and personnel costs (+1.7%, associated with the increase in passenger volume and, to a lower extent, the higher weight of variable components of remuneration).

In light of the foregoing, **EBITDA was €6.3 million, increasing by €4.0 million (+178.8%)** compared to €2.3 million for Q1 2017. Net of the increase in extraordinary income reported for Q1 2018 (€3.9 million), EBITDA grew by 4.7%.

EBIT stood at €2.9 million, improving by €3.5 million over the figure reported at March 31, 2017 (negative at €520 thousand). Profit Before Tax (PBT) totaled €2.6 million for Q1 2018, up by €3.4 million compared to the result at March 31, 2017, which was negative for €769 thousand.

In the first three months of the year, which are traditionally impacted by the seasonality of the business, **consolidated net profit amounted to €1.8 million, increasing by €2.3 million** compared to the figure reported at March 31, 2017, negative at €506 thousand. Net of the aforementioned extraordinary income reported in Q1 2018 and the year-end tax burden, consolidated net profit was negative at €878 thousand compared to a negative €506 thousand for the same period of 2017.

Net Financial Debt was €31.4 million, compared to €28.5 million at December 31, 2017 and €28.7 million at March 31, 2017. The change was primarily attributable to the payment of trade payables which traditionally fall due in the first quarter of the year. The soundness of

⁵ In accordance with IFRIC 12, this revenue component corresponds to the costs incurred for work under concession, plus the value to recognize the recovery of internal costs incurred for work planning and coordination activity conducted by the Toscana Aeroporti Group, and has as its contra-entry the recognition of the assets under concession (in accordance with IAS 11) among Intangible Assets, over which the Group does not have control but for which it is responsible for carrying out ordinary and extraordinary maintenance under the concession agreements on the full operation of the Florence and Pisa airports.

the Group's financial position is confirmed by a debt/equity ratio of 0.27, in line with March 31, 2017 (0.26).

The Group's total investments for the first quarter of 2018 were €1.9 million, of which €1.4 million referring to intangible assets and €487 thousand to property, plant and equipment.

SIGNIFICANT EVENTS FOR THE FIRST QUARTER OF 2018

Toscana Aeroporti Handling S.r.l. was formed on March 1, 2018. This company, which currently is not operational, is a wholly owned subsidiary of Toscana Aeroporti S.p.A. and is intended to manage the handling business at the two airports.

SIGNIFICANT EVENTS OCCURRED AFTER MARCH 31, 2018

Main news on the operations

Pisa airport

- **Ryanair**: starting from the 2018 summer season, the flight to Crotone will be resumed (3 times a week), the connection to Frankfurt will become fully operational and the flights to Palermo, Cagliari, Corfu, Frankfurt, Chania, Malta, Seville and Ibiza will be increased in high season. In the winter 2018/2019 season, the flight to Gdansk will continue to be operated and a new flight to Prague will be introduced;
- **S7**: a new flight to Saint Petersburg will be inaugurated as of April 30, 2018 (once a week) and the flights to Moscow Domodedovo will be increased;
- **Volotea**: starting in April 2018, the new seasonal flight to Toulouse will be operated twice a week;
- **Lauda Motion**: a new flight to Vienna (3 times a week) will be launched in June 1, 2018;
- **Jet2.com**: starting on May, 6, 2018 a new seasonal route to Birmingham will be open (2 flights per week);
- Increase in the flights operated by **Lufthansa** to Monaco, by **Ernest** to Tirana, by **British Airways** to London Heathrow, by **Norwegian** to Copenhagen and Oslo, by **Scandinavian Airlines** to Oslo, by **Pobeda** to Moscow, and by **Transavia** to Amsterdam and Rotterdam.

Florence airport

- **Tap**: a new flight to Lisbon (10 times a week) will be launched in June 10, 2018;
- **British Airways**: starting this month, new connections to Manchester and Edinburgh will be operated once a week;
- **Tui Fly**: a new flight to Antwerp will be operated twice a week starting from the summer season;
- **Vueling**: the connections with Barcelona, Amsterdam and Tel Aviv will be increased;
- **Blue Air**: increase in the flights to Bucharest;
- **Lufthansa**: improvement of the Frankfurt connection's capacity;
- **Austrian Airlines**: improvement of the Vienna connection's capacity.

Other significant events after March 31, 2018

- An ordinance enacted by the Municipality of Pisa limiting the circulation of buses in areas adjacent to Galilei Airport entered into force on April 19. Toscana Aeroporti brought suit

before the Regional Administrative Court (TAR) of Tuscany seeking to have the ordinance quashed, in addition to lodging a petition for a stay, which was not granted. The hearing on the merits before the Regional Administrative Court has been scheduled for June 27, 2018.

- On April 20, 2018, the Italian Civil Aviation Authority (ENAC) announced its intention of requesting that Italy's Ministry of Infrastructure and Transport initiate the urban planning compliance procedure pursuant to Article 2 of Presidential Decree No. 383 of April 18, 1994 in respect of Florence Amerigo Vespucci airport's 2014-2029 Master Plan, already approved at the technical level by the authority and found to be environmentally compatible with Environmental Impact Assessment (VIA) Decree No. 00377 of December 28, 2017 issued by Italy's Ministry of the Environment and Protection of the Land and Sea in concert with Italy's Ministry of Cultural Heritage and Activities.

OUTLOOK

In the first four months of 2018, the Tuscan Airport System reported total passenger traffic of 2,123,083, up by 2.2% on the same period of 2017.

However, this figure was impacted by the strikes held by Air France and Vueling flight crews, resulting in the cancellation of 125 flights, and the loss of an estimated 14,108 passengers in the first four months of 2018.

The current flight schedule for summer 2018 suggests that the Toscana Aeroporti Group will enjoy positive growth rates in 2018 compared with 2017, although the Alitalia situation remains critical as the airline is currently under extraordinary administration proceedings. In 2017, Alitalia accounted for over 379,000 passengers (4.8%) of the passenger traffic handled by the two airports managed by Toscana Aeroporti.

The Director responsible for financial reporting, Marco Gialletti, declares, pursuant to Article 154-bis, paragraph 2, of the Consolidated Law on Finance (TUF), that the accounting information contained in this press release corresponds to the documentary results, books and accounting records.

The consolidated Interim Financial Report at March 31, 2018 will be made available to the public at the Company's registered office, through the authorized storage mechanism IINFO and will also be published on the Company's website www.toscana-aeroporti.com, under "Investor Relations" section.

The consolidated financial statements at March 31, 2018 are attached hereto. The quarterly accounts at March 31, 2018 have not been audited.

This press release uses certain "alternative performance measures" not specified in IFRS-EU accounting standards, the meaning and content of which are described below, in line with Recommendation CESR/05-178b published on November 3, 2005:

Gross Operating Profit (EBITDA): defined as the difference between revenues (Aviation, Non-Aviation, Final difference in inventories, other revenues and income) and operating costs (raw materials, services, personnel, fees, sundry operating expenses). This is the margin earned before determining amortization/depreciation and write-downs, allocations to provisions for risks and charges and the bad debt reserve, financial operations and taxes.

Operating Profit (EBIT): defined as the difference between the Gross Operating Profit and the value of amortization/depreciation, provisions for risks and liabilities, and the bad debt reserve. This is the margin earned before financial operations and taxes.

Net Financial Debt: defined as the algebraic sum of cash and cash equivalents, current and non-current financial receivables and payables.

This press release contains forward-looking statements indicated in the section "Outlook". These forward-looking statements are based on the present expectations and projections of the Toscana Aeroporti Group concerning future events, and they are, by their very nature, intrinsically risky and uncertain. Actual results may differ significantly from those contained in said forward-looking statements due to multiple factors, including changes in macroeconomic conditions and in the economic growth, as well as other changes in business conditions, a continuous volatility and a further deterioration of capital and financial markets, and many other factors, the majority of which are not under the control of the Group.

This press release is also available on the corporate website at the following address www.toscana-aeroporti.com, "Investor Relations" section.

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TOSCANA AEROPORTI GROUP – CONSOLIDATED INCOME STATEMENT

€ thousand	Q1 2018	Q1 2017*
REVENUES		
Operating revenues	20,260	19,275
Other revenues and income	4,291	385
Revenues from construction services	1,244	2,353
TOTAL REVENUES (A)	25,795	22,012
COSTS		
Operating costs		
Consumables	311	220
Personnel costs	9,894	9,729
Service costs	6,699	6,128
Sundry operating expenses	553	493
Airport fees	1,116	1,098
Total operating costs	18,573	17,668
Costs for construction services	944	2,092
TOTAL COSTS (B)	19,516	19,761
GROSS OPERATING MARGIN (A-B)	6,279	2,252
Depreciation, amortization and write-downs	2,408	2,068
Provision for risks and repairs	904	674
Provision for bad debts	30	30
OPERATING RESULT	2,937	-520
COSTS		
Finance income	25	15
Finance expense	-348	-300
Gains (losses) from investments	0	35
TOTAL NET FINANCE COSTS	-323	-250
PROFIT (LOSS) BEFORE TAXES	2.613	-769
Taxes for the period	-834	254
PROFIT/(LOSS) FOR THE PERIOD	1,780	-515
Minority interests	13	10
GROUP'S NET PROFIT/(LOSS)	1,792	-506
Earnings per share (€)	0,0963	-0,0272

(*) Data restated for comparison purposes.

TOSCANA AEROPORTI GROUP – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ thousand	Q1 2018	Q1 2017
PROFIT (LOSS) FOR THE PERIOD (A)	3,603	2,955
<i>Other comprehensive profits/(losses) that will not be subsequently reclassified to the Income Statement:</i>		
- Profit (loss) arising from the determination of the Termination Benefit after tax	7	-28
<i>Other comprehensive profit /(loss) that will be subsequently reclassified to the Income Statement:</i>		
- Profit (loss) arising from the redetermination of financial assets	0	0
Total other profit (loss) before tax (B)	7	-28
(A) + (B)	1,787	-543
Minority Interest	2	-8
GROUP'S COMPREHENSIVE PROFIT /(LOSS) FOR THE PERIOD	3,828	2,524

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ thousand)

ASSETS	3/31/2018	3/31/2017
NON-CURRENT ASSETS		
INTANGIBLE ASSETS		
Concession rights (royalties)	149,586	150,910
Industrial patent rights	1,222	1,419
Work in progress and advance payments	14,110	12,826
Total Intangible Assets	164,919	165,155
TANGIBLE ASSETS		
Revertible property (land and buildings, with no payment)	1,562	1,660
Owned property, plant and equipment	24,738	24,990
Total Tangible Assets	26,300	26,650
EQUITY INVESTMENTS		
Equity investments in other entities	123	123
Investments in Associated Companies	570	560
Total Equity investments	693	683
FINANCIAL ASSETS		
Guarantee deposits	205	195
Receivables from other due beyond the year	2,304	2,304
Total Financial Assets	2,508	2,499
Prepaid taxes recoverable beyond the year	2,700	2,540
TOTAL NON-CURRENT ASSETS	197,121	197,526
CURRENT ASSETS		
Inventories	0	0
ACCOUNTS RECEIVABLE		
Other receivables from customers	17,790	28,328
Receivables from associated companies	274	263
Tax receivables	953	781
Receivables from others, due within the year	8,150	9,085
Total trade and sundry receivables	27,167	38,457
Cash and cash equivalents	12,020	13,360
TOTAL CURRENT ASSETS	39,187	51,817
TOTAL ASSETS	236,307	249,343

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ thousand)

TOTAL EQUITY AND LIABILITIES	3/31/2018	3/31/2017
CAPITAL AND RESERVES		
Share Capital	30,710	30,710
Capital reserves	72,877	72,877
IAS adjustments reserve	-3,229	-3,229
Profit/(Loss) carried forward	13,008	2,452
Group's profit (loss) for the period	1,792	10,550
TOTAL GROUP SHAREHOLDERS' EQUITY	115,158	113,360
MINORITY INTEREST	210	221
TOTAL SHAREHOLDERS' EQUITY	115,368	113,581
NON-CURRENT LIABILITIES		
Provisions for liabilities and contingencies	4,051	3,997
Provisions for repairs and replacements	18,207	18,517
Termination benefits and other personnel-related provisions	6,476	6,521
Financial liabilities	31,402	32,327
Other payables due beyond the year	178	142
TOTAL NON-CURRENT LIABILITIES	60,315	61,504
CURRENT LIABILITIES		
Bank overdrafts	7,500	5,000
Loans	4,503	4,538
Tax payables	8,312	10,591
Payables to suppliers	18,553	28,539
Payables to social security institutions	1,354	2,671
Other payables due within the year	12,805	15,941
Provisions for repair and replacement	7,296	6,692
Advance payments	302	284
Total trade and sundry receivables	40,310	54,128
TOTAL CURRENT LIABILITIES	60,625	74,257
TOTAL LIABILITIES	120,940	135,761
TOTAL EQUITY AND LIABILITIES	236,307	249,343

CONSOLIDATED NET FINANCIAL DEBT

<i>Euro thousand</i>	3/31/2018	12/31/2017	Abs. Diff.	3/31/2017
A. Cash on hand and at banks	12,020	13,360	(1,340)	16,985
B. Other cash and cash equivalents	-	-	-	-
C. Securities held for trading	-	-	-	-
D. Liquid assets (A) + (B) + (C)	12,020	13,360	(1,340)	16,985
E. Current financial receivables	-	-	-	-
F. Current bank payables	7,500	5,000	2,500	6,000
G. Current portion of non-current debt	4,503	4,538	(-35)	4,340
H. Other current payables to leasing companies	-	-	-	-
I. Current financial debt (F) + (G) + (H)	12,003	9,538	2,465	10,340
J. Net current financial debt (I) - (E) - (D)	(17)	(3,822)	3,805	(6,645)
K. Non-current bank payables	31,402	32,327	(925)	35,357
L. Bonds issued	-	-	-	-
M. Other non-current payables to leasing companies	-	-	-	-
N. Non-current financial debt (K) + (L) + (M)	31,402	32,327	(925)	35,357
Net financial debt: (J) + (N) (NFP)	31,385	28,506	2,880	28,712

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>€ thousand</i>	Q1 2018	Q1 2017
OPERATING ACTIVITIES		
Net result for the period		
<i>Adjusted for:</i>		
- Depreciation and amortization	2,408	2,068
- Other provisions and write-downs	30	418
- Change in the provision for liabilities and contingencies	54	1
- Net change in termination benefits and other provisions	(86)	(249)
- Finance expense for the period	441	300
- Net change in (prepaid)/deferred taxes	(160)	2
- Taxes for the period	994	254
<i>Cash flows of operating activities before changes in working capital</i>	5,460	2,279
- (Increase)/decrease in trade receivables	10,538	(199)
- (Increase)/decrease in other receivables and current assets	753	(576)
- (Increase)/decrease in trade payables	(9,986)	(8,819)
- (Increase)/decrease in other payables	(7,693)	(5,090)
<i>Cash flows of operating activities of changes in working capital</i>	(6,388)	(14,683)
Liquid assets generated by operating activities	(928)	(12,404)
- Interest paid	(135)	(154)
- Taxes paid	0	0
Cash flows generated by operating activities	(1,063)	(12,558)
INVESTING ACTIVITIES		
- Purchase of property, plant and equipment	(441)	(424)
- Sale of property, plant and equipment	-	0
- Purchase of intangible assets	(1,381)	(2,427)
- Investments and financial assets	(20)	(36)
Cash flows generated by investing activities	(1,842)	(2,887)
CASH FLOWS GENERATED BY OPERATING ACTIVITIES	(2,906)	(15,445)
FINANCING ACTIVITIES		
- Dividends paid	0	0
- Short-/long-term loans taken out	3,000	6,500
- Short-/long-term loans (repaid)	(1,434)	(1,519)
Net cash generated by/(used for) financing activities	1,566	4,981
Net increase/(decrease) in cash and cash equivalents	(1,340)	(10,463)
Cash and cash equivalents at beginning of period	13,360	27,448
Cash and cash equivalents at end of period	12,020	16,985