
Gruppo Toscana Aeroporti



INTERIM REPORT ON OPERATIONS AT 30 SEPTEMBER 2017

This report is available in the Investor Relations section
of Toscana Aeroporti's website at www.toscana-aeroporti.com

Toscana Aeroporti S.p.A.

Via del Termine, 11 - 50127 Firenze - www.toscana-aeroporti.com

R.E.A. FI-637708 - Fully paid-up Share Capital € 30,709,743.90

VAT Number and Tax Code: 00403110505

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CONSOLIDATED INTERIM FINANCIAL REPORT (ABRIDGED) – FOR THE PERIOD CLOSED ON 30 SEPTEMBER 2017 54

Dear Shareholders,

This Interim Report on Operations at 30 September 2017, approved by the Board of Directors on 19 October 2017, has been prepared in compliance with Legislative Decree no. 58/1998 and subsequent amendments, as well as with the Issuers’ Regulations issued by Consob. It includes the Report on Operations, which contains the Directors’ comments on operations and management trends for 2017, and the Interim Consolidated Financial Report (abridged) at 30 September 2017.

The valuation and measurement criteria adopted for the preparation of the Consolidated Interim Financial Report (Abridged) included in this Interim Report on Operations at 30 September 2017 are those required by the International Financial Reporting Standard (IFRS) issued by the International Accounting Standard Board (IASB) and adopted by the European Commission according to the procedure described in art.16 of European Regulation no. 1606/2002 of the European Parliament and of the Council of 19 July 2002, with particular reference to IAS 34 concerning interim financial reporting. These accounting standards are the same that have been used for the preparation of the Consolidated Financial Statement at 31 December 2016.

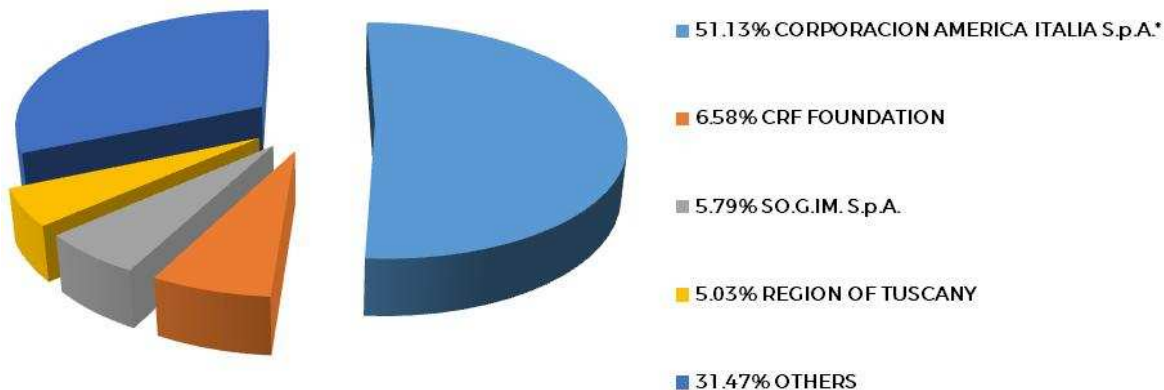
This Interim Report on Operations is not subject to the auditing requirement.

Toscana Aeroporti S.p.A. manages the G. Galilei Pisa airport and the A. Vespucci Florence airport. The Group takes care of the development of both airports in terms of air traffic, infrastructures and services for cargo and passenger carriers.

The accounting consolidated information of Gruppo Toscana Aeroporti at 30 September 2017 includes information regarding the Parent Company “Toscana Aeroporti S.p.A.” and the subsidiaries “Toscana Aeroporti Engineering S.r.l.” (hereinafter also “TAE”), “ParcheggiPeretolaS.r.l.”, and “Jet Fuel Co. S.r.l.” (hereinafter “Jet Fuel”).

1. COMPOSITION OF THE SHARE CAPITAL OF THE PARENT COMPANY

We are providing below a list of the names of the parties who, at 18 October 2017, directly or indirectly hold an interest greater than 5% of the subscribed share capital of Toscana Aeroporti S.p.A. (hereinafter also briefly referred to as “TA” or the “Parent Company”), consisting of shares with voting rights, according to the Shareholders’ Register, as supplemented by the information disclosed pursuant to art. 120 of Legislative Decree 58/1998.



* Direct shareholder. Declaring subject: Southern Cone Foundation

** Declarant, i.e. person positioned at the top of the control chain: Southern Cone Foundation*

The subscribed and fully paid-up share capital of Toscana Aeroporti S.p.a. is €30,709.743,90 and consists of 18,611,966 ordinary shares without nominal value.

We point out that the whole of TA’s shares owned by Corporación America Italy S.p.a. have been pledged until December 2019 as guarantee of the debenture loan issued by the shareholder in question.

2. THE OWNERS OF THE PARENT COMPANY

Shareholder Agreements

The following Shareholder Agreements were in force at 30 September 2017:

- a three-year Shareholder Agreement between Corporación America Italy S.p.a. and SO.G.IM. S.p.a., signed on 16 April 2015, supplemented with an addendum signed on 13 May 2015 for compliance with the requirements of the merger by incorporation of AdF - Aeroporto di Firenze S.p.a. into SAT – Società Aeroporto Toscano Spa (today Toscana Aeroporti S.p.a.) since 1 June 2015, renewed on 10 April this year for three more years effective from 16 April 2017, amended with an agreement signed on 29 September 2017;

- an addendum to the original Shareholder Agreement signed with Corporación America Italy S.p.a. and SO.G.IM., signed on 13 May 2015, for compliance with the requirements of the merger by incorporation of AdF (Aeroporto di Firenze Spa) into SAT (SocietàAeroportoToscano Galileo Galilei Spa) effective from 1 September 2015.

Further details and contents are available on the official website of the company: www.toscana-aeroporti.com.

3. STOCK PERFORMANCE

Toscana Aeroporti is listed in the MercatoTelematicoAzionario organized and managed by BorsaItaliana S.p.A.

At 30 September 2017, the reference price of Toscana AeroportiS.p.A.'s (TYA) shares was Eur 14.21, with a capitalization of approx. € 264.5 M.

4. MACROSTRUCTURE OF THE TOSCANA AEROPORTI GROUP

Legal details of the Parent Company

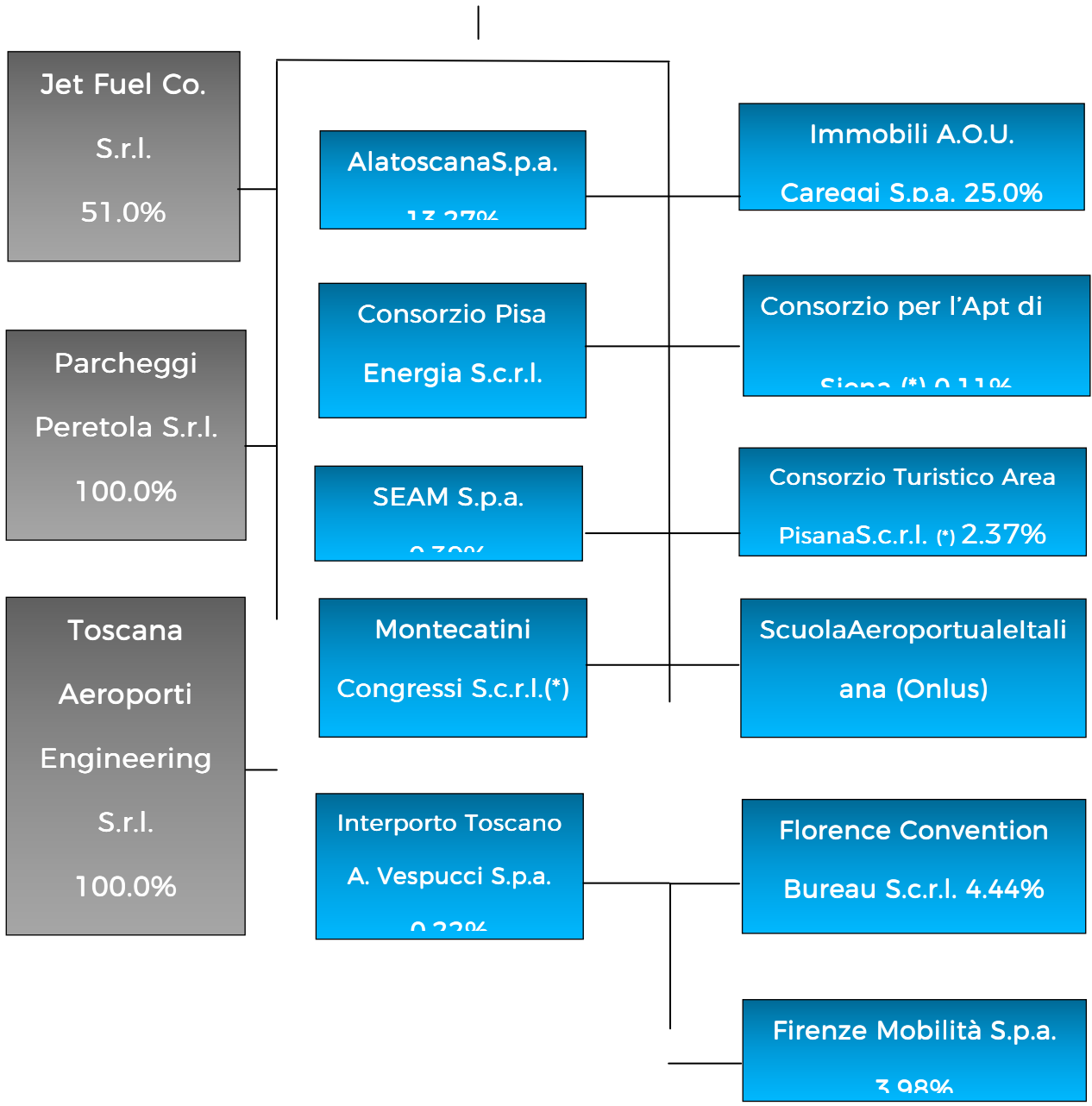
Company name: Toscana AeroportiS.p.a., briefly "TA".

Registered office of the company: Firenze, Via del Termine n. 11 - Tax Code: 00403110505.

Company Register of Florence registration and REA [Economic and Administrative Index] no. 366022 FI no. 637708.

Fully paid-up share capital: € 30,709,743.90=.

TOSCANA AEROPORTI S.P.A.



- Parent Company**- Toscana Aeroporti (hereinafter "TA").
- Subsidiaries**-Jet Fuel Co. S.r.l. (Hereinafter Jet Fuel), ParcheggiPeretolaS.r.l., Toscana AeroportiEngineering S.r.l. For consolidation purposes, we point out that Toscana Aeroporti owns 33.33% of property and dividend rights and 51% of voting rights. For further details, see section on controlled companies.
- Third Party Companies** -(*) Winding-up Companies.

Line-by-line consolidation¹

Company	Registered Office	Share Capital (€K)	Shareholders' Equity (€K)	%
Toscana Aeroporti S.p.a. Florence		30,710	111,221	Parent Company
Toscana Aeroporti Engineering S.r.l. Florence		80	178	100.00
Parcheggi Peretola S.r.l. Florence		50	2,729	100.00
Jet Fuel Co. S.r.l.	Pisa	150	373	51.00

Full Consolidation²

Company	Registered Office	Share Capital (€k)	Shareholders' Equity (€K)	%
Immobili A.O.U. Careggi S.p.a.	Florence	200	717	25.00
Alatoscana S.p.a. Campo (LI)	Marina di	2,910	2,870	13.27

5. COMPOSITION OF CORPORATE GOVERNING BODIES

Board of Directors

Office held

Marco CARRAI	President
Gina GIANI ³	CEO
Roberto NALDI	Executive Vice-President
Pierfrancesco PACINI	Vice-President
Vittorio FANTI	Delegated Board Member
Leonardo BASSILICHI	Board Member
Giovanni Battista BONADIO	Board Member
Stefano BOTTAI	Board Member

¹ Data as at 30 September 2017

² Data as at Dec. 31, 2016

³ Corporate Manager qualified as Managing Director.

Martin Francisco Antranik EURNEKIAN BONNARENS	Board Member
Elisabetta FABRI	Board Member
Anna GIRELLO	Board Member
Iacopo MAZZEI	Board Member
Angela NOBILE	Board Member
Saverio PANERAI	Board Member
Ana Cristina SCHIRINIAN	Board Member

Board of Auditors

Paola SEVERINI	President
Silvia BRESCIANI	Statutory Auditor
Tania FROSALI ¹	Statutory Auditor
Roberto GIACINTI	Statutory Auditor
Elena MAESTRI ²	Statutory Auditor
Antonio MARTINI	Statutory Auditor

Office held

Secretary of the Board of Directors

Nico ILLIBERI

Financial Reporting Manager entrusted with financial reporting pursuant to Law 262/05

Marco GIALLETTI

Independent Auditor

PricewaterhouseCoopers S.p.a.

¹incumbent until 27 April 2017.

²incumbent from 27 April 2017, as deliberated on by the Shareholders' Meeting on the same date.

6. HIGHLIGHTS

<p>Consolidated operating profit at 30 September 2017</p>	<p>Revenues totalled € 103,969 K, up by € 7,651 K (+7.9%) compared to € 96,318 K of the TA Group at 30 September 2016. The EBITDA totalled € 24,701 K, up by € 455 K (+1.9%) compared to € 24,245 K of the TA Group at 30 June 2016. The adjusted EBITDA¹ passed from € 22,676 K in the first nine months of 2016 to € 24,701 K in the first nine months of 2017, up by € 2,025 K (+8.9%).</p> <p>The EBIT totalled € 16,560 K, up by € 921 K (+5.9%) compared to the TA Group's EBIT of € 15,639 K in the first nine months of 2016.</p> <p>The Profit Before Tax (PBT) totalled € 15,777 K (+6.6%) compared to the PBT of € 14,800 K for the TA Group in the same period of 2016.</p> <p>The Group's net profit for the period increased by +17.1%, corresponding to € 10,426 K of profits against Group period profits of € 8,906 K in the first nine months of 2016. The Group's adjusted net profit for the period² passed from € 7,949 K in the first nine months of 2016 to € 10,426 K in the same period of 2017, up by € 2,478 K (+31.2%).</p> <p>Net Indebtedness totalled € 28,937 K at 30 September 2017, compared to € 13,267 K for the Group at 31 December 2016 and € 22,669 K at 30 September 2016.</p>
<p>Focus on the consolidated operating profit of the third quarter 2017</p>	<ul style="list-style-type: none"> - Revenues totalled € 41,269 K, up by € 2,653 K compared to € 38,616 K in the third quarter 2016. - Gross Operating Margin totalled € 13,192 K, up by € 409 K compared to € 12,783 K in the third quarter of 2016. - EBIT was € 10,683 K in the third quarter of 2017, up by € 617 K compared to € 10,066 K in the third quarter of 2016. - Profit before tax was € 10,384 K in the third quarter of 2017, up by € 611 K compared to € 9,773 K in the third quarter of 2016. - The Group's profit for the period, which consisted of € 6,855 K

¹Indicator obtained by adjusting the EBITDA with the income deriving from the release of cost provisions and write-off of payables no longer due: said income totalled € 1,570 K in the first nine months of 2016, while there was no income with the same features in the first nine months of 2017.

²Indicator obtained by adjusting the Group's net profit of the first nine months of 2016 with the income derived from the release of provisions for costs and write-off of payables no longer due for a total of € 1,570 K after deducting taxes for the related period (tax rate 39%).

	in the third quarter of 2017, against profits for the period of € 5,969 K in the third quarter of 2016, increased by € 886 K.
Investments at 30 September 2017	Investments totalled approx. € 11 M at 30 September 2017, including: ca € 5 M for airport infrastructure, € 2 M for the development of the Florence Airport Master Plan, and € 2.5 M in tangible fixed assets (including motor and ramp vehicles for € 1.2 M and hardware for € 700 K).
Traffic	In the first nine months of 2017, the Tuscan airport system carried approx. 6.33 million passengers , with an overall growth of +6% for the Passenger component, 2% for the Flights component, 3.4% for the Tonnage component, and 5.4% for the Cargo & Mail component compared to the aggregate data on passengers, flights and tonnage of the Pisa and Florence airports for the first nine months of 2016.
Outlook	While closely monitoring the situation of Alitalia, the cancellation of some Ryanair flights due to problems with the pilots and the bankruptcy of Air Berlin, the positive growth trends in passenger traffic recorded in the first nine months of 2017 in the two Tuscan airports (+6.0%), as well as the operated flights confirmed by the airlines, the excellent performance of the new destinations, and the positive overall trend of the 2017 summer season are all elements that allow us to look at 2017 final profits with confidence.

7. THE MACROECONOMIC SCENARIO AND THE AIR TRANSPORT INDUSTRY

The international economic scenario remains favourable, with positive global growth and expansionary monetary policies; however, these are accompanied by significant downward risks related to the uncertainties of economic policies, the persistence of geopolitical tensions and the uncertainty connected with Brexit.

The growth trend is consolidating in the Euro Area. The estimated GDP for the second quarter had an acceleration compared to the previous quarter¹.

The economy has reinforced in Italy throughout the second quarter 2017, with an increasing GDP compared to the previous quarter², mainly supported by the manufacturing compartment, investments and an improved employment rate.

¹ ISTAT - *Monthly Report on Italian Economy* - September 2017.

² ISTAT - *Information on quarterly national accounts* - 3 October 2017.

In the 36 Italian airports monitored by Assaeroporti, global traffic exceeded 118 million passengers in the first eight months of 2017, which reflects a 6.7% increase compared to the same period of the previous year. This increase involved almost all Italian airports located in all the regions of our Country. Both aircraft movements (+3.0%) and the cargo compartment (+11.4%) grew in the same period.

8. TRENDS IN THE TUSCAN AIRPORT SYSTEM'S TRAFFIC

In the first nine months of 2017, the Tuscan Airport System carried 6.25 million passengers, with an aggregate growth of +6.0%, with +355,846 transiting passengers compared to the same period of 2016.

The different traffic components for the January-September 2017 period are detailed below, compared against 2016:

TOSCANA AEROPORTI TRAFFIC				
	Progr. al 30.09.17	Progr. al 30.09.16	VAR. 2017/16	VAR.% 2017/16
Commercial Passengers	6,238,067	5,881,631	356,436	6.1%
Domestic (Scheduled + Charter)	1,378,788	1,356,972	21,816	1.6%
International (Scheduled + Charter)	4,859,279	4,524,659	334,620	7.4%
General Flight Passengers	16,552	17,142	-590	-3.4%
TOTAL PASSENGERS	6,254,619	5,898,773	355,846	6.0%
	Progr. al 30.09.17	Progr. al 30.09.16	VAR. 2017/16	VAR.% 2017/16
Commercial Flights	52,508	51,151	1,357	2.7%
Domestic (Scheduled + Charter)	11,482	11,274	208	1.8%
International (Scheduled + Charter)	40,023	38,900	1,123	2.9%
Cargo	1,003	977	26	2.7%
General Flights	8,662	8,824	-162	-1.8%
TOTAL FLIGHTS	61,170	59,975	1,195	2.0%
	Progr. al 30.09.17	Progr. al 30.09.16	VAR. 2017/16	VAR.% 2017/16
Commercial Tonnage	3,147,585	3,032,731	114,854	3.8%
Domestic (Scheduled + Charter)	633,804	631,096	2,708	0.4%
International (Scheduled + Charter)	2,420,164	2,310,596	109,568	4.7%
Cargo	93,617	91,039	2,578	2.8%
General Aviation Tonnage	124,961	132,189	-7,228	-5.5%
TOTAL TONNAGE	3,272,546	3,164,920	107,626	3.40%
	Progr. al 30.09.17	Progr. al 30.09.16	VAR. 2017/16	VAR.% 2017/16
Air cargo (kg)	7,358,132	6,962,689	395,443	5.7%
Ground cargo (kg)	445,644	427,864	17,779	4.2%
Mail (kg)	60,985	68,624	-7,639	-11.1%
TOTAL CARGO AND MAIL	7,864,761	7,459,177	405,583	5.4%
	Progr. al 30.09.17	Progr. al 30.09.16	VAR. 2017/16	VAR.% 2017/16
TOTAL TRAFFIC UNITS	6,333,267	5,973,365	359,902	6.0%

A comparison with the Italian Airport System, which shows an average 6.7% growth for the January-August period, is provided below.

January - August 2017			
No.	Airport	Passengers	%
	Rome (System)	31,672,434	-0.1
	Milan (System)	29,599,550	10.4
	Venice (System)	8,997,939	8.8
1	Catania	6,119,873	16.8
2	Naples	5,601,087	22.9
3	Bologna	5,494,705	6.8
4	Palermo	3,813,456	5.5
5	Pisa	3,638,309	6.0
6	Bari	3,113,073	8.4
7	Turin	2,859,140	7.3
8	Cagliari	2,843,918	12.4
9	Verona	2,187,762	10.1
10	Olbia	2,079,373	9.5
11	Florence	1,798,092	6.7
12	Lamezia Terme	1,735,834	0.9
13	Brindisi	1,589,432	-0.3
14	Trapani	984,144	-3.3
15	Alghero	941,300	-2.0
Italian Airport System		118,454,443	6.7
Tuscan Airport System (FLR/PSA)		5,436,401	6.2

Note: The Rome airport system includes the Fiumicino and Ciampino airports, the Milan airport system includes the Malpensa, Linate, Bergamo Orio al Serio and Parma airports, and the Venice airport system includes the Venice and Treviso airports.

In the first nine months of 2017, Tuscan airports have been connected with 97 destinations, of which 12 domestic and 85 international (23 operated in both airports), and have been served by 38 airlines (of which 7 operating in both airports), including 25 IATA and 13 Low-Cost (hereinafter also “LC”) airlines.

The table below provides details on these destinations and airlines in alphabetical order (*).

Airlines that operated from January to September 2017			
Tuscan Airport System*			
1	Aegean Airlines	20	Hop
2	Aer Lingus	21	Iberia
3	Air Berlin	22	Jet2.com
4	Air Dolomiti	23	Klm-Royal Dutch Airlines
5	Air France	24	Lufthansa
6	Air Moldova	25	Mistral Air
7	Albawings	26	Norwegian Air Shuttle
8	Alitalia	27	Pobeda Airlines
9	Austrian Airlines	28	Qatar Airways
10	Blue Air	29	Ryanair Limited
11	Blue Panorama Airlines	30	S.A.S.
12	British Airways	31	S7 Airlines
13	Brussels Airlines	32	Silver Air
14	City Jet	33	Swiss
15	CSA - Czech Airlines	34	Transavia
16	EasyJet	35	Turkish Airlines
17	Eurowings	36	Volotea
18	Finnair	37	Vueling Airlines
19	Fly Ernest	38	Wizz Air

No. of destinations served January-September 2017 - Tuscan Airport System					
Domestic destinations:		32	Corfu	67	Marrakesh
1	Alghero	33	Krakow	68	Marseille
2	Bari	34	Crete	69	Munich
3	Brindisi	35	Gdansk	70	Moscow DME
4	Cagliari	36	Doha	71	Moscow VKO
5	Catania	37	Dublin	72	Mykonos
6	Comiso	38	Dusseldorf DUS	73	Nantes
7	Isola d'Elba	39	Dusseldorf NRN	74	Newcastle
8	Lamezia Terme	40	East-Midlands	75	Nizza
9	Olbia	41	Edinburgh	76	Oslo
10	Palermo	42	Eindhoven	77	Palma de Mallorca
11	Rome FCO	43	Fez	78	Paris BVA
12	Trapani	44	Frankfurt FRA	79	Paris CDG
International destinations:		45	Frankfurt HHN	80	Paris ORY
13	Hamburg	46	Fuerteventura	81	Prague
14	Amsterdam	47	Geneva	82	Rhodes
15	Athens	50	Helsinki	85	Seville
16	Barcelona BCN	51	Iasi	86	Sofia
17	Barcelona GRO	52	Ibiza	87	Spalato
18	basel	53	Istanbul	88	Stuttgart
19	Berlin SXF	54	Las Palmas	89	Stockholm ARN
20	Billund	55	Leeds-Bradford	90	Stockholm NYO
21	Birmingham	56	Lyon	91	Tel-Aviv
22	Bordeaux	57	Lisbon	92	Tenerife Sud
23	Bristol	58	Liverpool	93	Tirana
24	Brussels BRU	59	London LCY	94	Valencia
25	Brussels CRL	60	London LGW	95	Warsaw WMI
26	Bucharest OTP	61	London LHR	96	Vienna
27	Budapest	62	London LTN	97	Zurich
28	Kephalonia	63	London STN		
29	Chisinau	64	Madrid		
30	Cologne-Bonn	65	Malta		
31	Copenhagen	66	Manchester		

8.1 Traffic trends in the Pisa "Galileo Galilei" airport

The table provided below compares January-September 2017 traffic trends against 2016, broken down into its different components:

PISA AIRPORT TRAFFIC				
	YTD at 30-Sep-2017	YTD at 30-Sep-2016	2017/16 DIFF.	2017/16 % DIFF.
Commercial Passengers	4,179,600	3,945,432	234,168	5.9%
Domestic (Scheduled + Charter)	1,087,487	1,057,301	30,186	2.9%
International (Scheduled + Charter)	3,092,113	2,888,131	203,982	7.1%
General Flight Passengers	7,198	7,741	-543	-7.0%
TOTAL PASSENGERS	4,186,798	3,953,173	233,625	5.9%
	YTD at 30-Sep-2017	YTD at 30-Sep-2016	2017/16 DIFF.	2017/16 % DIFF.
Commercial Flights	29,766	28,819	947	3.3%
Domestic (Scheduled + Charter)	8,117	8,217	-100	-1.2%
International (Scheduled + Charter)	20,646	19,625	1,021	5.2%
Cargo	1,003	977	26	2.7%
General Flights	3,614	3,465	149	4.3%
TOTAL FLIGHTS	33,380	32,284	1,096	3.4%
	YTD at 30-Sep-2017	YTD at 30-Sep-2016	2017/16 DIFF.	2017/16 % DIFF.
Commercial Tonnage	1,963,238	1,897,952	65,286	3.4%
Domestic (Scheduled + Charter)	458,400	458,316	84	0.0%
International (Scheduled + Charter)	1,411,221	1,348,597	62,624	4.6%
Cargo	93,617	91,039	2,578	2.8%
General Aviation Tonnage	63,057	61,313	1,744	2.8%
TOTAL TONNAGE	2,026,295	1,959,265	67,030	3.42%
	YTD at 30-Sep-2017	YTD at 30-Sep-2016	2017/16 DIFF.	2017/16 % DIFF.
Air cargo (kg)	7,310,801	6,902,602	408,199	5.9%
Ground cargo (kg)	333,087	265,140	67,946	25.6%
Mail (kg)	60,966	68,556	-7,590	-11.1%
TOTAL CARGO AND MAIL	7,704,854	7,236,298	468,556	6.5%
	YTD at 30-Sep-2017	YTD at 30-Sep-2016	2017/16 DIFF.	2017/16 % DIFF.
TOTAL TRAFFIC UNITS	4,263,847	4,025,536	238,311	5.9%

4,186,798 passengers passed through the Pisa airport during the January-September 2017 period, up by 5.9% compared to the same period of 2016.

Scheduled passenger traffic has globally increased by 5.8% (+225,623 passengers) compared to 2016, mainly due to international scheduled traffic, which totalled a 6.9% growth, with +195,709 passengers. Furthermore, we recall the readers that the Pisa airport had a record traffic in each of the first 9 months of the year.

The load factor (LF) for scheduled flights increased by 2.6 percentage points, with an 84.6% LF for the first nine months of 2016 and an 87.2% LF for the same period of 2017). Scheduled passenger traffic increased by 5.8% against a +2.6% growth in the number of seats offered.

The number of passengers on rerouted flights, included in commercial traffic, accounts for 0.8% of the total traffic (with 34,913 passengers, up by +30.6% compared to the same period of 2016). The share of the Florence airport is approx. 84.5%% (29,511 passengers). Charter traffic, which is included in the commercial traffic category (18,424 passengers), shows a mild increase of +3.6% compared to the first nine months of 2016.

General Aviation traffic shows a slight 7% decrease in the January-September 2017 period, compared to 2016 (-543 passengers in absolute terms).

The table below shows the main factors that affected scheduled passenger traffic trends in the Pisa Galilei airport in the first 9 months of 2017:

- **Ryanair:** the LF of the Irish carrier substantially increased (+2.8%).
- **EasyJet:** its flights to/from Geneva and Basel were fully operated since February and April 2016, respectively. We should point out that the British carrier continued operating flights for Bristol even during the winter. Flights to and from London Luton, London Gatwick and Manchester were also increased.
- **Qatar Airways:** full operation of the Pisa-Doha flight initiated on 2 August 2016.
- **Pobeda Airlines:** the Russian carrier, member of the Aeroflot Group, continued its operations started on 29 December 2016 with 2 weekly flights to Moscow Vnukovo, increased to 4 weekly flights from May to September.
- **BluePanorama:** this airline increased its operations on Tirana after the suspension of Alitalia flights last April.
- **Eurowings:** a new flight for Vienna was opened starting from the winter 2016, while a new flight for Stuttgart, as well as a Cologne Bonn flight, started in April 2017.
- **S7:** new twice-a-week connection with Moscow Domodedovo operating since 26 April 2017.
- **Transavia:** new connection with Rotterdam operated by the Dutch carrier four times a week starting from April.
- **FlyErnest:** since 1 June 2017, a new flight for Tirana replaced Mistral Air's operations, which were suspended at the end of the 2016/2017 winter season.

During the first 9 months of 2017, the Pisa airport has been connected with 82 destinations operated by 25 airlines, of which 14 IATA and 11 LC.

Airlines that operated from January to September 2017			
Pisa Airport*			
1	Aegean Airlines	14	Norwegian Air Shuttle
2	Aer Lingus	15	Pobeda Airlines
3	Alitalia	16	Qatar Airways
4	Blue Panorama Airlines	17	Ryanair Limited
5	British Airways	18	S.A.S.
6	CSA - Czech Airlines	19	S7 Airlines
7	Easyjet	20	Silver Air
8	Eurowings	21	Transavia
9	Finnair	22	Turkish Airlines
10	Fly Ernest	23	Volotea
11	Jet2.com	24	Vueling Airlines
12	Lufthansa	25	Wizz Air
13	Mistral Air		

* Airlines are listed alphabetically.

No. of destinations served January-September 2017 - Pisa Airport					
Domestic destinations:		27	Cologne-Bonn	56	Madrid
1	Alghero	28	Copenhagen	57	Malta
2	Bari	29	Corfu	58	Manchester
3	Brindisi	30	Krakow	59	Marrakesh
4	Cagliari	31	Gdansk	60	Munich
5	Catania	32	Doha	61	Moscow DME
6	Comiso	33	Dublin	62	Moscow VKO
7	Isola d'Elba	34	Dusseldorf NRN	63	Nantes
8	Lamezia Terme	35	East-Midlands	64	Newcastle
9	Olbia	36	Edinburgh	65	Oslo
10	Palermo	37	Eindhoven	66	Bucharest OTP
11	Rome FCO	38	Fez	67	Palma de Mallorca
12	Trapani	39	Frankfurt HHN	68	Paris BVA
International destinations:		40	Frankfurt FRA	69	Paris ORY
13	Hamburg	41	Fuerteventura	70	Prague
14	Amsterdam	42	Geneva	71	Rhodes
15	Athens	43	Glasgow PIK	72	Rotterdam
16	Barcelona BCN	44	Goteborg	73	Seville
17	Barcelona GRO	45	Helsinki	74	Sofia
18	Basel	46	Ibiza	75	Stuttgart
19	Berlin SXF	47	Istanbul	76	Stockholm ARN
20	Billund	48	Las Palmas	77	Stockholm NYO
21	Bordeaux	49	Leeds	78	Tenerife Sud
22	Bristol	50	Lisbon	79	Tirana
23	Budapest	51	Liverpool	80	Valencia
24	Brussels CRL	52	London LGW	81	Warsaw WMI
25	Kephalonia	53	London LHR	82	Vienna
26	Crete	54	London LTN		
		55	London STN		

Scheduled passenger traffic by Country

A total of 27 markets have been regularly connected with the Pisa airport with scheduled flights in the first 9-month period of 2017.

The international market accounts for 73.8% of the total scheduled passenger traffic of the Galilei airport, while domestic traffic accounts for 26.2%.

The table below shows the percentage incidence of each European country over the total number of scheduled traffic passengers recorded by the Galilei airport during the January-September period of 2017 and the difference, both in absolute and percentage terms, compared to 2016:

Passenger line traffic	2017	2016	Diff.	Diff. %	% over TOT
Italy	1,080,348	1,050,434	29,914	2.8%	26.2%
United Kingdom	905,436	834,530	70,906	8.5%	22.0%
Spain	451,151	446,927	4,224	0.9%	10.9%
Germany	283,566	271,504	12,062	4.4%	6.9%
Holland	209,319	184,342	24,977	13.5%	5.1%
France	208,188	236,526	- 28,338	-12.0%	5.0%
Belgium	125,787	126,524	- 737	-0.6%	3.0%
Albania	90,840	86,658	4,182	4.8%	2.2%
Sweden	67,529	53,935	13,594	25.2%	1.6%
Greece	65,968	82,493	- 16,525	-20.0%	1.6%
Ireland	60,137	65,348	- 5,211	-8.0%	1.5%
Poland	56,974	55,280	1,694	3.1%	1.4%
Russia	54,276		54,276	100.0%	1.3%
Switzerland	53,071	38,789	14,282	36.8%	1.3%
Qatar	52,701	9,543	43,158	452.2%	1.3%
Morocco	46,629	57,269	- 10,640	-18.6%	1.1%
Denmark	42,950	39,037	3,913	10.0%	1.0%
Malta	40,804	40,285	519	1.3%	1.0%
Romania	37,620	33,751	3,869	11.5%	0.9%
Hungary	36,971	35,123	1,848	5.3%	0.9%
Portugal	36,887	39,973	- 3,086	-7.7%	0.9%
Norway	33,679	28,564	5,115	17.9%	0.8%
Bulgaria	28,294	19,195	9,099	47.4%	0.7%
Austria	23,654		23,654	100.0%	0.6%
Turkey	17,751	29,734	- 11,983	-40.3%	0.4%
Finland	4,697	4,804	- 107	-2.2%	0.1%
United States		19,244	- 19,244	-100.0%	0.0%
Total	4,124,446	3,898,834	225,612	5.8%	100.0%

In the January-September 2017 period, domestic traffic increased by 2.8% compared to 2016, while international traffic increased by 6.9%.

The introduction of the flight to/from Catania operated by Ryanair (1 daily flight since April 2016 and 2 daily flights since September 2016) more than offset the negative changes due to the interruption of the flight to Catania operated by Alitalia (suspended in March 2016), the suspension of Ryanair flights from Crotona (3 weekly flights until 28 October 2016), and the decreased Alitalia traffic on the Pisa-Fiumicino flight, mainly due to the reduced LF determined by the current uncertainty related to the company.

The British market was confirmed to be the leader among foreign markets (with over 905,436 passengers; 22% of the total market) and grew by 8.5%.

This is the result of easyJet's winter operations on Bristol and London Luton, to the increased easyJet operations on London Gatwick and Manchester (from 2 to 3 weekly flights), to the increased British Airways flights to London Heathrow and Gatwick, and to Ryanair's winter operations on Liverpool.

The Spanish market, which accounts for 10.9% of the total scheduled traffic, remained substantially stable with +0.9% (+4,224 passengers) compared to the first nine months of 2016. The reduction of Ryanair flights to Ibiza, Madrid, and Barcelona Girona was more than offset by the increase of its flights to Valencia, Tenerife and Fuerteventura, as well as by the growth in the LF of Vueling's flight to the Barcelona, and by a greater LF in the flight to Palma de Mallorca operated by Volotea.

The German market has been growing (+4.4%), accounting for 6.9% of the total scheduled traffic, thanks to the full operation of Ryanair flights to Berlin Schoenefeld, started last April 2016, and to the increased number of easyJet flights on the same airport, as well as by the start of a new Ryanair connection to the main Frankfurt airport (FRA) since 5 September 2017. Additional Lufthansa flights have been operated to Munich and a new flight to Stuttgart was operated by Eurowings. These increases offset the decrease caused by the suspension of the Transavia flight for Munich.

The Dutch market, which accounts for 5.1% of the total scheduled flight share, also increased by 13.5% compared to the same period of 2016, mainly due to the new scheduled flight for Rotterdam operated by Transavia.

The French market decreased by 12% compared to the same period of 2016, mainly due to the suspension of the flight to Paris Orly operated by Transavia France since last winter.

It is important to highlight the presence of new markets, such as Austria, with a new flight to Vienna operated by Eurowings (since 30 October 2016), Russia, with the full

operation of Pobeda flying to Moscow Vnukovo and, since 26 April 2017, also to S7 Airlines operating a flight to Moscow Domodedovo.

We recall the full operation of connections with Geneva and Basel by Easyjet, started in 2016, and the Qatar flight to Doha, which continued since 2 August 2016.

The Bulgarian market also grew, thanks to the full operation of the Ryanair flight for Sofia started in April 2016.

The Turkish market was adversely impacted by the suspension, only during the winter, of the Turkish Airlines direct flight for Istanbul due to the unstable political situation of that Country, which led to a reorganization of the entire network and to the consequent decrease or suspension of many routes not only in the Italian market.

The absence of the US market is due to Delta Airlines' decision to cancel the Pisa-New York direct flight to because that destination is appropriately served through hubs by the flights offered by the SkyTeam group in the TA Group's airports.

The Moroccan and Greek markets have been affected by Ryanair's reduction of flights to/from Marrakesh (from 3 to 2 weekly flights in the winter) and Fez (suspended in the winter) and to/from Kos (destination that was not served in 2017) and Chania/Crete (from 3 to 2 weekly flights), respectively.

Cargo & Mail Traffic

Cargo traffic data recorded in the first 9 months of 2017 in the Pisa airport show a +6.5% growth (with +468, 556 kg of cargo and mail carried). This result is mainly due to an increase in the load factor of DHL, which also operated additional flights during the first 9 months of 2017, and to the presence of some all-cargo charters operated with AN124 and B747 aircraft compared to the first 9 months of 2016 (+141,000 kg).

8.2 Traffic trends in the Florence "Amerigo Vespucci" airport

The table below compares January-September 2017 traffic trends with those of the same period of 2016, broken down into the different components:

Approx. 2.07 million passengers transited through the Florence airport in the first 9 months of 2017, with a 6.3% increase (+122,221 passengers) compared to the same period of 2016.

The LF of scheduled flights increased by 0.9 percentage points (78.8% in the first nine months of 2016 and 79.7% in the same period of 2017). The higher number of seats offered (+5.0%) has been accompanied by a more than proportional growth in passenger traffic (+6.3%).

Each of the first 9 months of the year hit a traffic record for the Florence airport.

FLORENCE AIRPORT TRAFFIC				
	Progr. al 30.09.17	Progr. al 30.09.16	VAR. 2017/16	VAR.% 2017/16
Commercial Passengers	2,058,467	1,936,199	122,268	6.3%
Domestic (Scheduled + Charter)	291,301	299,671	-8,370	-2.8%
International (Scheduled + Charter)	1,767,166	1,636,528	130,638	8.0%
General Flight Passengers	9,354	9,401	-47	-0.5%
TOTAL PASSENGERS	2,067,821	1,945,600	122,221	6.3%
	Progr. al 30.09.17	Progr. al 30.09.16	VAR. 2017/16	VAR.% 2017/16
Commercial Flights	22,742	22,332	410	1.8%
Domestic (Scheduled + Charter)	3,365	3,057	308	10.1%
International (Scheduled + Charter)	19,377	19,275	102	0.5%
General Flights	5,048	5,359	-311	-5.8%
TOTAL FLIGHTS	27,790	27,691	99	0.4%
	Progr. al 30.09.17	Progr. al 30.09.16	VAR. 2017/16	VAR.% 2017/16
Commercial Tonnage	1,184,347	1,134,779	49,568	4.4%
Domestic (Scheduled + Charter)	175,404	172,780	2,624	1.5%
International (Scheduled + Charter)	1,008,943	961,999	46,944	4.9%
General Aviation Tonnage	61,904	70,876	-8,972	-12.7%
TOTAL TONNAGE	1,246,251	1,205,655	40,596	3.37%
	Progr. al 30.09.17	Progr. al 30.09.16	VAR. 2017/16	VAR.% 2017/16
Air cargo (kg)	47,331	60,087	-12,756	-21.2%
Ground cargo (kg)	112,557	162,724	-50,167	-30.8%
TOTAL CARGO AND MAIL	159,907	222,879	-62,972	-28.3%
	Progr. al 30.09.17	Progr. al 30.09.16	VAR. 2017/16	VAR.% 2017/16
TOTAL TRAFFIC UNITS	2,069,420	1,947,829	121,591	6.2%

The main factors that contributed to 2017 traffic results are described below:

- **Air Berlin:** this feeder carrier operates 2 daily flights to/from Dusseldorf during the winter and 3 during the summer, which offset the suspension of the flight to/from Stuttgart.
- **AlbaWings:** new flight to/from Tirana operated 4 times a week since November 2016.
- **Mistral Air:** new flights to and from Cagliari, Bari, Olbia, Nice and Marseille since April 2017.
- **Air Moldova:** this carrier operated flights to/from Chisinau since June 2016 and increased its weekly flights from 2 to 3 in May-August 2017.

- **Increased Load Factor** for Air Dolomiti, which passed from 61.3% in the first nine months of 2016 to 68.8% in the same period of 2017; for Lufthansa, which passed from 81.2% to 84.1%; for Swiss Air, which passed from 72.5% to 76.1%; and for Brussels Airlines, which passed from 79.8% to 84.4%, with the latter airline also introducing the larger 141-seat AB319 aircraft, used together with the 97-seat AVRO RJ100.
- **Vueling Airlines:** the Spanish carrier introduced new flights for Amsterdam (since 26 March 2017), Palma de Mallorca (since 27 April 2017), and London Luton, and also increased flights for Paris Orly. These positive changes more than offset the suspension of its direct flights to/from Bari, Cagliari, Olbia, Ibiza, and Berlin Tegel.
- **British Airways:** this carrier operated new flights for London Stansted, Birmingham and Bristol in May 2017.
- **Blue Air:** this carrier increased its flights to/from Bucharest (3 weekly flights annually, with 1 additional weekly flight from June to August) and operated a new flight to/from since 15 June 2017.
- **Fly Ernest:** the Albanian carrier activated a flight to/from Tirana starting from 25 August 2017, with 3 weekly flights on A319 aircraft.

In 2017, the Florence airport has been connected with 38 destinations operated by 20 airlines (3 of which LC).

No. of destinations served January-September 2017					
Florence Airport					
Domestic destinations:		13	Bucharest OTP	28	Mykonos
1	Bari	14	Chisinau	29	Nizza
2	Cagliari	15	Copenhagen	30	Palma de Mallorca
3	Catania	16	Dusseldorf DUS	31	Paris CDG
4	Rome FCO	17	Frankfurt FRA	32	Paris ORY
5	Isola d'Elba	18	Geneva	33	Santorini
6	Olbia	19	Iasi	34	Spalato
7	Palermo	20	Lyon	35	Tel-Aviv
		21	London LCY	36	Tirana
International destinations:		22	London LGW	37	Vienna
8	Amsterdam	23	London LTN	38	Zurich
9	Barcelona BCN	24	London STN		
10	Birmingham	25	Madrid		
11	Bristol	26	Marseille		
12	Brussels BRU	27	Munich		

Airlines that operated from January to September 2017			
Florence Airport*			
1	Air Berlin	11	City Jet
2	Air Dolomiti	12	Fly Ernest
3	Air France	13	Hop
4	Air Moldova	14	Iberia
5	Albawings	15	Klm-Royal Dutch Airlines
6	Alitalia	16	Lufthansa
7	Austrian Airlines	17	Mistral Air
8	Blue Air	18	Silver Air
9	British Airways	19	Swiss
10	Brussels Airlines	20	Vueling Airlines

* Airlines are listed alphabetically.

Scheduled passenger traffic by Country

A total of 16 markets have been regularly connected with scheduled flights with the Florence airport in the first nine months of 2017.

The international market accounts for 85.9% of the total scheduled passenger traffic of the Vespucci airport, while the domestic traffic accounts for 14.1%.

Passenger line traffic	2017	2016	Var.	Var. %	% on TOT
Germany	443,419	434,437	8,982	2.1%	21.6%
France	429,266	412,532	16,734	4.1%	20.9%
Italy	290,342	298,747	-8,405	-2.8%	14.1%
Spain	209,053	186,107	22,946	12.3%	10.2%
The Netherlands	201,270	169,254	32,016	18.9%	9.8%
United Kingdom	164,737	142,523	22,214	15.6%	8.0%
Switzerland	136,400	144,197	-7,797	-5.4%	6.6%
Belgium	42,938	34,689	8,249	23.8%	2.1%
Romania	35,830	25,866	9,964	38.5%	1.7%
Albania	33,609	4,270	29,339	687.1%	1.6%
Austria	23,388	43,568	-20,180	-46.3%	1.1%
Greece	14,430	12,439	1,991	16.0%	0.0%
Moldavia	12,563	5,535	7,028	127.0%	0.6%
Denmark	11,769	14,120	-2,351	-16.65%	0.6%
Israel	3,144	2,408	736	30.6%	0.2%
Croatia	2,939	2,927	12	0.4%	0.1%
Totale	2,055,607	1,933,778	121,829	0.0%	100.0%

As shown in the table above, the German market leads the situation with 443,419 passengers carried (21.6% of the total), showing a growth from the same period of 2016 due to the aforesaid Air Berlin operations on Dusseldorf and the increased LF of Air Dolomiti's flights to/from Munich and Lufthansa's flights to/from Frankfurt. This growth offsets the suspension of Vueling's flights to/from Berlin Tegel and AirBerlin's flights to/from Stuttgart.

The French market scored second with a 20.9% share of the total, up by 4.1% - a growth mainly due to the new flights to Marseille and Nice operated by Mistral Air and to an increase in Vueling's LF on Paris Orly.

The Italian market (290,342 passengers) decreased by 2.8% compared to 2016. The introduction of the new flights for Cagliari, Olbia and Bari operated by Mistral Air and the increase in the flights and use of mixed larger aircraft by Alitalia on the Rome Fiumicino route did not completely offset the cancellation by Vueling of the flights for Bari, Olbia and Cagliari.

The Albanian market recorded a strong traffic growth (+687,1%) due to Albawings' and Fly Ernest's operations.

The decrease in the Austrian market was caused by the suspension of the flight for Vienna operated by Niki. However, this destination remained in the network of the Florence airport thanks to Austrian Airlines' operations.

Growth in the following markets deserves highlighting: as to the U.K., starting from May 2017, British Airways operated new connections with London Stansted, Birmingham and Bristol; regarding Spain, Vueling increased its operations on Barcelona; and as far as the Netherlands are concerned, Vueling operated a new flight to/from Amsterdam starting from the summer 2017.

Non-Aviation Business

For the Non-Aviation Business and the main initiatives of the first nine months of 2017, see the comments to Non-Aviation Revenues at section 10.1.

9. SIGNIFICANT EVENTS THAT TOOK PLACE DURING THE FIRST 9 MONTHS OF THE YEAR

A Services Conference was held and positively concluded on 6 February 2017 at the Ministry of Infrastructures and Transport with the purpose of ensuring the compliance of the **2014-2028 Pisa G. Galilei Airport Master Plan** with town-planning regulations. Then, on 1st June 2017, *Decreto Direttoriale n. 5517* was issued to ascertain the finalization of the agreement between the State and the Tuscan Regional Administration to implement all the provisions/guidelines of the Administrations involved in the aforesaid Toscana Aeroporti Services Conference. After publication in the "GURI" [Official Journal of the Italian Republic] no. 76 of 29 June 2017, TA is now waiting for ENAC to issue its final opinion on the approval of the "2014-2028 Pisa G. Galilei Airport Master Plan" after receiving the opinions of the Ministry of Infrastructures and Transport [MIT] and of the Ministry of the Environment, Protection of the Territory and the Sea [MEPTS].

On 16 February 2017, the Framework Agreement for the financing of the works to be developed under the **Florence Airport Master Plan** (so-called "Contratto di Programma Quadro - di finanziamento") was signed to commit ENAC and the MIT to contribute their portion of the financing required for the implementation of the MP, with an overall investment of € 150 million.

On 18 March 2017, the **People Mover** ("PM") started operations by directly connecting the G. Galilei Pisa airport with the Pisa Centrale train station. In connection with the implementation of the PM, the competent bodies changed the road transport scheme and the access to the "FI-PI-LI" highway and added green areas to the new infrastructure.

From the PM's terminal, people can reach the airport along a covered walkway accessing both A and B check-in areas in the Galilei airport. The soffit of the canopy of this walkway has been specially designed to connect the architectures of the passenger airport and the PM terminal.

On 2 May 2017, the BoD of **Alitalia SAI** appointed special officers for the temporary receivership of the airline. Meanwhile, on the same date, Law Decree no. 100 has been issued for the disbursement of a "bridge loan" of € 600 million to the same Company. Today, Alitalia SAI holds a moderate but significant traffic share in the Tuscan airport system (4.7% of passengers in the first half of 2017), so TA is carefully monitoring the situation to mitigate any possible emerging risk.

The cancellations announced by **Ryanair** due to the lack of pilots starting from 18 September are negligible at the date of this document.

10. GRUPPO TOSCANA AEROPORTI'S OPERATING PROFIT

10.1 Consolidated Income Statement

The table below compares the data of the Consolidated Income Statement for the first three quarters of 2017 against the same period of 2016.

GRUPPO TOSCANA AEROPORTI - CONSOLIDATED INCOME STATEMENT

Amounts shown in € K	30 SET 2017	30 SET 2016	2017/2016 Abs. diff.	% Diff.
REVENUES				
Operating income				
Aviation revenues	73,296	69,606	3,690	5.3%
Non-Aviation revenues	21,606	20,016	1,590	7.9%
Other revenues and income	1,142	2,802	-1,660	-59.2%
Total operating revenues	96,044	92,424	3,620	3.9%
Revenues from construction services	7,926	3,894	4,032	103.5%
TOTAL REVENUES (A)	103,969	96,318	7,651	7.9%
COSTS				
Operating Costs				
Consumables	738	790	-52	-6.6%
Cost of Personnel	31,647	30,551	1,096	3.6%
Costs for services	33,100	31,106	1,993	6.4%
Sundry operating expenses	1,704	1,637	67	4.1%
Airport leases	4,946	4,772	174	3.6%
Total operating costs	72,134	68,855	3,279	4.8%
Costs for construction services	7,135	3,217	3,917	121.8%
TOTAL COSTS (B)	79,269	72,072	7,196	10.0%
GROSS OPERATING MARGIN (A-B)	24,701	24,245	455	1.9%
% incid. over total revenue	23.8%	25.2%		
% incid. over operating revenue	25.7%	26.2%		
Amortization and write-downs	6,385	6,384	1	0.0%
Provision for risks and repairs	1,170	2,138	-969	-45.3%
Bad debt reserve	586	85	501	591.3%
OPERATING EARNINGS	16,560	15,639	921	5.9%
% incid. over total revenue	15.9%	16.2%		
% incid. over operating revenue	17.2%	16.9%		
ASSET MANAGEMENT				
Financial income	67	119	-52	-44.0%
Financial expenses	-885	-965	80	-8.3%
Profit (loss) from equity investments	35	8	28	N.S.
TOTAL ASSET MANAGEMENT	-783	-839	56	-6.6%
PROFIT (LOSS) BEFORE TAX	15,777	14,800	977	6.6%
Taxes for the period (*)	-5,211	-5,773	561	-9.7%
PROFIT/(LOSS) FOR THE PERIOD	10,565	9,027	1,538	17.0%
Minority Interest's loss (profit) for the period	-139	-121	-18	14.9%
GROUP'S PROFIT/(LOSS) FOR THE PERIOD	10,426	8,906	1,520	17.1%
Earnings per share (€)	0.5602	0.4785	0.0817	14.6%

(*) Taxation at 30 September has been calculated, as required by IAS 34 and IAS 12, by applying the best estimate of the expected weighted average tax rate at period-end. This approach led to an assumed tax burden of € 5.2 million, corresponding to a tax rate of 33% of the PBT (39% at September 2016). The decrease in the tax rate in the first nine months of 2017 is affected by a lower IRES tax rate - down to 24% from 27% - effective from the financial year 2017.

In compliance with the content of CONSOB Notice no. DEM/6064293 of 28 July 2006 and subsequent amendments and supplements (CONSOB Notice no. 0092543 of 3 December 2015 implementing ESMA/2015/1415 guidelines), we specify that the summarised income statement details reported can be easily reconciled with those indicated in financial statements. As to alternative performance indicators, this TA Consolidated Financial Statement will provide not only the financial indicators required by the IFRS, but also some indicators derived therefrom, although not required by IFRS (Non-GAAP Measures).

These indicators are presented with the purpose of allowing for a better assessment of the Group's management trends and should not be considered as alternative to those required by IFRS. More specifically:

- the interim EBIT (Earnings Before Interests and Taxes) coincides with the Operating profit shown in the Income Statement;
- the interim PBT (Profit Before Taxes) coincides with the Profit before taxes shown in the Income Statement.

For a better evaluation of the operating profits of the Group, this Interim Financial Report presents some intermediate adjusted results called **"EBITDA Adjusted"** and **"Group's net profit for the period Adjusted"**. For details on the determination of the aforesaid indicators, see below.

As regards the EBITDA (Earnings Before Interests, Taxes, Depreciation, Amortization) or Gross Operating Margins, we point out that it reflects the EBIT before amortization and provisions.

In general terms, we point out that the interim profits indicated in this document are not defined as an accounting measure under IFRS and that, consequently, the criteria for the definition of said interim profits might not be consistent with those adopted by other companies.

The table below shows the main income statement results for the period examined.

REVENUES

Total consolidated revenues increased by 7.9%, passing from € 96.32 M at 30 September 2016 to € 103.97 M at 30 September 2017. This difference is the result of the € 3.62 M increase in operating revenues and of € 4.03 M revenues for construction services. The latter have been recognised against the external and internal costs incurred for the construction and expansion of assets under concession, as well as for the related design, coordination and control activities performed during the first nine months of 2017.

OPERATING INCOME

Consolidated operating revenues totalled € 96.04 M at 30 September 2017, up by 3.9% compared to 30 September 2016. The Group's operating revenue trends for the two business units - Aviation and Non-Aviation - are broken down below.

Aviation revenues

Aviation revenues totalled € 73.3 M at 30 September 2017, up by 5.3% compared to 30 September 2016, when they totalled € 69.61 M.

The table below shows Aviation Revenue details at 30 September 2017, with absolute and percentage changes compared to 30 September 2016:

Amounts shown in € K	30 SEP 2017 30 SEP 2016		2017/2016	
			Abs. diff.	% Diff.
AVIATION REVENUES				
Passenger boarding fees	24,981	23,984	997	4.2%
Landing/departure fees	11,300	10,702	598	5.6%
Stopover fees	834	844	-10	-1.2%
PRM assistance fees	2,053	1,969	84	4.3%
Cargo fees	401	402	-1	-0.2%
Passenger security fees	5,836	5,632	205	3.6%
Baggage security fees	3,369	3,297	72	2.2%
Handling	23,048	21,476	1,571	7.3%
Centralised infrastructures	1,474	1,301	173	13.3%
TOTAL AVIATION REVENUES	73,296	69,606	3,690	5.3%
% incid. over Operating Revenue	76.3%	75.3%		

The global increase (+5.3%) in the Group's Aviation revenues is mainly explained by the increased revenues consisting of airport duties, fees and taxes, an amount that increased by 4.4% compared to the first nine months of 2017 as a consequence of a greater traffic managed during the quarter (+6% Traffic Units), partially mitigated by the negative impact on revenues of the lower regulated tariffs of the Florence airport (-1.1%) and of the Pisa airport (-0.3%) in compliance of the new Tariff Models.

Handling revenues increased by +7.3% as a consequence of both the greater global traffic of the two airports in the first nine months of 2017 (flights +2%; tonnage +3.4%) and the implementation of more remunerative assistance agreements since January 2017.

Non-Aviation revenues

Non-Aviation revenues totalled € 21.61 M at 30 September 2017, up by 7.9% compared to 30 September 2016, when they totalled € 20.02 M. This increase confirms the positive results obtained with the non-aviation strategies implemented by the Group in spite of the continuing negative repercussions of the difficult general economic scenario, which still negatively affected consumption even in the first nine months of 2017.

The Non-Aviation business consisting in commercial and real estate operations in the two Florence and Pisa airports are carried out:

- i. through subcontracting to third parties (Retail, Food, Car Rental, specific areas and other sub-concessions);
- ii. through direct control (Advertising, Parking Lots, Business Centre, Welcome Desk and VIP Lounge, Air Ticket Office and Cargo Agency).

In the first three quarters of 2017, revenues deriving from sub-leased activities accounted for 61.6% of Non-Aviation revenues, while those deriving from directly managed activities accounted for the remaining 38.4%. During the same period of 2016, these percentages were 61.9% and 38.1%, respectively.

The table below provides details on revenues from non-aviation operations during the first nine months of 2017 and 2016:

Amounts shown in € K	30 SEP 2017	30 SEP 2016	2017/2016 Abs. diff.	% Diff.
NON-AVIATION REVENUES				
Parking lots	4,925	4,697	228	4.9%
Food	2,549	2,397	152	6.3%
Retail	3,541	3,316	226	6.8%
Advertising	1,635	1,526	109	7.1%
Real Estate	1,620	1,625	-5	-0.3%
Car rentals	3,788	3,572	216	6.1%
Other subconcessions	1,819	1,479	339	22.9%
VIP	1,062	771	292	37.8%
Air tickets	376	384	-8	-2.0%
Cargo agency	291	250	41	16.6%
TOTAL NON-AVIATION REVENUES	21,606	20,016	1,590	7.9%
% incid. over Operating Revenue	22.5%	21.7%		

The € 228 K increase in revenues from “Parking” activities, which totalled € 4.93 M at 30 September 2017 (up by 4.9% compared to the first nine months of 2016) was mainly determined by certain incentivising tariff policies aimed at recovering our market share, particularly on low-cost parking, and by the greater final passenger traffic numbers scored by Tuscan airports (+6%).

Even revenues from the Food business, which reached € 2.55 million in the first 9 months of 2017,

increased by 6.3% for the greater passenger traffic finally recorded in the period examined.

Revenues from Retail activities, which totalled € 3.54 M at 30 September 2017, increased by 6.8%, also due to the greater numbers of passengers transiting in the two airports, as well as to a renewed POS offer.

Revenues from the direct management of Advertising, which totalled € 1,635 K at 30 September 2017, increased by 7.1% compared to 30 September 2016, mainly due to the strong loyalty programs implemented for customers in previous years.

Revenues from Real Estate totalled € 1.62 M at 30 September 2017, substantially in line with those of the previous year's corresponding period.

Revenues from the Car Rental business totalled € 3.79 M in the first nine months of 2017, up by € 216 K (+6.1%) compared to the first nine months of 2016. This difference is essentially a consequence of the introduction of a new international car rental brand in both TA airports and of the greater passenger traffic recorded during the period examined.

Revenues generated by "Other sub-concessions", which totalled € 1.82 M in the first nine months of 2017, increased by 22.9% compared to 30 September 2016. This difference is mainly due to the greater revenues obtained from new agreements signed with BUS Carriers providing the Shuttle Bus service between the Pisa airport and the Florence train station.

Revenues from the VIP Lounge (+37.8%) increase after the renewal of agreements with third parties offering said services to their Customers, due to the revision of tariffs in both airports, and partly due to the greater passenger traffic (+6%).

The reduction in revenues from the Air Ticket Office (-2%) is due to the increased habit of passengers to purchase tickets through online reservation systems.

Revenues from the Cargo Agency (only in the Pisa airport) increased by 16.6% compared to the first nine months of 2016, affected by the increased final cargo traffic figures of the period examined compared to the same period of 2016.

Other revenues and income

The table below provides details on “Other revenues and income” in the first nine months of 2017 against those of the first nine months of 2016:

Amounts shown in € K	30 SEP 2017	30 SEP 2016	2017/2016 Abs. diff.	% Diff.
OTHER REVENUE AND INCOME				
Contingent assets	268	1,892	-1,624	-85.8%
Services and consulting	146	147	-1	-0.5%
Cost recoveries	680	721	-40	-5.6%
Minors	47	42	5	11.1%
TOTAL REVENUES AND INCOME	1,142	2,802	-1,660	-59.2%
% incid. over Operating Revenue	1.2%	3.0%		

Year-to-date Non-Aviation Revenues are € 1,142 K at 30 September 2017, down by 59.2% compared to the first nine months of 2016, when they totalled € 2.8 M.

“Contingent assets” include past revenues or cost provisions recognised in previous years and decreased by 85.8% in the first nine months of 2017 compared to the first nine months of 2016. More specifically, the first nine months of 2016 had been mainly affected by the writing-off of costs associated with marketing support agreements after the early termination of the relationship with a carrier in the Pisa airport (€ 0.67 M), the write-off of statute-barred debt for advance payments received (ENAC-SAT 1979 Convention no. 3580) concerning investments made for infrastructures at the Pisa airport (€ 0.47 M), and the positive conclusion of a tax litigation for € 0.3 M.

“Services and Consulting” (administrative staff services charged by the Parent Company to the associates Immobili AOU Careggi Spa and Alatoscana Spa) and “Recovery of Costs” (charging of common centralized services, such as utilities and equipment, employee canteen service, insurance reimbursements, etc.) slightly decreased compared to the same period of the previous year (-5.6%).

REVENUES FROM CONSTRUCTION SERVICES

At 30 September 2017, revenues for construction services totalled € 7.93 M, against € 3.89 M at 30 September 2016. The higher final revenues of € 4.03 M were mainly generated by the greater investments made during the first nine months of 2017 in the Florence airport for the reconfiguration of passenger flows in the new terminal and new offices, for the review and development of the Florence Master Plan and for the design of the new East Terminal Lot 1 (Arrivals) of the Pisa airport.

See Section 12 for further details.

COSTS

At 30 September 2017, the amount of total costs was € 79.27 M, down by 10% compared to 30 September 2016, when they totalled € 72.07 M. This result reflects a decrease in Costs for construction services (which passed from € 3.22 M in the first nine months of 2016 to € 7.14 M in the same period of 2017 (+121.8%) and a +4.8% increase in operating costs (which passed from € 68.86 M in the first nine months of 2016 to € 72.13 M in the same period of 2017).

GRUPPO TOSCANA AEROPORTI - CONSOLIDATED INCOME STATEMENT

Amounts shown in € K	30 SEP	30 SEP 2016	2017/2016	
	2017		Abs. diff.	% Diff.
COSTS				
Consumables	738	790	-52	-6.6%
Cost of Personnel	31,647	30,551	1,096	3.6%
Costs for services	33,100	31,106	1,993	6.4%
Sundry operating expenses	1,704	1,637	67	4.1%
Airport leases	4,946	4,772	174	3.6%
TOTAL OPERATING COSTS	72,134	68,855	3,279	4.8%
Costs for construction services	7,135	3,217	3,917	121.8%
TOTAL COSTS	79,269	72,072	7,196	10.0%

OPERATING COSTS

Operating costs in the first nine months of 2017 totalled € 72.13 M, up by 4.8% compared to € 68.86 M reported in the same period of 2016.

Consumables totalled € 738 K at 30 September 2017, down by € 52 K compared to € 790 K in the first nine months of 2016, mainly due to savings in clothing, stationery and materials for operating services partially offset by greater fuel costs for ramp vehicles, which increased due to the greater traffic managed during the period examined.

The Group's "Cost of personnel" item totalled € 31.65 M in the first nine months of 2017, up by € 1,096 K compared to the first nine months of 2016 (+3.6%). This increase is mainly due to the higher number of units required for the increased number of passengers and operating activities, as well as to the last portion of remuneration increase required by the "CCNL" [National Collective Labour Agreement] (disbursed since 1st July 2016).

"Costs for services" totalled € 33.1 M, up by 6.4% compared to the same period of the previous year, when they were € 31.11 M (€ +1,993 K). The higher costs recognised for the period, mainly due to the greater traffic managed in the two airports, include, *inter*

alia, higher network development costs (€ +1,252), communication (€ +350 K), portage (€ +274 K) and maintenance (€ +161 K).

During the first nine months of 2017, “Sundry operating expenses” totalled € 1,704 K, up by 4.1% compared to the same period of 2016. The difference is mainly due to the increased costs incurred for industry association membership fees and sundry administrative costs.

“Airport Fees” totalled € 4,946 K in the first nine months of 2017, up by 3.6% compared to the first nine months of 2016. The difference is mainly due to the greater traffic of the first nine months of 2017 (+6% of TUs¹).

COSTS FOR CONSTRUCTION SERVICES

“Costs for construction services” totalled € 7.14 M at 30 September 2017, up by € 3.92 M (+121.8%) compared to 30 June 2016, for the same reasons indicated as a comment to the corresponding revenue item.

YEAR'S PROFIT

As a consequence, the **EBITDA** (Gross Operating Margin) totalled **€ 24.7 M** in the first nine months of 2017, up by € 455 K (**+1.9%**) compared to 30 June 2016, when it was € 24.25 M.

As summarised below, the **Adjusted EBITDA** obtained by adjusting the gross operating margin of income derived from the release of provisions for costs and the write-off of payables no longer due increased by +8.9%.

Amounts shown in € K	30 SEP 2017	30 SEP 2016	2017/2016	
			Abs. diff.	% Diff.
EBITDA	24,701	24,245	455	1.9%
Adjustments for write-off of payables and release of provisions	0	-1,570	1,570	
MOL adjusted	24,701	22,676	2,025	8.9%

“Amortization and provisions” totalled € 8.14 M at 3Q 2017, down by € 466 K compared to the same period of 2016. The decrease is due to lower provisions for repairs (€ -969 K), offset by a higher provision for bad debt (€ +501 K) due to the higher provisions set aside for receivables from the carriers Alitalia CAI and Air Berlin after the insolvency proceedings initiated in the period examined.

¹ TUs = Traffic Units, meaning 1 passenger or 100 kg of cargo.

The **EBIT** totalled **€ 16.56 million** in the first nine months of 2017, up by € 921 K compared to the first nine months of 2016, when it was € 15.64 M.

Financial operations passed from a negative amount of € (839) K in the first nine months of 2016 to a negative amount of € (783) K in the first nine months of 2017. The positive difference of € 56 K is mainly the consequence of the lower financial charges of the period (€ -80 K) and profits from equity investments (€ +28 K) obtained by writing up the stakes held in Associates to the Shareholders' Equity, although partially mitigated by lower financial expenses (€ -52 K)

Profit Before Tax (PBT) was **€ 5.78 M** at 3Q 2017, up by € 977 K compared to the same period in 2016, when it was € 14.8 M.

The taxation of the period reflects the calculation methods adopted according to IAS criteria, which require the use of a tax rate specified at the end of the current financial year. The decrease in the tax rate in the first nine months of 2017 is affected by a lower IRES tax rate - down to 24% from 27% - effective from the financial year 2017.

Therefore, based on the data disclosed above, the third quarter of 2017 was closed with **Net Group Profits of € 10.43 M**, up by € 1,520 K compared to 2016, when the total was € 8.9 M. As summarised below, the **Net Group Profit for the period adjusted**, obtained by correcting the Group's net profit for the period with the income derived from the release of provisions for costs and write-off of payables no longer due, net of the period's taxation (with a tax rate of approx. 39%), improved by 31.2%.

Amounts shown in € K	30 SEP 2017	30 SEP 2016	2017/2016	
			Abs. diff.	% Diff.
GROUP'S PROFIT/(LOSS) FOR THE PERIOD	10,426	8,906	1,520	17.1%
Adjustments for write-off of payables and release of provisions	0	-1,570	1,570	
Taxation	0	612	-612	
GROUP'S PROFIT/(LOSS) FOR THE PERIOD adjusted	10,426	7,949	2,478	31.2%

10.2 Third Quarter 2017 Consolidated Income Statement

The main items of the consolidated Income Statement for the Third Quarter 2017 are compared below with the same period of 2016.

GRUPPO TOSCANA AEROPORTI - CONSOLIDATED INCOME STATEMENT

Amounts shown in € K	3Q 2017	3Q 2016	2017/2016 Abs. diff.	% Diff.
REVENUES				
Operating income	39,036	37,494	1,543	4.1%
Revenues from construction services	2,233	1,122	1,111	98.9%
TOTAL REVENUES (A)	41,269	38,616	2,653	6.9%
COSTS				
Operating Costs	26,092	24,873	1,219	4.9%
Costs for construction services	1,986	961	1,025	106.7%
TOTAL COSTS (B)	28,077	25,834	2,244	8.7%
GROSS OPERATING MARGIN (A-B)	13,192	12,783	409	3.2%
% incid. over total revenue	32.0%	33.1%		
% incid. over operating revenue	33.8%	34.1%		
OPERATING EARNINGS	10,683	10,066	617	6.1%
% incid. over total revenue	25.9%	26.1%		
% incid. over operating revenue	27.4%	26.8%		
PROFIT (LOSS) BEFORE TAX	10,384	9,773	611	6.3%
PROFIT/(LOSS) FOR THE PERIOD (*)	6,962	6,072	891	14.7%
GROUP'S PROFIT/(LOSS) FOR THE PERIOD	6,855	5,969	885	14.8%
Earnings per share (€)	0.3683	0.3207	0.0476	14.8%

10.3 Consolidated Statement of Financial Position

The table below provides a comparison between the **Consolidated Statement of Financial Position** at 30 September 2017 and at 31 December 2016.

ASSETS	30.09.2017	31 DEC. 2016	DIFFERENCE
NON-CURRENT ASSETS			
- Intangible assets	162,445	157,945	4,500
- Tangible assets	25,790	25,633	156
- Equity investments	707	666	41
- Financial Assets	2,718	2,696	22
- Prepaid taxes recoverable beyond the year	2,052	2,147	-95
TOTAL NON-CURRENT ASSETS	193,711	189,087	4,624
CURRENT ASSETS			
- Receivables from customers	28,521	15,486	13,035
- Receivables from associated companies	228	217	12
- Tax receivables	1,996	188	1,809
- Receivables from others, due within the year	4,699	5,473	-774
- Cash and cash equivalents	19,587	27,448	-7,861
TOTAL CURRENT ASSETS	55,032	48,812	6,220
TOTAL ASSETS	248,743	237,899	10,844

Changes in Total Assets, which increased by € 10.84 M compared to Total Assets at 31 December 2016, mainly reflect increased trade and sundry receivables (€ +14.1 M), which are affected by the seasonal nature of the business; increased intangible assets (€ +4.5 M), as a result of the investments made by the Group during the period examined, partially offset by a reduction in cash and cash equivalents (€ -7.9 M), mainly connected with the payment of dividends.

TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	30.09.2017	31 DEC. 2016	DIFFERENCE
CAPITAL AND RESERVES			
- Group Shareholders' Equity	113,736	112,245	1,491
MEDIUM-LONG TERM LIABILITIES			
- Provisions for liabilities and charges	2,884	2,886	-2
- Provisions for repair and replacement	18,543	19,081	-538
- Termination benefits and other personnel-related provisions	6,208	6,853	-646
- Financial liabilities	33,166	36,259	-3,093
- Other payables due beyond the year	67	43	24
TOTAL MEDIUM-LONG TERM LIABILITIES	60,868	65,123	-4,255
CURRENT LIABILITIES			
- Financial liabilities	4,358	4,456	-99
- Tax liabilities	9,041	7,006	2,035
- Total trade and sundry receivables	49,740	49,069	670
TOTAL CURRENT LIABILITIES	74,138	60,531	13,607
TOTAL LIABILITIES	135,007	125,654	9,352
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	248,743	237,899	10,844

Liabilities and Shareholders' Equity decreased by € 10.8 M, as per the Assets section. More specifically, the Shareholders' Equity decreased by € 1.49 M after the distribution of dividends, partially offset by the profit for the period.

Medium-long term liabilities decreased by approx. € 4.3 M due to the decrease of € 3.1 M in financial liabilities recorded after the reimbursement of capital instalments, offset by the € 500 K loan granted to Jet Fuel, € 0.6 M decrease in the Employees Termination Benefits (ETB) provision, and € 0.5 M decrease in the Provision for Repairs and Replacements.

Current liabilities (€ +13.6 M) include short-term bank loans (€ 11 M) required to offset a higher Working Capital characterized by the seasonal nature of the business.

10.4 Analysis of financial flows

The consolidated cash flow statement illustrated below was prepared using the indirect method as defined by IAS 7 which shows the main determining factors of the movements in the cash and cash equivalents that took place during the reporting periods.

STATEMENT OF CASH FLOWS (amounts in € K)

<i>Euro K</i>	30 SEP 2017	30 SEP 2016
OPERATING ACTIVITY		
Net result for the period	10,564	9,027
<i>Adjusted for:</i>		
- Amortization	6,386	6,384
- Other provisions and impairment losses	539	1,255
- Change in the provision for liabilities and charges	(2)	(603)
- Net change in termination benefit and other provisions	(449)	158
- Financial expenses for the period	885	965
- Investment income	-	0
- Net changes in (prepaid)/deferred taxes	95	(406)
- Taxes for the period	5,211	5,773
<i>Cash flows of operating activities before changes in the working capital</i>	<i>23,230</i>	<i>22,553</i>
- (Increase)/decrease in trade receivables	(13,035)	(10,599)
- (Increase)/decrease in other accounts receivable and current assets	(1,047)	(2,788)
- Increase/(decrease) in payables to suppliers	(2,963)	(7,506)
- Increase/(decrease) in other payables	(52)	4,525
<i>Cash flows of operating activities before changes in the working capital</i>	<i>(17,097)</i>	<i>(16,368)</i>
Liquid assets generated by operating activities	6,133	6,184
- Interest payable paid	(437)	(536)
- Taxes paid	(891)	(2,760)
Cash flow generated by operating activities	4,805	2,889
INVESTMENT ACTIVITIES		
- Cash and cash equivalents contributed with the incorporation of AdF	-	-
- Purchase of tangible assets	(2,506)	(1,198)
- Sale of tangible assets	26	486
- Purchase of intangible assets	(8,562)	(4,624)
- Equity investments and financial assets	(63)	303
- Realizable value from sale of stakes	-	0
Cash flow from investing activities	(11,105)	(5,033)
CASH FLOW FROM OPERATIONS	(6,300)	(2,144)
FINANCIAL ASSETS		
- Dividends paid	(9,369)	(7,932)
- Short-/long-term loans taken out	11,500	6,000
- (Repayment of) short-/long-term loans	(3,692)	(3,544)
Net cash flow generated by/(used for) investments	(1,561)	(5,475)
Net increase/(decrease) in available cash Cash equivalents	(7,861)	(7,619)
Cash and cash equivalents at beginning of period	27,448	32,296
Cash and cash equivalents at end of period	19,587	24,677

At 30 September 2017, cash and cash equivalents are positive, with € 19.6 M, down by € 5.1 M compared to 20 June 2016, when they were € 24.7 M.

More specifically, the items of the Consolidated Financial Statement at 30 September 2017 include:

- the repayment in principal of € 3.7 M of the medium/long-term loans obtained by the Group;
- a short-term bank loan (so called “hot money”) of € 11 M granted to the Parent Company, Toscana Aeroporti, and a further € 500 K of medium-long term loan granted to the subsidiary Jet Fuel during the period examined;
- € 9.37 M of dividends earned in 2016 by Toscana Aeroporti and Jet Fuel were distributed by the Group in May and June 2017.
- During the first nine months of 2017, the Group invested approx. € 11 M, including € 5 M in airport infrastructure, approx. € 2 M for the development of the Florence airport Master Plan and € 2.5 M in tangible fixed assets.

10.5 Consolidated Net Financial Position

For the sake of complete disclosure, we provide below the Consolidated Net Financial Position at 30 September 2017 and at 31 December 2016 in compliance with the provisions set forth in CONSOB’s Notice prot. no. 6064293 of 28 July 2006.

NET CONSOLIDATED FINANCIAL INDEBTEDNESS				
<i>Euro K</i>	30.09.2017	31-Dec-2016	Abs. diff.	30.09.2016
A. Cash on hand and at banks	19,587	27,448	(7,861)	24,677
B. Other cash and cash equivalents	-	-	-	-
C. Securities held for trading	-	-	-	-
D. Liquid assets (A) + (B) + (C)	19,587	27,448	(7,861)	24,677
E. Current financial receivables	-	-	-	-
F. Current bank payables	11,000	-	11,000	6,000
G. Current portion of non-current indebtedness	4,358	4,456	99	4,357
H. Other current financial payables due to leasing companies	-	-	-	-
I. Current financial indebtedness (F) + (G) + (H)	15,358	4,456	10,901	10,357
J. Net current financial indebtedness (I) - (E) - (D)	(4,230)	(22,992)	18,763	(14,321)
K. Non-current bank payables	33,166	36,259	(3,093)	36,990
L. Bonds issued	-	-	-	-
M. Other non-current payables due to leasing companies	-	-	-	-
N. Non-current financial indebtedness (K) + (L) + (M)	33,166	36,259	(3,093)	36,990
O. Net Financial Position (J) + (N)(NFP)	28,937	13,267	15,669	22,669

We point out the presence, at 30 September 2017, of current bank payables for € 11 M, regarding the short-term credit lines (“hot money”) and the current portion of the medium/long-term indebtedness of the TA Group, for a global amount of € 4.36 M.

In addition to that, non-current bank payables for € 33.2 M were recorded as non-current portion of the two existing Group loans. Furthermore, portions of capital were repaid during the first nine months of 2017, as established in the two existing loan agreements, for a global amount of € 3.7 M, and a medium-term loan of € 500 K was granted to the subsidiary Jet Fuel.

For further details, see section “Financial Liabilities” in the Explanatory Notes to the Consolidated Interim Financial Report.

We point out that the “Cash and Banks” item includes:

- a) a minimum amount of €1M, available and deposited in a current account pledged as collateral for the medium-/long-term Loan Agreement stipulated with the Intesa-San Paolo-MPS bank pool;
- b) an amount of approx. €2.2M, collected by the incorporated AdF on March 18, 2013 from the Ministry of Transport after the pronouncement of judgement no. 2403/2012 as compensation for the damage suffered for the non-adjustment of duties in the years 1999-2005, plus monetary revaluation and legal interests. By writ of summons to appeal, the Attorney General’s Office summoned AdF (today “TA”) to appear before the Rome Court of Appeal, seeking the overturning of the appealed judgement of the

Court of Rome no. 2403/2012, finding that the ordinary courts lacked jurisdiction, and a ruling that no sums are owed by the Ministry that filed the appeal by way of compensation for failure to update airport fees. As a result, as required by international accounting standards (IAS 37), the amount referred to above has not had nor will it have any impact on the Group's income statement until the final proceedings. In any case, in view of the principle of prudence that constantly guides the management, said amount has been deposited in a separate deposit account, where it will accrue interest that will in turn be reinvested, and not used until the final assignment to the Parent Company with the last level of justice.

The consolidated Net Financial Position at the closing date of 30 September 2017 is € 28.9 M, up by € 15.7 M compared to 31 December 2016. That increase is substantially explained by the absorption of cash by the Net Working Capital (€ -17.1 M), dividends distributed to shareholders (€ -11.1 M), and investments (€ -9.4), partly offset by positive operating cash flows for the year (€ +23.2 M).

Furthermore, to provide a clearer picture of the economic and financial situation of a business that is strongly affected by the seasonal nature of its operations, we point out that the consolidated financial indebtedness at 30 September 2017, compared to the same date of 2016, totalled € 22.7 M, up by € 6.3 M. The difference between the two periods examined can be summarised in a greater distribution of dividends (€ +6.1 M).

The debt-to-equity ratio (NFP/Shareholders' Equity) at 30 September 2017 was € 0.25 (0.12 at 31 December 2016),

11. THE GROUP'S INVESTMENTS

At the end of the first nine months of 2017, the Group had invested **€ 11.04 M**, of which € 8.56 M in intangible assets and € 2.48 M in tangible assets. A detailed picture of investments made during the first 9 months of 2017 is provided below.

Amounts shown in € K Airport Sub-tot Sub-tot Sub-tot Total

Total Group Investments at 31 Sept. 2017 **11,042**

A) Amortization of intangible assets **8,562**

- Software 163

- Concession rights (royalties) 1,243

Access control and intrusion detection, CCTV	PSA	510
Improvement of Passenger Terminal access and service	PSA	257
Extension and revision of access control network	PSA	237
Improvement of manoeuvring area	PSA	90
Apron floodlight towers	PSA	67
other minors	PSA/FLR	81

- Assets under construction 7,157

Design and development of new terminal unit for		
Reconfiguration of passenger flows and new offices	FLR	3,076
Revision and development of 2014-2029 Master Plan	FLR	2,000
Requalification of Apron 100	FLR	629
New East Terminal Lot 1 (arrivals)	PSA	607
New ERP implementation	PSA/FLR	337
Reconfiguration and enlargement of VIP lounge	FLR	155
Requalification of Fire Brigade canteen	FLR	146
other minors	PSA/FLR	206

B) Tangible assets **2,480**

- Land and buildings (*) 51

Delocalization of Borgo Cariola at PSA apt	PSA	51
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- Cars 525

Fuel supply trucks	JET F.	249
Runway busses	PSA	158
Requalification of ramp vehicles	PSA	107
other minors	PSA/FLR	12

- Ind. and comm. equipm. 79

	PSA/FLR	
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- Plant and machinery 850

Runway busses	FLR	251
TBL	PSA	199
GPU	PSA	131
Checked baggage screening machine (ETDS)	PSA	70
Passenger screening X-ray machines	PSA	43
Pick-up truck	FLR	28
other minors	PSA/FLR	129

- Assets under construction 507

disaster recovery e business continuity	FLR	258
server e storage per il nuovo sistema di sicurezza integrata	FLR	89
Ramp vehicles and equipment	FLR	69
Infrastruttura di Networking e della Control Room di backup	FLR	46
Metal detector portals	FLR	40
other minors	PSA/FLR	5

- Other assets 467

electronic equipment (HW)	PSA/FLR	362
furniture and fittings	PSA/FLR	106

(*) Land and buildings owned by Toscana Aeroporti

Investments in **intangible fixed assets** consisted in concession rights for € 1,243 K, including the rearrangement of the Pisa terminal's access areas (canopy of the connection walkway for the People Mover terminal) for € 257 K, the installation of the CCTV access and anti-intrusion control system in the Pisa airport for € 510 K, and current fixed assets for approx. € 7.2 M. More specifically, these investments mainly consist in the design and development of the Florence Terminal (€ 3,076 K), the development of the Florence airport Master Plan ¹(€ 2,000 K²), the requalification of Apron 100 in the Florence airport (€ 629 K), the new Arrivals Terminal of the Pisa airport (€ 607 K), and the project for the harmonization of ERP IT systems between the two airports (€ 337 K).

Investments in **tangible fixed assets** mainly consisted in the purchase of ramp vehicles and equipment (€ 1,202 K) and the purchase of hardware (€ 709 K).

Pursuant to art. 10 of Law 72/83, the Group informs the public that no revaluation (write-up) was made to its assets pursuant to any special law in the first 9-month period of 2017.

¹We point out that the 2014-2029 Florence Airport Master Plan was approved from a technical standpoint by ENAC on 3 November 2014 and is subject to environmental impact assessment ("VIA", for *Valutazione di Impatto Ambientale*) under Legislative Decree no. 152/2006, as well as to the requirement of producing a "Conformità Urbanistica" (document providing evidence of compliance with town planning schemes) pursuant to art. 81 of DPR 616/1977. The Environmental Impact Assessment procedure of the Plan concerned has been started by ENAC on 24 March 2015 at the Ministry of the Environment, Protection of the Territory and the Sea. The technical support activities for the preliminary environmental impact assessment (VIA) have continued throughout 2016 and, on 2 December 2016, the Technical Commission issued a positive opinion with conditions. Activities related to the aforesaid procedure have continued throughout 2017. We are currently waiting for the decree of environmental compatibility, to be issued by the Ministry of the Environment with specification of the related conditions, and meanwhile we are working to assess the best financial structure. Please note that, on 16 February 2017, the Framework Agreement for the financing of the works to be developed under the Master Plan (so-called "Contratto di Programma Quadro - di finanziamento") was signed to commit ENAC and the MIT to contribute their portion of the financing required for the implementation of the Florence MP, with an overall investment of € 150 million.

²That amount also includes internal and external costs for design, consulting engineering and outsourced technical work, also associated with the VIA procedure, regarding the new runway, the new terminal and other airport infrastructure development projects in the Florence airport.

12. HUMAN RESOURCES

THE GROUP'S STAFF

During the first nine months of 2017, the average number of employees working for TA has been 733.2 EFTs¹ up by 13.7 EFTs in absolute terms compared to the same period of 2016.

The number of employees of the subsidiary Jet Fuel, the company that manages the fuel storage facility in the Pisa airport, has increased by 1 unit hired in June 2016 (for a total of 11 EFT).

The subsidiary TAE increased its staff, thus totalling 4.3 EFTs.

We remind the readers that the subsidiary "ParceggiPeretolaS.r.l." has no directly employed staff.

The Group's "Cost of personnel" item totalled € 20.6 M in the first nine months of 2017, up by € 684 K compared to the first nine months of 2016 (+3.4%). This increase is mainly due to the growth in the number of staffs required by the increased number of passengers and consequent operations, as well as to the payment of the last portion of the increased remuneration required by the National Collective Labour Agreement (disbursed since 1st July 2016).

The table below provides details on the average annual staff (expressed in EFT) for the first 9 months of 2017 and any difference from the same period of 2016:

	30/09/2017	30/09/2016	Diff.	% Diff.
Executives	12.7	12.2	0.5	3.8%
Employees	547.4	527.4	20.0	3.8%
Workers	173.1	179.9	-6.8	-3.8%
TOSCANA AEROPORTI	733.2	719.5	13.7	1.9%
Jet Fuel	11	10.5	0.5	4.8%
TAE	4.3	1.3	3.0	234.4%
Group	748.5	731.3	17.2	2.4%

¹ EFT = Equivalent Full Time, where 2 part-time units are considered as 1 full-time unit.

The average Group staff at 3Q 2017 increased of 17.2 EFT in absolute terms compared to the same period of 2016 (+2.4%), as per air traffic trends (TA) and new hirings in TAE and Jet Fuel.

For the infrastructure development contemplated in the 2015-2029 Florence and Pisa Master Plans, TAE also benefited from the support of technical staff (engineers, land surveyors, etc.) seconded by the Parent Company TA.

13. RELATIONSHIPS WITH THE OTHER ENTITIES OF THE GROUP AND WITH RELATED PARTIES

Revenues, costs, receivables and payables at 30 September 2017 from parent companies, subsidiaries, associates and other related parties concern the sale of assets or services that consist of the routine activities of the Group. Transactions are performed at an arm's length, based on the characteristics of the goods sold and the services delivered.

At 30 September 2017, the TA Group held interests in the following other associated companies:

- Immobili A.O.U. Careggi S.p.a.

a company incorporated to manage the commercial facilities installed in the new entrance of the Careggi Hospital in Florence ("NIC"). The stake held by TA equals 25.00% of the share capital (25% at 31 December 2016), while the remaining 75% is held by Azienda Ospedaliera Universitaria Careggi. Its registered office is at the address of the Careggi Hospital of Florence and the administrative office is located in the Pisa Galilei airport.

At 30 September 2017, TA has a service agreement in place with this Associate for administrative/management staff activities, that are provided as a service for a period value of € 36.7 K and a variable payment based on revenues of € 75 K.

- Alatoscana S.p.a.

- this is the company that manages the Elba Island airport; TA owns a 13.27% share of Alatoscana (at 31 Dec. 2016), while the majority of its share capital is owned by Regione Toscana (51.05%) and the Maremma and Tirreno Chamber of Commerce (34.36%).

A service level agreement is in place with this associated company at 30 September 2017 for staff activities, for a global value of € 47.5 K.

The main relationships with the other related parties at 30 September 2017 are:

- **Delta Aerotaxi S.r.l.**

A number of sales agreements between the Holding and Delta Aerotaxi S.r.l. are in place for:

- the sub-concession of premises in the Florence airport for a value of € 148 K in revenues for TA at 30 September 2017;
- the sub-concession of offices and other types of spaces in the Pisa airport for a value of € 69 K in revenues at 30 September 2017;
- € 151 K of Aviation revenues deriving from the invoicing of airport duties and taxes and General Aviation handling fees of the Pisa airport, and approx. € 2 K regarding the provision of extra-handling services upon request.

In addition, the annual report shows a further € 11 K in revenues at 30 September 2017 regarding the charge-back of common services and insurance expenses due under existing agreements, as well as for parking passes and airport permits in the two airports.

- **Corporate Air Services S.r.l.**

At 30 September 2017, the Parent Company had the following relationships with the related party Corporate Air Services S.r.l., the company that manages General Aviation at the Florence airport, indirectly connected with TA through SO.G.IM. S.p.a., a TA shareholder:

- € 492 K Aviation revenues for the invoicing of airport duties and taxes, handling and centralised infrastructure expenses concerning general aviation in the Florence airport, € 21 K for the same services in the Pisa airport, and approx. € 1 K for the provision of extra-handling services upon request and for the supply of de-icing liquid to the Florence airport;
- the sub-licensing of offices and other types of spaces in the Pisa airport for a value of € 25 K in revenues for TA at 30 September 2017;
- € 27 K of non-aviation revenues at 30 September 2017 regarding the sub-concession of 130 square metres in the air-side area (effective since 1st April 2016) in the Florence airport.

In addition, the annual report shows a further € 3.5 K in revenues at 30 September 2017 regarding the charge-back of common services and insurance expenses due under existing agreements, as well as for parking passes and airport permits in the two airports.

- **Delifly S.r.l.**

On 13 September 2007, AdF (today TA) and Delifly S.r.l. (related party through SO.G.IM. S.p.A) signed an agreement by which AdF (today TA) committed to sub-lease Delifly an area of approx. 122 sq.m. that Delifly would use exclusively to install a removable object

to be used for the delivery of General Aviation catering services in the Florence airport (€ 25 K of revenues for TA at 30 September 2017).

Lastly, the Group accrued a further € 1 K of revenues from Delify for the charge-back of common services, third-party liability insurance coverage expenses, and the assignment of parking passes and airport permits in the two airports.

- ICCAB S.r.l.

ICCAB S.r.l. is a related party of TA since the Member of TA's BoD, Mr. Saverio Panerai, has a significant influence on ICCAB S.r.l. pursuant to the regulation on related-party transactions adopted by CONSOB.

We point out that the Parent Company gave ICCAB in sub-concession approx. 40 sq.m. of premises in the Florence airport to be used for retail activities (of € 38 K of revenues for TA at 30 Sept. 2017).

Furthermore, the following agreements are in force:

- an agreement between the Parent Company and ICCAB for the sub-concession of advertising spaces in the Florence airport (€ 8 K revenues for TA at 30 September 2017);
- an agreement for the sub-concession of premises located in an air-side area of the Pisa airport used by ICCAB for sale activities, with a value of € 53 K in revenues at 30 September 2017.

Finally, during the first nine months of 2017, the Group accrued a further € 2 K in revenues from ICCAB S.r.l. for the charge-back of common services of the two airports.

- Corporación America Italy S.p.a.

Approx. € 1 K in revenues of the Parent Company have accrued in favour of the related party for the charge-back of prepaid accommodation expenses for travelling staff.

Furthermore, in 2016, the Parent Company adopted the Tax Consolidation option provided for by articles 117 to 129 of the Consolidated Text on Income Taxation ("Testo Unico delle Imposte sui Redditi" - T.U.I.R), whose consolidating entity is Corporación America Italy S.p.A. The consolidating entity calculates a single global income equalling the algebraic sum of the taxable bases (income or loss) realized by the individual entities that adopted this group taxation option.

The consolidating entity recognised an account receivable from the consolidated entity that equals the IRES tax to be paid on the positive taxable base transferred by the latter. Instead, the consolidating entity recorded an account payable to the companies that contribute tax losses equalling the IRES tax to be paid on the loss actually used in the determination of the global aggregate income. Furthermore, as a result of participating in the National Tax Consolidation, pursuant to art. 96 of D.P.R. 917/86, companies can contribute the excessive interest payable that can no longer be deducted for one of

them in order to reduce the global aggregate income of the Group until the Gross Operating Income amount produced in the same tax period by other consolidated entities is reached.

- Helpport Uruguay S.A.

During the first nine months of 2017, Toscana Aeroporti Engineering commissioned design services from this related party (a subsidiary of Corporación America Group specializing in the development and design of airport infrastructures), for an amount of € 710 K.

- Comune di Firenze

The Municipality of Florence has an agreement in place with the Parent Company for the sub-concession of office premises covering a surface area of 13 sq.m. located at the ground floor land-side of the Florence airport, for a value, in the first 9-months of 2017, of approx. € 4 K in revenues from tourist information activities.

- A.L.H.A. S.p.a.

An agreement with this entity was signed for the sub-concession of office premises covering a surface area of 264 sq.m. located at the ground floor land-side of the Florence airport, for a value of approx. € 9 K in revenues at September 30th2017. Final revenues have been determined for approx. € 1 K for the charge-back of common services and parking passes, and further revenues for approx. € 4 K for cargo storage activities carried out in the Pisa airport.

Finally, we point out that no atypical transaction with related parties took place the first 9 months of 2017.

Stakes of the members of the management and control boards

At the date of this interim report, the Board Member Mr. Saverio Panerai held 2,403 shares of the Parent Company "TA".

14. INFORMATION ON THE PARENT COMPANY, ITS SUBSIDIARIES AND THEIR RELATIONSHIPS

14.1 Parcheggio Peretola s.r.l.

Parcheggio Peretola S.r.l. became a member of the TA Group in 2015 after the incorporation of AdF, which owned 100% of its shares.

The prevalent activity of this company is the management of a 640-slot payment car parking lot for the public in front of the Departures Terminal of the Florence airport.

Book values at 3Q 2017 show a value of production of € 1,293 K, up by € 87 K compared to the same period of 2016 (+7.3%). This difference is mainly explained by the increase number of passengers in the Florence airport during the first nine months of 2017, and consequently of customers using the parking facility managed by the company.

On the cost side, the most important component is the cost of the parking lot management and maintenance service provided by SCAF S.r.l. Furthermore, we remind readers of the 7% drawback of parking lot revenues from the Municipality of Florence (approx. € 80 K) under an agreement that allowed the entity to readjust the rates of the Parent Company's parking lot, with a further increase in revenues.

The 2017 EBITDA at 3Q 2017 is € 496 K, up by € 76 K, and the year's net profit is € 336 K, up by € 68 K compared to 3Q 2016.

14.2 Toscana Aeroporti Engineering s.r.l.

Toscana Aeroporti Engineering (TAE), incorporated on 15 January 2015, is an engineering subsidiary 100% owned by Toscana Aeroporti. Its mission is to provide TA with the engineering services required for the implementation of the program for the development of the two Florence and Pisa airports.

For the engineering activities serving the design of the Master Plan, TAE uses its own staff and the support of:

1. technical/engineering staff (10 employees) seconded by TA;
2. internal staff (5 employees at 30 September 2017);
3. Helpport Uruguay SA (hereinafter briefly "Helpport"), a related party and subsidiary of the Corporación America Group specializing in the development and design of airport infrastructures. More specifically, TAE signed with Helpport a framework agreement for the use of its huge long-term expertise in the design of airport infrastructures;

4. specialized service contractors.

In continuity with the last financial year, the design activities carried out by TAE on behalf of TA during the first nine months of 2017 consisted in the revision and development of the 2014-2029 Florence and Pisa Master Plan. More specifically:

- the environmental impact study, the assessment of the incidence and of the health-related impact of the new flight infrastructure and of the new Florence terminal;
- the final design of the new Florence flight infrastructure and the specialists' inspections regarding the new airport flooring and related safety surfaces;
- the design of the new terminal for the reconfiguration of passenger flows and the new offices of the Florence Terminal;
- the design for the expansion to the east side of the Pisa passenger network (new Arrivals Terminal).

In the 3Q 2017, TAE spent approx. € 1,476 K in contracted work. We point out that, at 30 September 2017, TAE recognised € 710 K of expenses for the related party Helpport for the contracts described above.

In continuity with 2016, staff activities have been carried out by the Parent Company based on a servicing agreement signed between the parties.

Revenues totalled € 2,394 K at 3Q 2017, reflecting the year's portion of the projects commissioned by TA as better described above.

Total costs totalled € 2,325 K at 3Q 2017, mainly including € 1,476 K of external design costs and € 399 K of TA seconded personnel cost.

The EBITDA of the period is € 69 K and the net profit for the period is € 41 K.

14.3 Jet Fuel Co. S.r.l.

Jet Fuel is the company that manages the centralized fuel storage facility of the Pisa airport. TA owns 51.0% of the voting rights of this company, while property and dividend rights are exercised in identical portions with the other shareholders, Refuelling S.r.l. and Air BP Italy S.p.A. So, for consolidation purposes, said equity investment has been considered as a 33% share and portion of profits pertaining to the TA Group.

A total of 77,431 cubic metres of jet fuel passed through the storage facility during the first 9 months of 2017, with a 6.1% volume increase compared to the 72,976 cubic metres of the first 9 months of 2016. The company provided into-plane services for 55,244 cubic metres of fuel, with a 2.1% increase compared to the 54,131 cubic metres of the first nine months of 2016.

At 30 September 2017, Jet Fuel had a share capital of € 150 K, reported € 202 K of profits for the year and a Shareholders' Equity of € 417 K. The subsidiary has a sub-

licensing agreement in place with TA for the management of the centralized fuel storage facility for a global value of € 529 K at 3Q 2017 and an administrative services agreement for € 15 K.

Jet Fuel's main revenues at 3Q 2017 include € 1,087 K from the fuel storage service (€ 1,035 K at 3Q 2016) and € 731 K for the into-plane service (€ 722 K at 3Q 2016).

The main costs in the first nine months of 2017 have been the cost of labour (€ 553 K), the airport sub-lease (€ 529 K), tank truck rental (€ 120 K), maintenance and fuel for tank trucks (€ 63 K), professional services (€ 77 K), and industrial insurance (€ 36 K).

As a consequence, profits of € 202 K are shown for the 3Q 2017, considerably higher than those of the third quarter of 2016 (€ 151 K), mainly due to the greater volume managed by the storage facility and to the into-plane services provided, as specified above.

15. SIGNIFICANT EVENTS OCCURRED AFTER THE CLOSING OF THE PERIOD AT 30 SEPTEMBER 2017

Main news on the operations of the Pisa airport

- **Ryanair:** the cancellations announced by this carrier have been negligible for October and will affect traffic with a ca. 5% decrease in flights compared to the initial planning in November and December. The number of destinations served will remain unchanged compared to the last winter season, as the cancellation of the flight to Sophia is offset by the opening of the route to Frankfurt Main.
- **Pobeda:** This carrier confirmed the increase in the number of its weekly flights from 2 to 3 in winter 2017/2018 compared to the previous winter.

Main news on the operations of the Florence airport

- **Alitalia:** this carrier increased its operations in the airport passing from 3 to 4 daily flights to Rome FCO.
 - **Air Berlin:** this carrier confirmed the interruption of its operations after the bankruptcy proceedings and consequent cancellation of This route presently on sale by Eurowings, the LC carrier of the Lufthansa Group, scheduled to restart from 8 January 2018 with 3 daily flights (+1 flight compared to Air Berlin's winter operations) and same aircraft (76-seat DASH400).

16. OUTLOOK

While closely monitoring the situation of Alitalia, the cancellation of some Ryanair flights due to problems with the pilots and the bankruptcy of Air Berlin, the positive growth trends in passenger traffic recorded in the first nine months of 2017 in the two Tuscan airports (+6.0 %), as well as the operated flights confirmed by the airlines, the excellent performance of the new destinations, and the positive overall trend of the 2017 summer season are all elements that allow us to look at 2017 final profits with confidence.

As regards the information required by art. 40 paragraph 2, letter d), of Legislative Decree no. 127/91, we specify that Toscana Aeroporti S.p.a., during the first nine months of 2017, did not own and did not buy or sold treasury stock or shares of parent companies, including through the intermediary of trust companies or other persons.

The Financial Reporting Manager, Mr. Marco Gialletti, hereby declares, pursuant to art. 154-bis, paragraph 2, of "Testo Unico della Finanza" (Consolidated Finance Act), that the information contained in this Report reflects the accounting records and books of the company.

For the Board of Directors
The Chairman
(Marco Carrai)

**CONSOLIDATED INTERIM FINANCIAL REPORT
(ABRIDGED) – FOR THE PERIOD CLOSED ON 30
SEPTEMBER 2017**

GRUPPO TOSCANA AEROPORTI - CONSOLIDATED INCOME STATEMENT

Amounts shown in € K	3Q 2017	of which Related Parties	3Q 2016	of which Related Parties
REVENUES				
Operating income				
Aviation revenues	29,783	235	28,866	415
Non-Aviation revenues	8,882	105	8,168	184
Other revenues and income	371	33	459	71
Total operating revenues	39,036	373	37,494	670
Revenues from construction services	2,233	0	1,122	0
TOTAL REVENUES (A)	41,269	373	38,616	670
COSTS				
Operating Costs				
Consumables	226	0	255	0
Cost of Personnel	10,879	0	10,408	0
Costs for services	12,370	0	11,611	0
Sundry operating expenses	574	0	577	75
Airport leases	2,042	0	2,021	0
Total operating costs	26,092	0	24,873	0
Costs for construction services	1,986	0	961	0
TOTAL COSTS (B)	28,077	0	25,834	0
GROSS OPERATING MARGIN (A-B)				
	13,192		12,783	
Amortization and write-downs	2,175		2,140	
Provision for risks and repairs	255		554	
Bad debt reserve	80		22	
OPERATING EARNINGS				
	10,683		10,066	
ASSET MANAGEMENT				
Financial income	7		18	
Financial expenses	-306		-313	
Profit (loss) from equity investments	0		2	
TOTAL ASSET MANAGEMENT	-299		-293	
PROFIT (LOSS) BEFORE TAX				
	10,384		9,773	
Taxes for the period	-3,422		-3,701	
PROFIT/(LOSS) FOR THE PERIOD				
	6,962		6,072	
Minority Interest's loss (profit) for the period	-108		-102	
GROUP'S PROFIT/(LOSS) FOR THE PERIOD	6,855		5,969	
Earnings per share (€)	0.3683		0.3207	

GRUPPO TOSCANA AEROPORTI - CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts shown in € K	3Q 2017		3Q 2016	
PROFIT (LOSS) FOR THE PERIOD (A)	6,962	0	6,072	0
<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	0	0	-170	0
<i>Other comprehensive profit/(loss) that will be subsequently reclassified to the Income Statement:</i>				
<i>Total other profit (loss) before tax (B)</i>	<i>0</i>	<i>0</i>	<i>-170</i>	<i>0</i>
COMPREHENSIVE PROFIT FOR THE PERIOD (LOSS) (A) + (B)	6,962		5,902	
Minority Interest's comprehensive profit (loss) for the period	0	0	-107	0
GROUP'S COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD	6,962		5,794	

GRUPPO TOSCANA AEROPORTI - CONSOLIDATED INCOME STATEMENT

Amounts shown in € K	30 SEP 2017	of which Related Parties	30 SEP 2016	of which Related Parties
REVENUES				
Operating income				
Aviation revenues	73,296	666	69,606	820
Non-Aviation revenues	21,606	482	20,016	572
Other revenues and income	1,142	105	2,802	100
Total operating revenues	96,044	1,252	92,424	1,492
Revenues from construction services	7,926	0	3,894	0
TOTAL REVENUES (A)	103,969	1,252	96,318	1,492
COSTS				
Operating Costs				
Consumables	738	0	790	0
Cost of Personnel	31,647	0	30,551	0
Costs for services	33,100	70	31,106	70
Sundry operating expenses	1,704	0	1,637	75
Airport leases	4,946	0	4,772	0
Total operating costs	72,134	70	68,855	70
Costs for construction services	7,135	710	3,217	0
TOTAL COSTS (B)	79,269	779	72,072	70
GROSS OPERATING MARGIN (A-B)	24,701		24,245	
Amortization and write-downs	6,385		6,384	
Provision for risks and repairs	1,170		2,138	
Bad debt reserve	586		85	
OPERATING EARNINGS	16,560		15,639	
ASSET MANAGEMENT				
Financial income	67		119	
Financial expenses	-885		-965	
Profit (loss) from equity investments	35		8	
TOTAL ASSET MANAGEMENT	-783		-839	
PROFIT (LOSS) BEFORE TAX	15,777		14,800	
Taxes for the period	-5,211		-5,773	
PROFIT/(LOSS) FOR THE PERIOD	10,565		9,027	
Minority Interest's loss (profit) for the period	-139		-121	
GROUP'S PROFIT/(LOSS) FOR THE PERIOD	10,426		8,906	
Earnings per share (€)	0.5602		0.4785	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts shown in € K	30 SEP 2017	30 SEP 2016
PROFIT (LOSS) FOR THE PERIOD (A)	10,565	9,027
<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	270	-605
<i>Other comprehensive profit/(loss) that will be subsequently reclassified to the Income Statement:</i>		
- Profit/(Loss) arising from the redetermination of available-for-sale financial assets	0	0
<i>Total other profit (loss) before tax (B)</i>	<i>270</i>	<i>-605</i>
COMPREHENSIVE PROFIT FOR THE PERIOD (LOSS) (A) + (B)	10,835	8,422
Minority Interest's comprehensive profit (loss) for the period	-45	-104
GROUP'S COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD	10,790	8,319

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (amounts in € K)

ASSETS	30 SEP 2017	31 DEC 2016
NON-CURRENT ASSETS		
INTANGIBLE ASSETS		
Concession rights (royalties)	145,764	147,818
Industrial patent rights	487	320
Work in progress and advance payments	16,194	9,807
Total Intangible Assets	162,445	157,945
TANGIBLE ASSETS		
Revertible property (land and buildings, with no payment)	1,552	1,734
Owned property, plant and equipment	24,238	23,899
Total Tangible Assets	25,790	25,633
EQUITY INVESTMENTS		
Equity investments in other entities	147	141
Investments in Associated Companies	560	525
Total Equity investments	707	666
FINANCIAL ASSETS		
Guarantee deposits	183	146
Receivables from others due beyond the year	2,535	2,550
Total Financial Assets	2,718	2,696
Prepaid taxes recoverable beyond the year	2,052	2,147
TOTAL NON-CURRENT ASSETS	193,712	189,087
CURRENT ASSETS		
Inventories	0	0
ACCOUNTS RECEIVABLE		
Other receivables from customers	28,521	15,486
<i>of which from Related Parties</i>	<i>764</i>	<i>542</i>
Receivables from associated companies	228	217
Tax receivables	1,996	188
Receivables from others, due within the year	4,699	5,473
<i>of which from Related Parties</i>	<i>0</i>	<i>427</i>
Total trade and sundry receivables	35,445	21,364
Cash and cash equivalents	19,587	27,448
TOTAL CURRENT ASSETS	55,032	48,812
TOTAL ASSETS	248,744	237,899

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (amounts in € K)

TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	30 SEP 2017	31 DEC 2016
CAPITAL AND RESERVES		
Share Capital	30,710	30,710
Capital reserves	72,877	72,374
IAS adjustments reserve	-3,229	-3,229
Profit/(Loss) carried forward	2,704	2,387
Group's profit (loss) for the period	10,426	9,814
TOTAL GROUP SHAREHOLDERS' EQUITY	113,488	112,055
MINORITY INTEREST	249	190
TOTAL SHAREHOLDERS' EQUITY	113,737	112,245
MEDIUM-LONG TERM LIABILITIES		
Provisions for liabilities and charges	2,884	2,886
Provisions for repair and replacement	18,543	19,081
Termination benefits and other personnel-related provisions	6,208	6,853
Financial liabilities	33,166	36,259
Other payables due beyond the year	67	43
TOTAL MEDIUM-LONG TERM LIABILITIES	60,868	65,123
CURRENT LIABILITIES		
Bank overdrafts	11,000	0
Loans	4,358	4,456
Tax liabilities	9,041	7,006
Payables to suppliers	23,065	26,029
<i>of which from Related Parties</i>	<i>12</i>	<i>36</i>
Payables to social security institutions	3,090	2,670
Other payables due within the year	16,956	15,218
<i>of which from Related Parties</i>	<i>2,515</i>	<i>617</i>
Provisions for repair and replacement	6,282	4,830
Advance payments	348	322
Total trade and sundry receivables	49,740	49,069
TOTAL CURRENT LIABILITIES	74,139	60,531
TOTAL LIABILITIES	135,007	125,654
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	248,744	237,899

STATEMENT OF CASH FLOWS (amounts in € K)

<i>Euro K</i>	30 SEP 2017	30 SEP 2016
OPERATING ACTIVITY		
Net result for the period	10,564	9,027
<i>Adjusted for:</i>		
- Amortization	6,386	6,384
- Other provisions and impairment losses	539	1,255
- Change in the provision for liabilities and charges	(2)	(603)
- Net change in termination benefit and other provisions	(449)	158
- Financial expenses for the period	885	965
- Investment income	-	0
- Net changes in (prepaid)/deferred taxes	95	(406)
- Taxes for the period	5,211	5,773
<i>Cash flows of operating activities before changes in the working capital</i>	<i>23,230</i>	<i>22,553</i>
- (Increase)/decrease in trade receivables	(13,035)	(10,599)
- (Increase)/decrease in other accounts receivable and current assets	(1,047)	(2,788)
- Increase/(decrease) in payables to suppliers	(2,963)	(7,506)
- Increase/(decrease) in other payables	(52)	4,525
<i>Cash flows of operating activities before changes in the working capital</i>	<i>(17,097)</i>	<i>(16,368)</i>
Liquid assets generated by operating activities	6,133	6,184
- Interest payable paid	(437)	(536)
- Taxes paid	(891)	(2,760)
Cash flow generated by operating activities	4,805	2,889
INVESTMENT ACTIVITIES		
- Cash and cash equivalents contributed with the incorporation of AdF	-	-
- Purchase of tangible assets	(2,506)	(1,198)
- Sale of tangible assets	26	486
- Purchase of intangible assets	(8,562)	(4,624)
- Equity investments and financial assets	(63)	303
- Realizable value from sale of stakes	-	0
Cash flow from investing activities	(11,105)	(5,033)
CASH FLOW FROM OPERATIONS	(6,300)	(2,144)
FINANCIAL ASSETS		
- Dividends paid	(9,369)	(7,932)
- Short-/long-term loans taken out	11,500	6,000
- (Repayment of) short-/long-term loans	(3,692)	(3,544)
Net cash flow generated by/(used for) investments	(1,561)	(5,475)
Net increase/(decrease) in available cash Cash equivalents	(7,861)	(7,619)
Cash and cash equivalents at beginning of period	27,448	32,296
Cash and cash equivalents at end of period	19,587	24,677