

THE BOARD OF DIRECTORS APPROVES THE INTERIM FINANCIAL REPORT AT SEPTEMBER 30, 2018

Record first nine-month period for the Tuscan Airport System with 6.5 million passengers (+3.3%) and for both airports (Pisa +3.6% and Florence +2.7%)

Consolidated results for the first nine months of 2018:

- **Total revenues:** €101.2 million, up 10.5% compared to same period of 2017.
- **Operating revenues:** €86.5 million, +4.8% compared to the first nine months of 2017.
- **EBITDA:** €30.1 million, +22% compared to €24.7 million for the same period of 2017. The ratio to operating revenues went from 29.9% to 34.9%. Net of the increase in extraordinary income reported for the first nine months of 2018, adjusted EBITDA² amounted to €26.2 million (+6.2%).
- **Net profit for the period:** €13.0 million, up 24.5% compared to €10.4 million for the first nine months of 2017. Net of the above-mentioned extraordinary income, the Group's adjusted³ net profit was €10.3 million compared to €10.4 million at September 30, 2017.
- **Net Financial Debt:** €36.9 million compared to €28.5 million at December 31, 2017 and €28.9 million at September 30, 2017. Debt/Equity ratio was 0.32.

Consolidated figures(€ million)	9M 2018	% on revenues	9M 2017	% on revenues	Δ	Δ%
Total revenues	101.2	100%	91.6	100%	9.6	+10.5%
Operating revenues¹	86.5	85.5%	82.5	90.1%	4.0	+4.8%
EBITDA	30.1	29.8%	24.7	27.0%	5.4	+22.0%
Adjusted EBITDA²	26.2	25.9%	24.7	27.0%	1.5	+6.2%
EBIT	20.6	20.3%	16.6	18.1%	4.0	+24.1%
PBT	19.6	19.4%	15.8	17.2%	3.8	+24.3%
Group's net profit (loss) for the period	13.0	10.2%	10.4	11.4%	2.6	+24.5%
Adjusted net profit (loss) for the period³	10.3	12.8%	10.4	11.4%	(0.1)	(0.7%)

Consolidated results for the third quarter of 2018:

- **Passenger traffic of the Tuscan Airport System:** 2.7 million passengers (+3.5%); Pisa's Galileo Galilei Airport +4.5%, Florence's Amerigo Vespucci Airport +1.4%.
- **Total revenues:** €40.1 million (+10.4%).
- **EBITDA:** €14.8 million (+11.2%).
- **Net profit for the period:** €7.1 million (+3.6%).

¹ In accordance with IFRIC 15 and in light of the renewal currently underway of marketing support contracts with major air carriers, operating revenues at September 30, 2018 and September 30, 2017 have been restated net of the network development expenses arising from the above-mentioned contracts. The said development expenses amounted to €12.4 million at September 30, 2017 and to €11.0 million at September 30, 2018.

² Adjusted EBITDA at September 30, 2018: EBITDA at September 30, 2018, net of the €3.9 million increase in extraordinary income for the first nine months of 2018 compared to the same period of the 2017.

³ Group's adjusted Net Profit for the period: Group's Net Profit at September 30, 2018, net of the €3.9 million increase in extraordinary income for the first nine months of 2018 compared to the same period of the 2017 and the ensuing tax effect.

Florence, November 14, 2018 – The Board of Directors of Toscana Aeroporti S.p.A. (“**Toscana Aeroporti**”, the “**Company**”, or “**TA**”) – 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 September 30, 2018.

“The Tuscan Airport System reported record traffic results in the first nine months of the year, despite the high number of cancelled and re-routed flights recorded by the Florence Airport, without which the passenger growth rate would have been 4.8% instead of 3.3%. Out of respect for the passengers who experience inconveniences and also in light of the prestige enjoyed by Florence and Tuscany throughout the world, it is our hope that the ongoing regulatory process may be brought to positive conclusion as soon as possible in order to begin the process of expanding Florence Airport, which cannot be put off any longer,” stated the **Chairman of Toscana Aeroporti Marco Carrai**.

Passenger and cargo traffic results of the Tuscan Airport System

The Tuscan Airport System set a new record in passenger traffic, with 6,458,844 passengers handled at September 30, 2018, **up 3.3%**. This result was achieved in spite of the high number of cancelled and re-routed flights recorded at the Florence Airport in the first nine months of 2018: 939 flights, over 41% of which for adverse weather conditions, for an estimated loss of 96,000 passengers. Net of the above-mentioned cancellations and re-routing, the passenger traffic of Toscana Aeroporti would have reported a 4.8% growth rate, essentially in line with the average growth rate of Italian airports.

In the first nine months of 2018, the Florence and Pisa airports served 95 destinations, of which 12 domestic and 83 international (23 covered by both airports), through 37 airlines (of which 7 operating at both airports), of which 21 legacy airlines and 16 low-cost airlines. **Cargo traffic**, with almost 8.4 thousand tons of carried goods and mail, also **increased** at September 30, 2018 (+6.7%).

Pisa Galileo Galilei airport

Pisa Galileo Galilei Airport reported record-high traffic in the first nine months of 2018. With 4,336,168 passengers handled, the airport recorded **+3.6% growth** (equal to +149,370 passengers) compared to the same period of 2017. The increase was mainly attributable to the positive performance of total flights (+2.3%) and the 87.4% load factor of scheduled traffic (+0.2 p.p.). Growth was recorded in both international scheduled traffic (+4.8%) – accounting for 74.4% of total passengers – and domestic scheduled traffic (+1.1% compared to the first nine months of 2017). The Pisa airport’s key markets – besides the domestic one (25.6%) – were the UK (21.7% of the total), Spain (10.1% of the total), and Germany (7.3% of the total).

Cargo traffic increased by 6.5% at September 30, 2018 compared to the same period of the previous year, carrying 8,187 tons of goods and mail.

Florence Amerigo Vespucci airport

Florence Amerigo Vespucci Airport also reported record-high results. With 2,122,676 passengers handled at September 30, 2018, passenger traffic **grew by +2.7%** compared to the same period of 2017. As for the previous years, the first nine months of 2018 were marked by a high number of re-routed/cancelled flights for a total of 939 flights, and an estimated loss of about 96,000 passengers. Among these flights, as many as 230 were re-routed/cancelled due to adverse weather conditions, confirming the inadequate

infrastructure of the Florence airport. Net of the estimated passenger loss, Florence airport's passenger traffic would have grown by +7.3%. Only part of said traffic was re-routed to the Pisa airport.

The load factor showed a positive trend (+0.6 p.p.) with scheduled flights at 80.3% compared to the same period of 2017. International scheduled traffic (which accounted for 86.3% of total traffic) increased. The key markets of the Vespucci airport were France (19.3% of the total), Germany (18.6% of the total), and Italy (13.7% of the total).

Consolidated results

Total revenues at September 30, 2018 amounted to €101.2 million, **up 10.5%** compared to €91.6 million for the same period of 2017. This result was attributable to the increase in operating revenues⁴ (€86.5 million, up 4.4%), in revenues from construction services (€9.4 million, up 18.4%), and in other revenues and income (€5.3 million compared to €1.1 million for the first nine months of 2017). In detail, the change in the latter item was chiefly due to the increase in contingent assets (€+3.9 million compared to September 30, 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 rights for prior financial years.

Aviation revenues at September 30, 2018 amounted to **€73.6 million**, up by 0.4% compared to €73.3 million for the same period of 2017. In detail, revenues generated by airport rights, charges and taxes increased by 0.4%, as a result of the greater traffic handled in the first nine months of the year (+3.3% total traffic units), mitigated by the impact on revenues (-3.6%) of the reduction of regulated rates at the two airports in application of the current rate schemes.

Handling revenues amounted to **€23.6 million**, up by 2.3% compared to the same period of 2017 due to more profitable handling contracts.

Non-Aviation revenues amounted to €23.9 million, up by 10.5%, a greater increase than seen in passenger traffic during the reporting period (+3.3%), confirming the efficacy of the non-aviation strategies implemented by the Group. Noteworthy are, in particular, the positive revenue performances related to: Parking (€+573 thousand, +11.6%), VIP Lounges (€+1.1 million, +106.6%) and *Retail* (€+484 thousand, +13.7%).

Network development expenses at September 30, 2018 amounted to €11 million, down by €1.4 million (-11.2%) compared to €12.4 million at September 30, 2017.

In detail, with regard to the figures referring to the third quarter alone, total revenues were €40.1 million (+10.4%) compared to €36.3 million for the same period of 2017 due to the increase in both operating revenues (+6.6%; €+2.2 million) and revenues from construction services (+69.8%; €+1.6 million).

Total costs at September 30, 2018 amounted to €71.1 million compared to €66.9 million for the same period of 2017 due to the increase in operating costs (+4.8%), amounting to €62.6 million at September 30, 2018, and costs for construction services (+18.5%),

⁴ In accordance with IFRIC 15 and in light of the renewal currently underway of marketing support contracts with major air carriers, operating revenues at September 30, 2018 and September 30, 2017 have been restated net of the network development expenses arising from the above-mentioned contracts. The said development expenses amounted to €12.4 million at September 30, 2017 and to €11.0 million at September 30, 2018.

amounting to €8.5 million at September 30, 2018. The change in operating costs was attributable above all to the rise in service costs (+10.7%, chiefly due to the higher traffic handled).

EBITDA was €30.1 million, up €5.4 million (+22.0%) compared to €24.7 million for the same period of 2017. The ratio to operating revenues went from 29.9% to 34.9%. Net of the higher extraordinary income reported in the first nine months of 2018 (€3.9 million), EBITDA was €26.2 million, with a 6.2% improvement compared to September 30, 2017.

With reference to the third quarter alone, EBITDA grew 11.2% from €13.2 million to €14.8 million in the third quarter of 2018.

EBIT was €20.6 million, up by +24.1% (€+4.0 million) compared to €16.6 million at September 30, 2018, with a ratio to operating revenues going from 20.1% to 23.8%. **PBT** increased by €3.8 million (+24.3%) going from €15.8 million to €19.6 million for the first nine months of 2018.

In detail, with regard to the third quarter alone, EBIT was €11.1 million, up by 2.8% compared to the third quarter of 2017 (€10.7 million). PBT rose by 2.8% to €10.7 million compared to €10.4 million in the same period of 2017.

The Group's net result for the period amounted to €13.0 million, up €2.6 million (+24.5%) compared to €10.4 million at September 30, 2017. Net of the above-mentioned extraordinary income for the first nine months of 2018 and the period-end tax burden, the Group's net result for the period was €10.3 million compared to €10.4 million at September 30, 2017.

Considering the third quarter alone, the Group's net result for the period totaled €7.1 million, up +3.6% compared to the same period of 2017 (€6.9 million).

Net Financial Debt was €36.9 million compared to €28.5 million at December 31, 2017 and to €28.9 million at September 30, 2017. The soundness of the Group's financial position was confirmed by a debt/equity ratio of 0.32.

The Group's total investments at September 30, 2018 were €11.3 million, of which €9.8 million in intangible assets and €1.6 million in property, plant and equipment.

Main significant events occurred after September 30, 2018

Main news on the operations of the Pisa airport

- Ryanair: starting from the winter season, a new flight to Prague will be operated (3 times a week); the connection to Trapani will be resumed (6 times a week), whereas the service to Gdańsk will be operated all year round (twice a week);
- Pobeda: the flight to Saint Petersburg (introduced on February 18, 2018) will become fully operational in the winter season (3 times a week). Service to Moscow will see an increase in the number of flights, with a daily service operated also in October, compared to the twice-weekly service offered in 2017. Starting from the winter season, Pobeda will be regularly operating this route with four flights a week (3 flights in November 2017).

Main news on the operations of the Florence airport

- Iberia: starting from the winter season, flights will increase from 4 to 7 per week.
- TAP: the Portuguese airline will continue to operate the connection to Lisbon in the winter season as well (9 time a week).

Further significant events

- On October 4, 2018, the first deed was executed regarding the agreement for the purchase of the shares of Firenze Parcheggi S.p.A. the company that manages the public parking lots in Florence. Within this framework the acquisition by TA of the equity investments held by UnipolSai S.p.A. was formalized.
- On July 9, 2018 the Italian Ministry of Infrastructure and Transportation scheduled the Service Conference for the plan to expand Florence Airport for September 7, 2018. The next meeting of the Service Conference – initially planned for October 12, 2018 and subsequently scheduled for November 9, 2018 – has been further postponed until December 7 to permit all interested parties to express their opinions of the plan.

Outlook

In the first nine months of 2018, the Tuscan Airport System recorded total traffic of approximately 6.5 million passengers, up by 3.3% on the same period of 2017, despite the impact on passenger traffic of strikes by Air France personnel, French air traffic controllers, and Ryanair personnel, in addition to other local and national strikes.

On the basis of the performance in the first nine months of the year and the current flight schedule for the 2018 winter season, the Toscana Aeroporti Group is expected to report positive growth rates in 2018 compared with 2017, despite the continuing critical situation of Alitalia, which is currently under extraordinary administration.

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 September 30, 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 September 30, 2018 are attached hereto. The quarterly accounts at September 30, 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

<i>€ thousand</i>	at 30.09.2018	at 30.09.2017
REVENUES		
Operating revenues	86,479	82,489
Other revenues and income	5,329	1,142
Revenues from construction services	9,386	7,926
TOTAL REVENUES (A)	101,193	91,557
COSTS		
Operating costs		
Consumables	822	738
Personnel costs	32,092	31,647
Service costs	22,897	20,687
Sundry operating expenses	1,669	1,704
Airport fees	5,113	4,946
Total operating costs	62,594	59,722
Costs for construction services	8,457	7,135
TOTAL COSTS (B)	71,051	66,856
GROSS OPERATING MARGIN (A-B)	30,143	24,701
Depreciation, amortization and write-downs	7,367	6,385
Provision for risks and repairs	1,896	1,170
Net reversals(write-downs) of trade and other receivables	328	586
OPERATING RESULT	20,552	16,560
NET FINANCE COSTS		
Finance income	39	67
Finance expense	-1,015	-885
Gains (losses) from investments	36	35
TOTAL NET FINANCE COSTS	-940	-783
PROFIT (LOSS) BEFORE TAXES	19,611	15,777
Taxes for the period	-6,454	-5,211
PROFIT/(LOSS) FOR THE PERIOD	13,157	10,565
Minority interests	-177	-139
GROUP'S NET PROFIT/(LOSS)	12,980	10,426
Earnings per share (€)	0,6974	0,5602
Diluted earnings per share (€)	0,6974	0,5602

TOSCANA AEROPORTI GROUP - CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ thousand

at 30.09.2018 at 30.09.2017

PROFIT/(LOSS) FOR THE PERIOD (A)	13,157	10,565
Other comprehensive income/(loss) that will subsequently be reclassified through profit or loss:		
- Income/(loss) arising from the determination of the Termination Benefit after tax	138	270
COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD (A) + (B)	13,296	10,835
Minority interests	-57	-45
GROUP'S COMPREHENSIVE INCOME/(LOSS)FOR THE PERIOD	13,239	10,790

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ thousand)

ASSETS	09/30/2018	12/31/2017
NON-CURRENT ASSETS		
INTANGIBLE ASSETS		
Concession rights	149,333	150,910
Industrial patent rights	1,003	1,419
Work in progress and advance payments	19,644	12,826
Total Intangible Assets	169,968	165,155
PROPERTY, PLANT AND EQUIPMENT		
Revertible property (land and buildings, with no payment)	1,370	1,660
Owned property, plant and equipment	24,431	24,990
Total property, plant and equipment	25,801	26,650
EQUITY INVESTMENTS		
Equity investments in other companies	123	123
Equity investments in Associate Companies	596	560
Total Equity Investments	718	683
FINANCIAL ASSETS		
Guarantee deposits	313	195
Receivables from others, due beyond the year	4,608	2,304
Total Financial Assets	4,921	2,499
Prepaid taxes recoverable beyond the year	2,204	2,540
TOTAL NON-CURRENT ASSETS	203,612	197,526
CURRENT ASSETS		
Inventories	0	0
ACCOUNTS RECEIVABLE		
Trade receivables	29,879	28,328
Receivables from associate companies	311	263
Tax receivables	2,774	781
Receivables from others, due within the year	13,226	9,085
Total Trade and Sundry Receivables	46,190	38,457
Cash and cash equivalents	14,785	13,360
TOTAL CURRENT ASSETS	60,975	51,817
TOTAL ASSETS	264,587	249,343

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ thousand)

TOTAL EQUITY AND LIABILITIES	09/30/2018	12/31/2017
CAPITAL AND RESERVES		
Share capital	30,710	30,710
Capital reserves	73,405	72,877
IAS adjustments reserve	-3,229	-3,229
Profit/(Loss) carried forward	2,870	2,452
Group's profit (loss) for the period	12,980	10,550
TOTAL GROUP'S EQUITY	116,736	113,360
MINORITY INTEREST	294	221
TOTAL EQUITY	117,030	113,581
NON-CURRENT LIABILITIES		
Provisions for liabilities and contingencies	3,657	3,997
Provisions for repairs and replacements	18,348	18,517
Termination benefits and other personnel-related provisions	5,867	6,521
Financial liabilities	29,049	32,327
Other payables due beyond the year	187	142
TOTAL NON-CURRENT LIABILITIES	57,108	61,504
CURRENT LIABILITIES		
Bank overdrafts	18,002	5,000
Loans	4,654	4,538
Tax payables	14,043	10,591
Payables to suppliers	28,890	28,539
Payables to social security institutions	1,941	2,671
Other payables due within the year	15,137	15,941
Provisions for repair and replacement	7,090	6,692
Advance payments	690	284
Total trade and sundry payables	53,749	54,128
TOTAL CURRENT LIABILITIES	90,448	74,257
TOTAL LIABILITIES	147,556	135,761
TOTAL EQUITY AND LIABILITIES	264,587	249,343

CONSOLIDATED NET FINANCIAL DEBT

<i>Euro thousand</i>	09/30/2018	12/31/2017	Abs. change	09/30/2017
A. Cash on hand and at banks	14,785	13,360	1,426	19,587
B. Other cash and cash equivalents	-	-	-	-
C. Securities held for trading	-	-	-	-
D. Liquid assets (A) + (B) + (C)	14,785	13,360	1,426	19,587
E. Current financial receivables	-	-	-	-
F. Current bank payables	18,002	5,000	13,002	11,000
G. Current portion of non-current debt	4,654	4,538	117	4,358
H. Other current payables to leasing companies	-	-	-	-
I. Current financial debt (F) + (G) + (H)	22,657	9,538	13,119	15,358
J. Net current financial debt (I) - (E) - (D)	7,872	(3,822)	11,693	(4,230)
K. Non-current bank payables	29,049	32,327	(3,278)	33,166
L. Bonds issued	-	-	-	-
M. Other non-current payables to leasing companies	-	-	-	-
N. Non-current financial debt (K) + (L) + (M)	29,049	32,327	(3,278)	33,166
Net financial debt: (J) + (N) (NFP)	36,921	28,506	8,415	28,937

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>€ thousand</i>	at 30.09.2018	at 30.09.2017
OPERATING ACTIVITIES		
Net result for the period	13,157	10,564
<i>Adjusted for:</i>		
- Depreciation and amortisation	7,367	6,386
- Other provisions and write-downs	(413)	539
- Change in the provision for liabilities and contingencies	(340)	(2)
- Net change in termination benefits and other provisions	(368)	(449)
- Finance expense for the period	1,015	885
- Net change in (prepaid)/deferred taxes	336	95
- Taxes for the period	6,118	5,211
<i>Cash flows of operating activities before changes in working capital</i>	26,871	23,230
- (Increase)/decrease in trade receivables	(1,552)	(13,035)
- (Increase)/decrease in other receivables	(5,484)	(1,047)
- (Increase)/decrease in trade payables	351	(2,963)
- (Increase)/decrease in other payables	(2,842)	(52)
<i>Cash flows of operating activities before changes in working capital</i>	(9,526)	(17,097)
Liquid assets generated by operating activities	17,345	6,133
- Interest paid	(390)	(437)
- Taxes paid	(898)	(891)
Cash flows generated by operating activities	16,058	4,8005
INVESTING ACTIVITIES		
- Purchase of property, plant and equipment	(1,569)	(2,506)
- Sale of property, plant and equipment	0	26
- Purchase of intangible assets	(9,763)	(8,562)
- Investments and financial assets	(3,155)	(63)
Cash flows generated by investing activities	(14,486)	(11,105)
CASH FLOWS GENERATED BY OPERATING ACTIVITIES	1,572	(6,300)
FINANCING ACTIVITIES		
- Dividends paid	(9,993)	(9,369)
- Short-/long-term loans taken out	18,500	11,500
- Short-/long-term loans (repaid)	(8,653)	(3,692)
Net cash generated by/(used for) financing activities	(146)	(1,561)
Net increase/(decrease) in cash and cash equivalents	(1,426)	(7,861)
Cash and cash equivalents at beginning of period	13,360	27,448
Cash and cash equivalents at end of period	14,785	19,587