

THE BOARD OF DIRECTORS APPROVES THE HALF-YEAR FINANCIAL REPORT AT JUNE 30, 2020

H1 results severely impacted by the health emergency caused by Covid-19.

Tuscan Airport System's passenger traffic resumed in July with 185,000 passengers handled by the Pisa and Florence airports.

Over 20 airlines have resumed operations, with 56 connections.

- **Passenger traffic:** 1 million passengers handled in the first six months of the year, declining by 72.8% compared to the same period of 2019 and in line with the Italian airport system (-69.9%).
After the promising performance of the first two months of the year (+2.7%), governments measures to fight the Covid-19 epidemic entailed a sharp reduction in air traffic in the following months (-99% in Q2).
- **Operating revenues**, which were impacted by the reduction in traffic volumes and the closure of nearly all commercial activities, amounted to **€19.5 million**, decreasing by 64.0% compared to **€54.1 million** in H1 2019. Both Aviation and Non-Aviation revenues decreased (-66.4% and -57.3%, respectively).
- **EBITDA** was negative at **€5.4 million**, compared to a positive **€15.6 million** in H1 2019.
- **Net result for the period** was negative for **€8.9 million** at June 30, 2020, compared to a positive **€5.3 million** in H1 2019.
- **Net Financial Debt** amounted to **€55.6 million** at June 30, 2020 compared to **€33.1 million** at December 31, 2019 and **€56.6 million** at June 30, 2019.

Consolidated results at June 30, 2020:

Consolidated figures (€ million)	H1 2020	% on revenues	H1 2019	% on revenues	Δ	Δ%
Total revenues	23.5	100%	58.4	100%	(34.8)	(59.7%)
Operating revenues	19.5	82.8%	54.1	92.6%	(34.6)	(64.0%)
EBITDA	(5.4)	n.a.	15.6	26.8%	(21.0)	n.a.
EBIT	(11.7)	n.a.	8.9	15.2%	(20.5)	n.a.
PBT	(12.3)	n.a.	8.1	13.9%	(20.4)	n.a.
Group's net profit (loss) for the period	(8.9)	<i>n.a.</i>	5.3	<i>9.0%</i>	(14.2)	<i>n.a.</i>

Florence, August 4, 2020 – 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 Half-year Financial Report at June 30, 2020.

“Since the outbreak of the Covid-19 epidemic, we have striven to pursue three priority goals: protecting the health of our employees and passengers, implementing measures aimed at mitigating the financial impact, and ensuring optimal conditions for fostering a recovery of air traffic, while seeking to make our airports ‘Covid-safe’ areas capable of ensuring peace of mind for travellers. The considerable resilience and solidity of Toscana Aeroporti enabled us to face the effects of the epidemic and plan the decisive restarting phase for the sector. The encouraging July traffic data instil extraordinary confidence with regard to the coming months,” stated Toscana Aeroporti Chairman Marco Carrai.

Passenger and cargo traffic results for H1 2020

In H1 2020, the Tuscan Airport System's passenger traffic was negatively impacted by the health emergency caused by the spread of Covid-19. Passengers handled were 1,029,234 as of June 30, 2020, decreasing by 72.8% compared to the same period of 2019. Despite the promising performance of the first two months of the year (+2.7%), which exceeded that of the Italian airport system (-0.1%), the Tuscan airports reported a sharp reduction in March (-82.9%) and in Q2 2020 (-99%). At June 30, 2020, cargo traffic grew by 0.3% compared to the same period of 2019, with 6,517 tons of carried goods and mail.

Pisa Galileo Galilei airport

In the first half of the year, Pisa airport's traffic (631,458 passengers handled) declined by 74.2% compared to the same period of 2019. This result was attributable to the performance of the first two months, in line with the previous year (-0.5%), which was followed by a severe drop in March (-82.4%) and in Q2 2020 (-99.2%). Cargo traffic decreased by 4.3% compared to H1 2019, with 6,103 tons of carried goods and mail.

Florence Amerigo Vespucci airport

In the first six months of 2020, passengers handled by the Florence airport were 397,776, down 70.3% compared to the same period of 2019. In the first two months of the year, the Florence airport reported a +8.2% increase in passengers, which was followed by a severe drop in March (-83.8%) and in Q2 2020 (-98.6%). In fact, as previously reported, in application of Ministry of Infrastructure and Transport Decree No. 112/2020, operations at the Florence airport were temporarily suspended with effect from March 14, 2020, and then resumed on May 4, 2020 in application of the amendments to Decree-Law No. 153 of April 12, 2020.

Consolidated results

Total revenues at June 30, 2020 amounted to €23.5 million, down by 59.7% compared to €58.4 million in H1 2019. This result was attributable to the decline in both operating revenues (€19.5 million, down by 64.0%) and other revenues (€351 thousand compared to €775 thousand in H1 2019), in addition to the increase in revenues from construction services (€3.7 million compared to €3.5 million in H1 2019).

Operating revenues are broken down as follows.

- Aviation revenues in H1 2020 amounted to €15.1 million, down by 66.4% compared to €44.8 million for the same period of 2019. As a result of the lower traffic handled in the period, a decline was reported in both revenues generated by airport rights, charges and taxes (€10.1 million compared to €30.8 million in H1 2019) and handling revenues (€5.0 million at June 30, 2020 compared to €14.1 million for the same period of 2019).
- Network development expenses at June 30, 2020 amounted to €2.2 million, down by €4.0 million (-64.6%) compared to €6.2 million in H1 2019.
- Non-Aviation revenues amounted to €6.6 million, down by 57.3% compared to €15.5 million in H1 2019.

With regard to the second quarter alone, revenues nearly decreased to zero due to the sharp reduction in passenger traffic, with operating revenues amounting to €2.7 million, down by 92.0% compared to Q2 2019 (in Q1 the decline was 22%) and total revenues

amounting to €4.0 million, down by 88% compared to €34.8 million in Q2 2019 (in Q1 the decline was 17%).

Total costs in H1 2020 were €28.9 million (-32.3%) compared to €42.8 million in the same period of 2019, due to a decline in operating costs (-35.5% to €25.9 million in H1 2020) and the increase in costs for construction services (+16.2% to €3.0 million).

In order to bring operating costs into line with the almost complete absence of traffic demand caused by the Covid-19 emergency, Toscana Aeroporti took prompt measures to reduce said costs, placing almost all employees in service in the Extraordinary Wages Guarantee Fund (in addition to using accumulated holiday leaves and remote working arrangements) and renegotiating contractual terms with suppliers, where possible.

With regard to the second quarter alone, following the cost containment measures undertaken by the Company, operating costs amounted to €7.8 million, decreasing by 62.1% compared to Q2 2019 (in Q1 the decline was 7.6%) and total costs amounted to €8.8 million, decreasing by 60% compared to €22.1 million in Q2 2019 (in Q1 the decline was 3%).

EBITDA at June 30, 2020 was negative for €5.4 million compared to a positive €15.6 million for the same period of 2019.

EBIT was negative for €11.7 million compared to a positive €8.9 million in H1 2019.

PBT went from a positive €8.1 million in H1 2019 to a negative €12.3 million at June 30, 2020.

The Group's net result for the period was negative for €8.9 million compared to a net profit of €5.3 million reported in H1 2019.

Net Financial Debt was €55.6 million, compared to €33.1 million at December 31, 2019 and €56.6 million at June 30, 2019. The main differences compared to the net financial debt reported in H1 2019 were due to the greater available liquidity resulting from a larger short-term bank loan contracted and the Company's subsequent decision to cancel the distribution of the dividend, offset by the principal payment of non-current debt (which had been temporarily reclassified at June 30, 2019 among current bank payables).

The Group's total investments at June 30, 2020 amounted to €4.1 million, of which €3.8 million regarding intangible assets – mainly due to the development of the Florence airport Master Plan, the upgrade of the BHS and baggage conveyors at both airports, and the first-flush water treatment and harvesting system of the Pisa airport – and €389 thousand in property, plant and equipment.

Significant events occurred in H1 2020

- On May 25, 2020, the Chief Executive Officer, Gina Giani, tendered her resignation for strictly personal reasons.
- On May 29, 2020, the Board of Directors named Roberto Naldi as the Company's new Chief Executive Officer, appointed Stefano Bottai Non-Executive Deputy Chairman, and co-opted Cecilia Carriquiry as Non-Executive Director and member of the Company's Executive Committee.
- On June 11, 2020, after the designation by the Ministry of Economy and Finance of the Standing Auditor to hold the role of Chairman of the Board of Statutory Auditors, the said

Board was established following the appointment of its members by the General Shareholders' Meeting of May 15, 2020.

Significant events occurred after June 30, 2020

In July, resumption of connections by several airlines — already began in June — significantly consolidated. To date, at the Pisa and Florence airports, 22 airlines are operating, serving 56 destinations.

Pisa airport

To date, at the Pisa airport 13 airlines are operating, serving 47 destinations, of which 11 national and 36 international. In detail, operations regard: Ryanair (42 destinations), British Airways (London Heathrow), easyJet (6 destinations), Jet2.com (3 destinations), AirAlbania (Tirana), AirArabia (Casablanca), SAS (Copenhagen), Volotea (Olbia), and Vueling (Barcelona).

Florence airport

To date, at the Florence airport 13 airlines are operating, serving 22 destinations, of which 6 national and 16 international. In particular, operations regard: Air Dolomiti (6 destinations), AirFrance (Paris Charles de Gaulle), Alitalia (Rome), Austrian Airlines (Vienna), BlueAir (Bucharest), British Airways (London City), Brussels Airlines (Brussels), KLM (Amsterdam), and Vueling (7 destinations).

Other events occurred after June 30, 2020

- On July 16, 2020, the Board of Directors of Toscana Aeroporti determined that Director Cecilia Carriquiry (co-opted on May 29, 2020), on the basis of the information she had provided and otherwise available to the Company, did not meet the independence requirements established in the Consolidated Law on Finance (TUF) and Corporate Governance Code.
- In light of the decreased traffic at Italian airports due to the Covid-19 epidemiological emergency and the disease containment measures adopted by the central government and regions, in order to limit the resulting financial effects, the term of the concessions for the management and development of airport activity in effect at the date of entry into force of Law No. 77 of July 17, 2020, which converted Article 202, paragraph 1-*bis*, of Decree-Law No. 34 of May 19, 2020, as amended, was extended by two years.

Outlook

In the first seven months of 2020, the Tuscan Airport System reported total passenger traffic of about 1.2 million (-74 % compared to the first seven months of 2019).

This performance was attributable to the combined effect of the demand recorded in January and February 2020, up 2.7% compared to the same period of 2019, and the severe impact generated by the restrictions of operations imposed due to the coronavirus as of March 2020, which led to a decline in passenger traffic by 92.1%.

The year 2020 will see the impact of the coronavirus epidemic on the global economy, global transport networks and air transport in particular, and, even more so for Italy, on domestic and international tourism.

Given the ongoing development of this phenomenon, and in light of the negative H1 results due to the restrictions imposed on airport services and the cancellations recorded as of March 2020, the impact on the 2020 economic and financial results is expected to be severely negative, despite a gradual recovery of operations.

Drawing on the considerable resilience it has shown in its five years of operation, Toscana Aeroporti has undertaken, and will continue to implement, all possible actions in **protection of the Group's margins, adjusting its costs, insofar as possible, to traffic performance**, while also taking account of the containment measures adopted by the governments, competent authorities, and central banks of the countries affected by the spread of the virus and considering initiatives of an economic nature in support of households, workers and businesses, trusting in the possibility that the recovery trend may continue in the coming months.

The consolidated financial statements at June 30, 2020 are attached hereto.

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 Half-year Financial Report at June 30, 2020, subject to a limited review by PricewaterhouseCoopers S.p.A., will be made available to the public at the Company's registered office and through the authorized storage mechanism IINFO. It will also be published on the corporate website www.toscana-aeroporti.com, under the "Investor Relations" section. The Independent Auditors' Report will be published in accordance with the terms and methods established by applicable laws and regulations.

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:

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.

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>	H1 2020	H1 2019
REVENUES		
Operating revenues	19,486	54,083
Other revenues	351	775
Revenues from construction services	3,695	3,521
TOTAL REVENUES (A)	23,533	58,379
COSTS		
Operating costs		
Consumables	669	568
Personnel costs	13,667	21,542
Service costs	9,810	15,943
Sundry operating expenses	712	1,119
Airport fees	1,054	985
Total operating costs	25,913	40,158
Costs for construction services	3,016	2,596
TOTAL COSTS (B)	28,929	42,754
GROSS OPERATING MARGIN (A-B)	-5,396	15,625
Depreciation, amortization and write-downs	5,363	5,413
Provision for risks and repairs	726	1,278
Net reversals(write-downs) of trade and other receivables	207	78
OPERATING RESULT	-11,693	8,855
NET FINANCE COSTS		
Finance income	4	4
Finance expense	-649	-802
Gains (losses) from investments	44	32
TOTAL NET FINANCE COSTS	-601	-767
PROFIT (LOSS) BEFORE TAXES	-12,293	8,089
Taxes for the period	3,263	-2,739
PROFIT/(LOSS) FOR THE PERIOD	-9,030	5,350
Minority interests	130	-68
GROUP'S NET PROFIT/(LOSS)	-8,900	5,282
Earnings per share (€)	-0,4782	0,2838
Diluted earnings per share (€)	-0,4782	0,2838

TOSCANA AEROPORTI GROUP - CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>€ thousand</i>	H1 2020	H1 2019
PROFIT/(LOSS) FOR THE PERIOD (A)	-9,030	5,350
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	-4	-372
COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD (A) + (B)	-9,034	4,977
Minority interests	132	-62
GROUP'S COMPREHENSIVE INCOME/(LOSS)FOR THE PERIOD	-8,902	4,916

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ thousand)

ASSETS	06/30/2020	12/31/2019
NON-CURRENT ASSETS		
Intangible Assets	175,294	174,880
Property, plant and equipment	28,923	30,310
Rights of use	4,438	4,619
Equity investments in other companies	2,945	2,945
Equity investments in Associate Companies	613	570
Other Financial Assets	3,218	3,220
Receivables from others, due beyond the year	206	308
Deferred tax assets	5,090	1,717
TOTAL NON-CURRENT ASSETS	220,728	218,569
CURRENT ASSETS		
Trade receivables	8,954	17,525
Tax assets for current taxes	522	280
Other tax receivables	3,630	1,497
Receivables from others, due within the year	4,979	10,014
Cash and cash equivalents	15,908	19,863
TOTAL CURRENT ASSETS	33,995	49,179
TOTAL ASSETS	254,723	267,749
EQUITY AND LIABILITIES	06/30/2020	12/31/2019
CAPITAL AND RESERVES		
Share capital	30,710	30,710
Capital reserves	87,678	74,124
IAS adjustments reserve	-3,229	-3,229
Profit/(Loss) carried forward	3,994	3,403
Group's profit (loss) for the period	-8,900	14,149
TOTAL GROUP'S EQUITY	110,254	119,156
MINORITY INTEREST	230	361
TOTAL EQUITY	110,484	119,518
NON-CURRENT LIABILITIES		
Provisions for liabilities and contingencies	1,946	2,458
Provisions for repairs and replacements	19,190	17,834
Employee benefits funds	5,627	5,767
Financial liabilities beyond the year	21,113	23,352
Financial liabilities for rights of use beyond the year	4,089	4,239
Other payables due beyond the year	358	338
TOTAL NON-CURRENT LIABILITIES	52,324	53,988
CURRENT LIABILITIES		
Financial liabilities due beyond the year	45,873	24,940
Financial liabilities for rights of use within the year	409	410
Tax payables	204	2,174
Other tax payables	11,059	11,987
Payables to suppliers	21,631	31,643
Payables to social security institutions	2,499	2,611
Other payables due within the year	6,589	12,568
Provisions for repair and replacement	3,651	7,911
TOTAL CURRENT LIABILITIES	91,915	94,243
TOTAL LIABILITIES	144,239	148,231
TOTAL EQUITY AND LIABILITIES	254,723	267,749

CONSOLIDATED NET FINANCIAL DEBT

<i>Euro thousand</i>	06/30/2020	12/31/2019	Abs. change	06/30/2019
A. Cash on hand and at banks	15,908	19,863	(3,954)	6,653
B. Other cash and cash equivalents	-	-	-	-
C. Securities held for trading	-	-	-	-
D. Liquid assets (A) + (B) + (C)	15,908	19,863	(3,954)	6,653
E. Current financial receivables	-	-	-	-
F. Current bank payables	41,015	20,010	21,005	28,005
G. Current portion of non-current debt	4,858	4,930	(72)	8,598
H. Other current payables to leasing companies	409	410	(0)	398
I. Current financial debt (F) + (G) + (H)	46,282	25,349	20,933	37,001
J. Net current financial debt (I) - (E) - (D)	30,374	5,486	24,887	30,348
K. Non-current bank payables	21,113	23,352	(2,238)	22,011
L. Bonds issued	-	-	-	-
M. Other non-current payables to leasing companies	4,089	4,239	(150)	4,212
N. Non-current financial debt (K) + (L) + (M)	25,203	27,590	(2,388)	26,223
Net financial debt: (J) + (N) (NFP)	55,576	33,077	22,499	56,571

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>€ thousand</i>	at 30.06.2020	at 30.06.2019
OPERATING ACTIVITIES		
Net result for the period	(9,030)	5,350
<i>Adjusted for:</i>		
- Amortisation of tangible assets, intangible assets and rights of use	5,363	5,413
- Change in the provision for liabilities and contingencies	(512)	(1,939)
- Net change for employee benefits funds	(189)	(353)
- Net change of restoration fund	(3,223)	158
- Finance expense for rights of use	70	70
- Other finance expense (income)	575	726
- Net change in (prepaid)/deferred taxes	(3,372)	646
- Taxes for the period	109	2,094
- (Increase)/decrease in trade receivables	8,673	(9,865)
- (Increase)/decrease in other receivables	2,908	(1,758)
- (Increase)/decrease in trade payables	(10,012)	(1,841)
- (Increase)/decrease in other payables	(7,000)	480
<i>Cash flows of operating activities</i>	(15,642)	(819)
- Interest paid	(191)	(233)
- Taxes paid	(2,320)	(2,570)
Cash flows generated by operating activities	(18,152)	(3,622)
INVESTING ACTIVITIES		
- Purchase of tangible assets	(389)	(2,950)
- Sale of tangible assets	2	0
- Purchase of intangible assets	(3,750)	(3,831)
- Sale of financial assets	(44)	124
Cash flows generated by investing activities	(4,181)	(6,657)
FINANCING ACTIVITIES		
- Dividends paid	0	(13,188)
- Short-/long-term loans taken out	21,000	18,500
- Short-/long-term loans (repaid)	(2,330)	(2,333)
- Finance expense for rights of use (repaid)	(291)	(316)
Net cash generated by/(used for) financing activities	18,379	2,663
Net increase/(decrease) in cash and cash equivalents	(3,954)	(7,617)
Cash and cash equivalents at beginning of period	19,863	14,270
Cash and cash equivalents at end of period	15,908	6,653