

Company Presentation

Italian Stock Market Opportunities 2020-III - Virtual Video Conference

INTESA  SANPAOLO

October 9th, 2020

IMI | CORPORATE &
INVESTMENT
BANKING



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Toscana Aeroporti S.p.A. – Company Presentation

1. Toscana Aeroporti *at a glance*

Toscana Aeroporti - milestones



March 2014

Corporación América – the largest private operator by number of airports (52 airports mainly in Latin America and Europe) - launches two takeover bids for the companies that operate the Pisa (SAT) and Florence (AdF) airports



June 1st, 2015

Effective date of the merger by incorporation of AdF (Florence Airport) into SAT (Pisa Airport).

Toscana Aeroporti - the 4th Italian Airport System - is born

July 2014

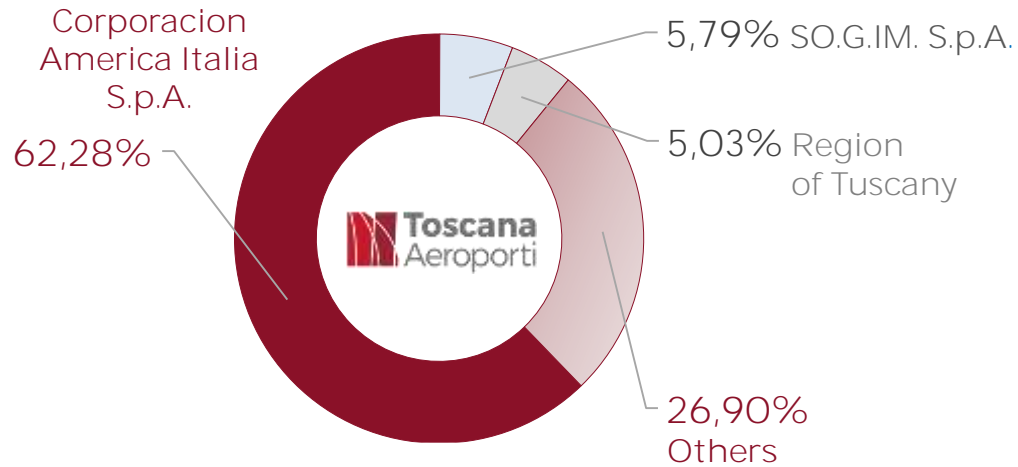
SAT and AdF are jointly controlled by Corporación América



July 1st, 2018

Spin-off of the Ground Handling business to Toscana Aeroporti Handling

Toscana Aeroporti shareholders structure

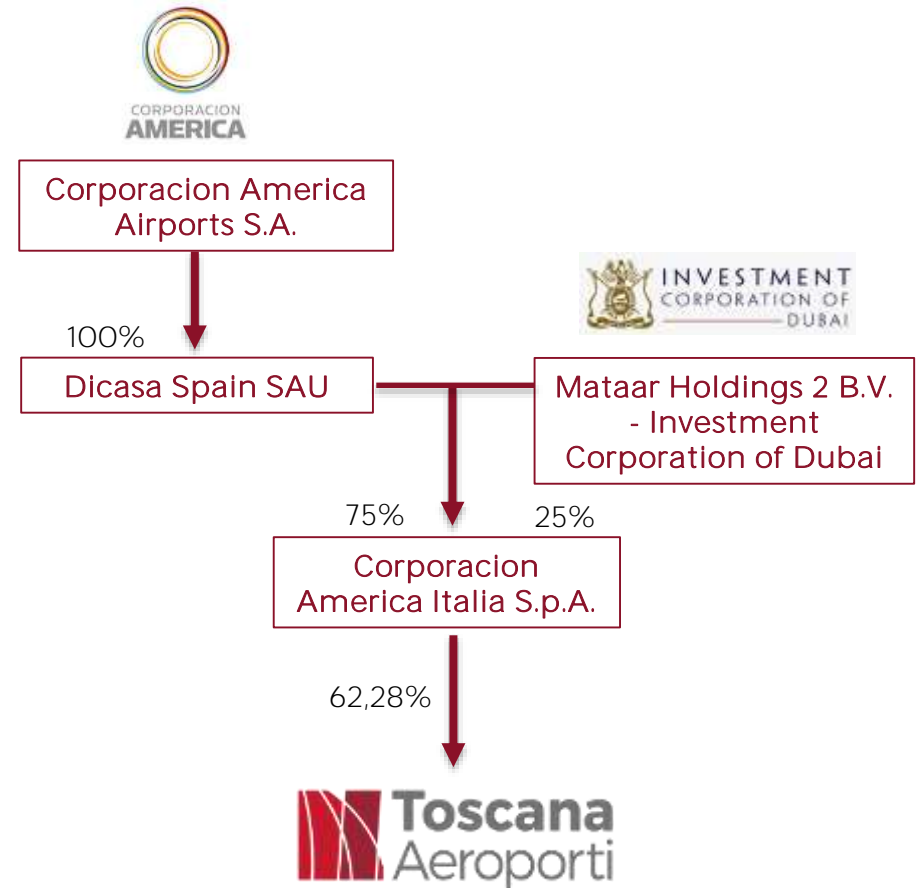


SO.G.IM S.p.A.

Società Generale Immobiliare S.p.A. is a real estate investment company located in Perugia, Italy

Region of Tuscany

The regional government of Tuscany

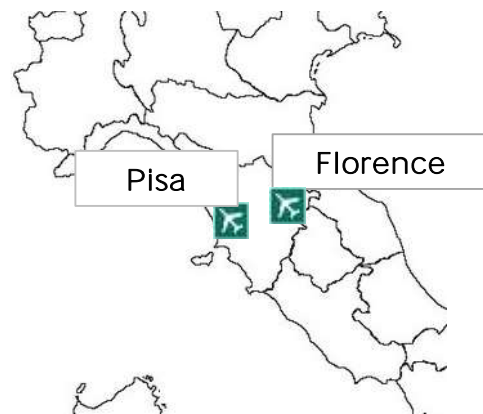


Leading airports in one of Italy's most touristic areas with significant upside from infrastructure enhancements

KEY HIGHLIGHTS

- V** Integrated airport system with 2 airports, each with its own features.
- V** 8.3 million passengers in 2019, (Pisa 5.4M, Florence 2.9M).
- V** Tuscany: the 3rd Italian region in terms of foreign tourism arrivals and the 5th Italian region for GDP.
- V** Significant potential to be unlocked through new infrastructure investments.

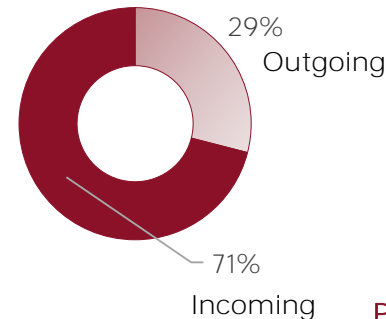
KEY METRICS (FY2019)



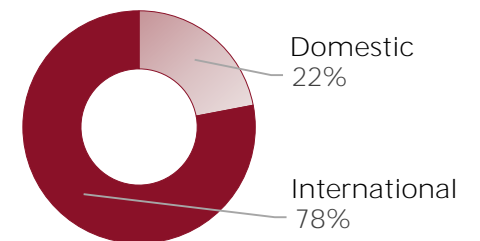
2	Airports
27 years	Weighted remaining concession years
8.3 mln	Passengers traffic
78,951	Aircraft movements
13,184	Tons of Cargo
€ 130 mln	Total Revenues



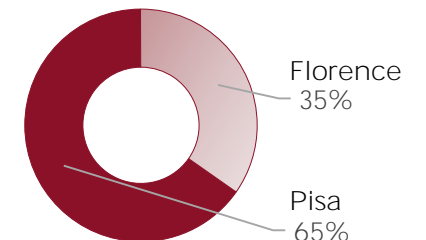
Pax profile



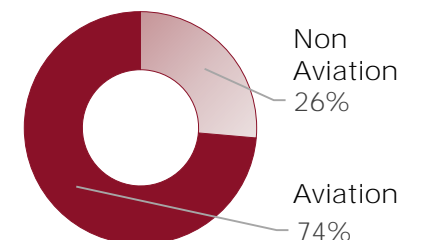
Pax breakdown by origin



Pax breakdown by Airport

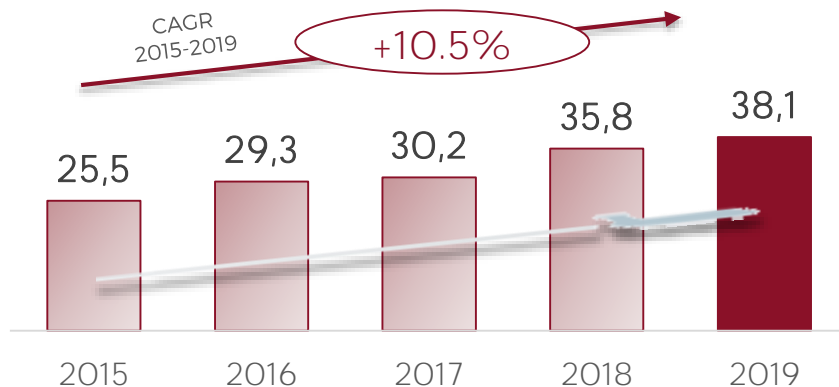


Revenue breakdown

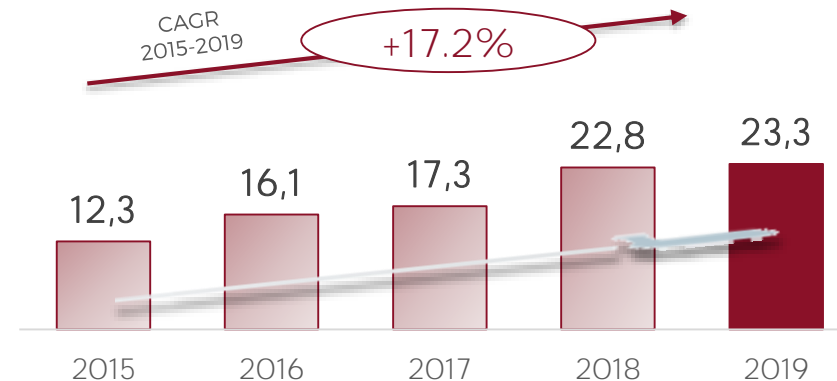


Solid economic track record supported by synergies achieved through FLR&PSA merger

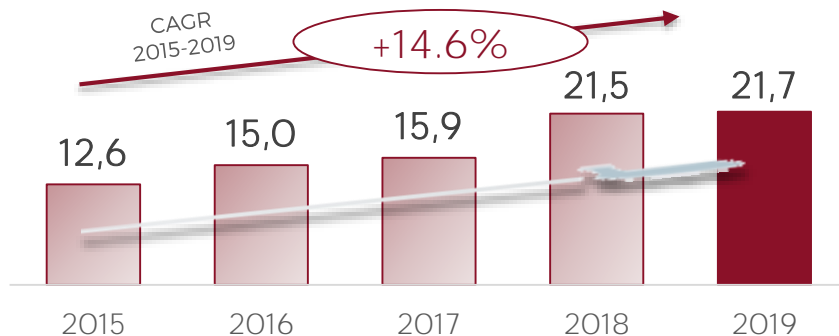
EBITDA (€/mln)



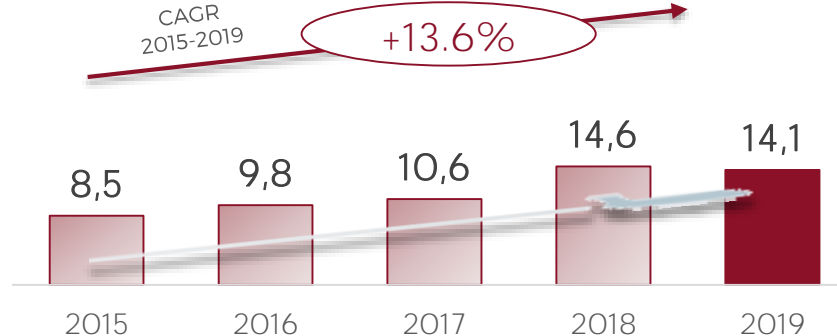
EBIT (€/mln)



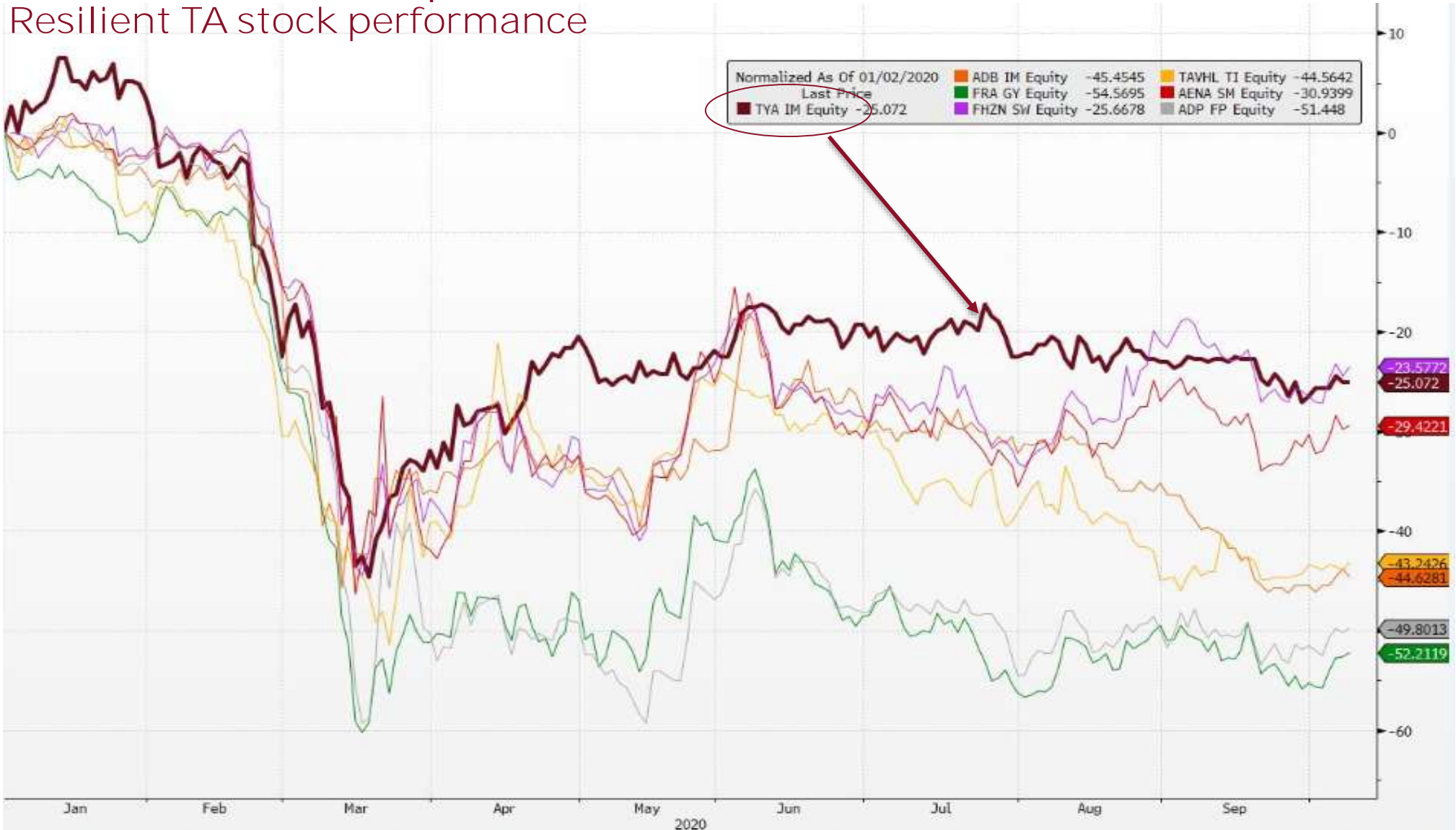
PBT (€/mln)



NET PROFIT (€/mln)



2020 YTD EU listed airports (*) Resilient TA stock performance



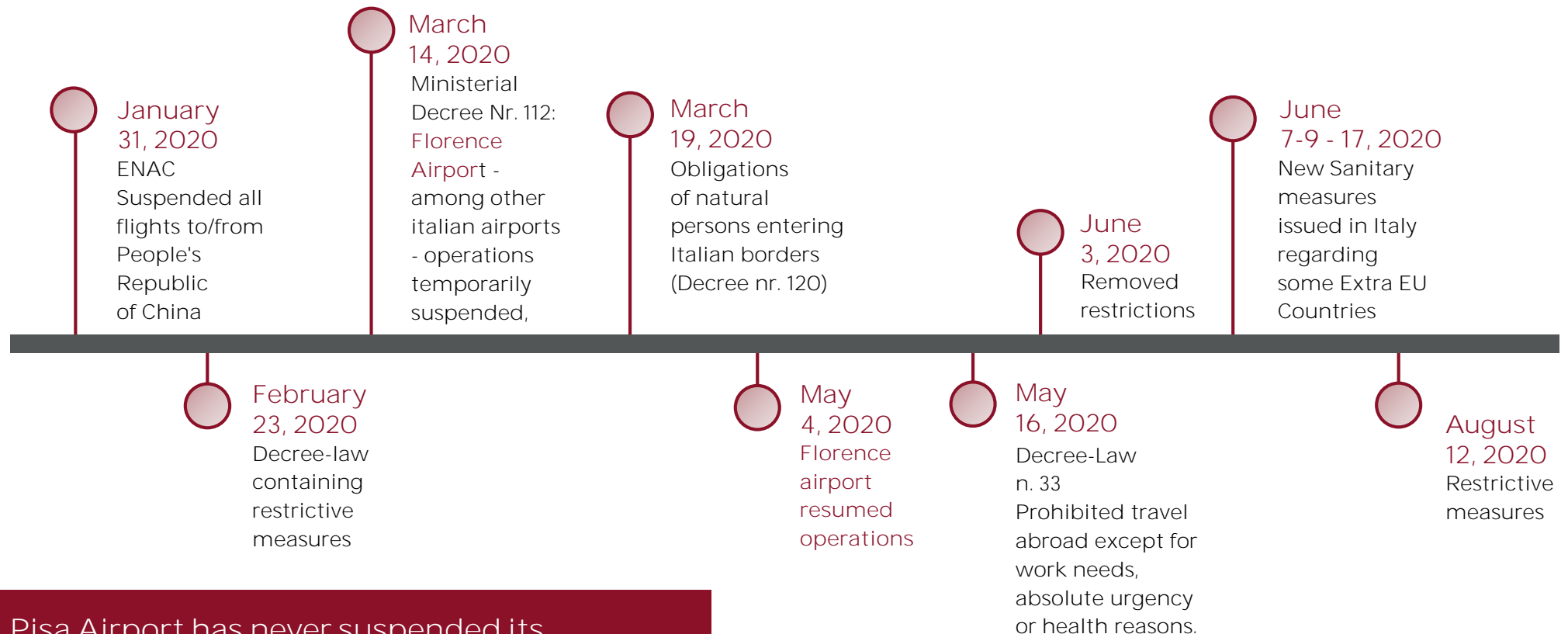


Toscana Aeroporti S.p.A. - Company Presentation

2. Responses to Covid-19

COVID-19 Market environment

KEY DATES



Pisa Airport has never suspended its operations during the Covid-19 emergency

Responses to COVID-19: actions taken to restore airport operations Ensuring a safe experience for staff and travellers

OUR PEOPLE



- Quick shift to remote work. Only necessary personnel working on premises
- Adoption and implementation of certified Health & Hygiene safety protocol and Personal Protective Equipment provided



TRAVELLERS



- Enhanced and consistent communication with travellers about new health & hygiene safety protocols via the **organisation's** channels, both digitally and physically at airports
- Clear signage throughout the airport to inform travellers

Responses to COVID-19: actions taken to restore airport operations

Rebuilding trust & confidence

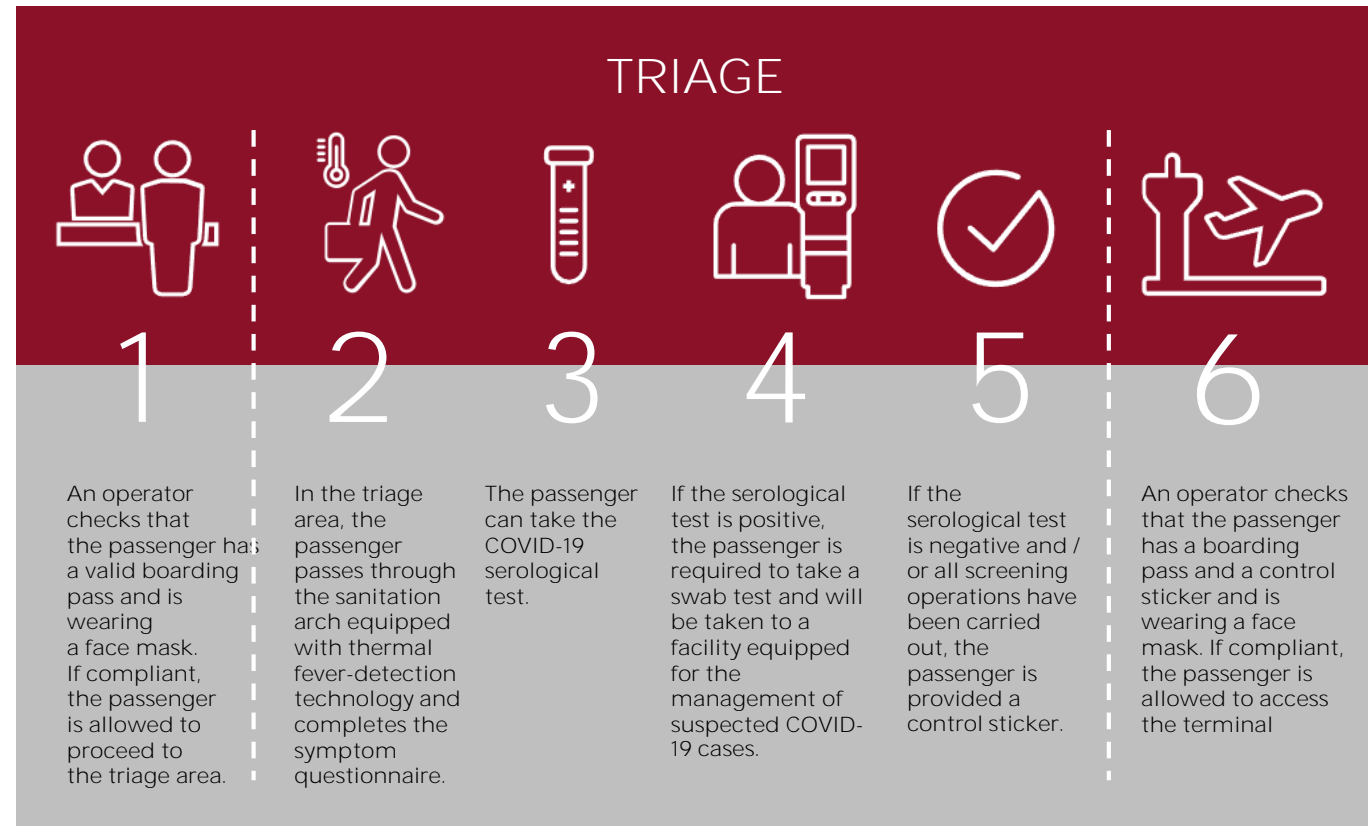
TOSCANA AEROPORTI TRIAGE (PRE-SCREENING)



THE PRE-SCREENING
“AIRPORT TRIAGE”
AREA OPERATING

at Florence airport
since June 5th

at Pisa airport
since June 23rd

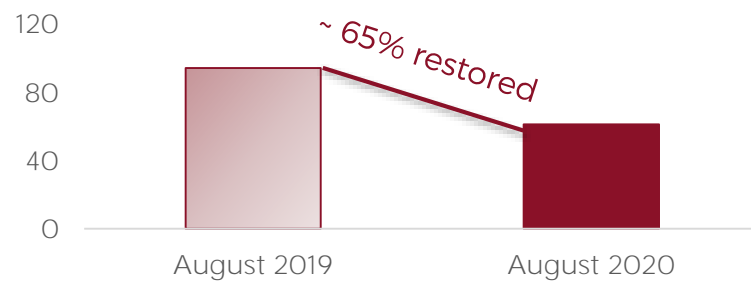


Responses to COVID-19: actions taken to restore airport operations

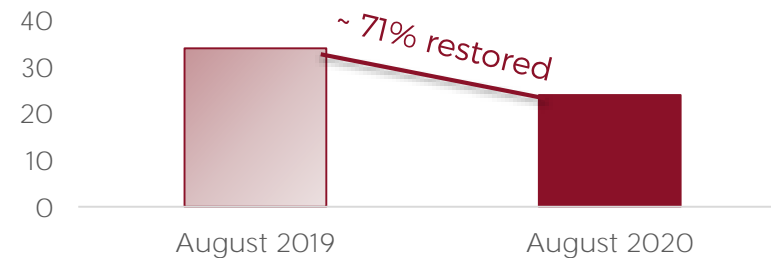
New commercial agreements finalized with airlines



TA DESTINATIONS



AIRLINES



Responses to COVID-19: Opex reduction & Cash preservation

OPEX REDUCTION

- **Personnel costs:** activated the CIGS/Extraordinary Wages Guarantee Fund (State's help to cover part of the employees' salary) for all employees in service, in addition to mandatory use of accrued holiday leave and, where possible, smart-working;
- **Supplier contracts:** renegotiated contractual terms with suppliers, where possible;
- **Maintenance, operational and utility expenses:** reduced expenses due to lower traffic handled, to Florence airport closure and part of Pisa airport closed;
- **Concession fees:** approved by the regulator the deferral of semi-annual concession fee payment to January 2021, originally due July 2020. The calculation to be based on actual number of passengers in 2020.

CASH PRESERVATION

- **Dividend:** revoked distribution of dividends for FY2019;
- **Financing:** defined an agreement with a pool of leading financial institutions regarding a financing transaction for a total of € 85 million, backed by SACE guarantees ("Liquidity Decree") within the framework of the programme "Garanzia Italia".
- **Capex:** investments have been subject to extensive review, sorting out those related to regulatory requirements or to maintain high quality and security standards and airport safety.

Galilei International Airport



Toscana Aeroporti S.p.A. – Company Presentation

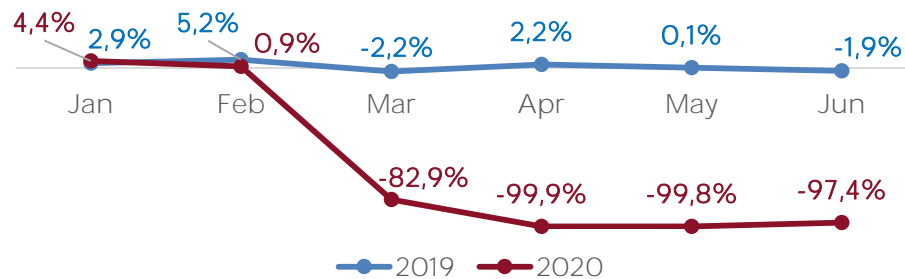
3. 1H 2020 Results

1H2020 Toscana Aeroporti traffic results

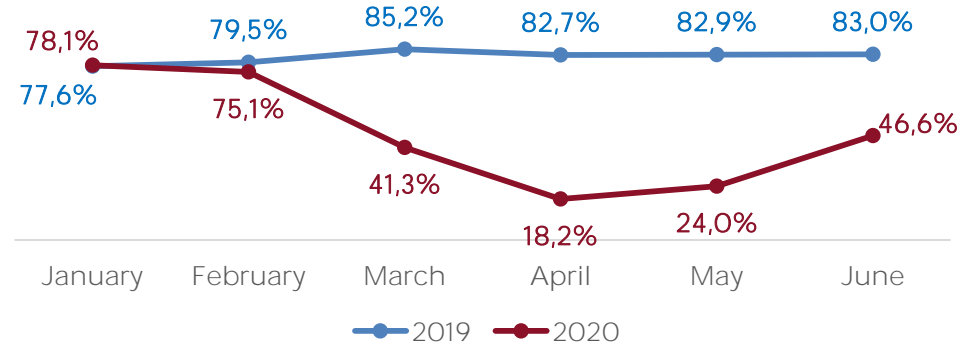
Significant drop due to COVID-19

PASSENGERS (Δ%)

1H20/1H19: -72.8%

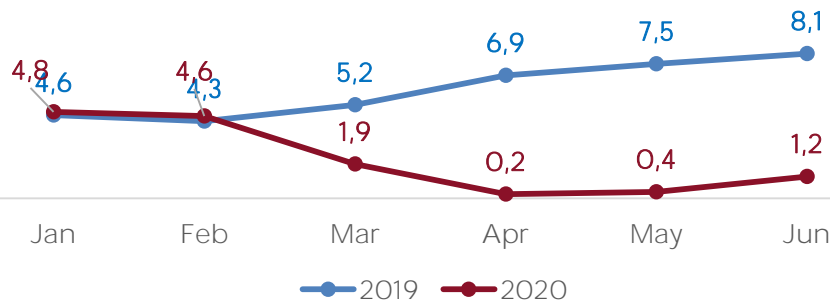


LOAD FACTOR



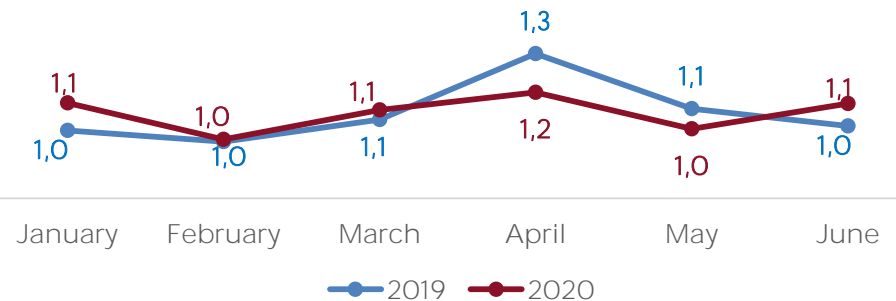
MOVEMENTS (1000)

1H20/1H19: -64.2%

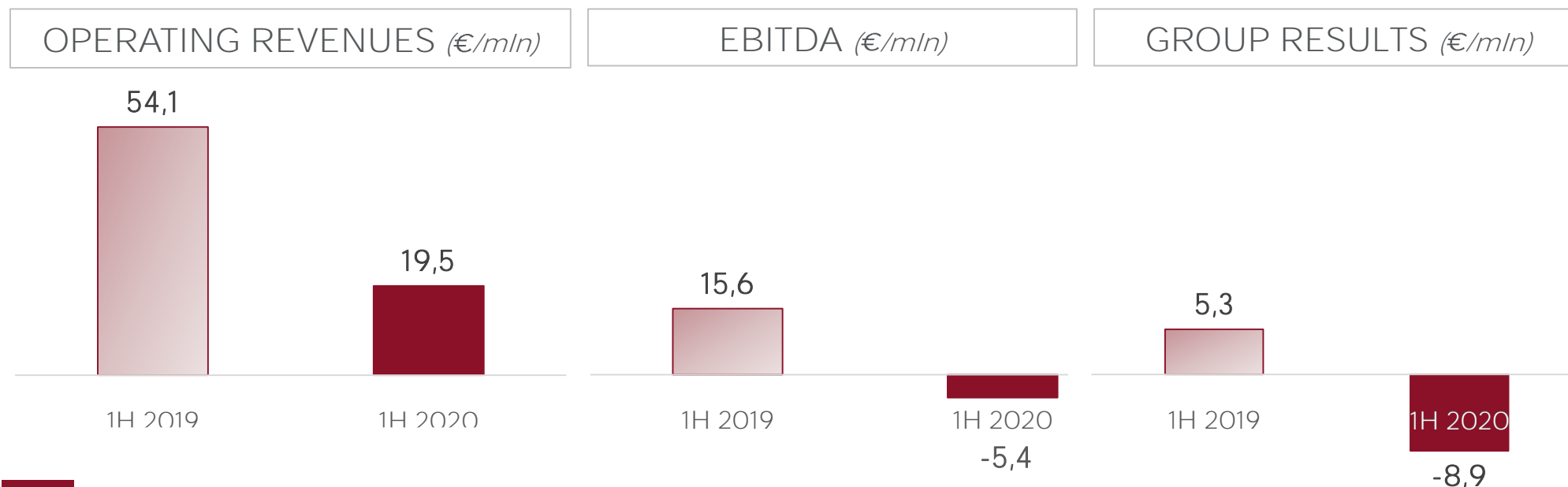


CARGO (k tons)

1H20/1H19: +0.3%



1H2020 Highlights



1H results severely impacted by the health emergency caused by Covid-19.



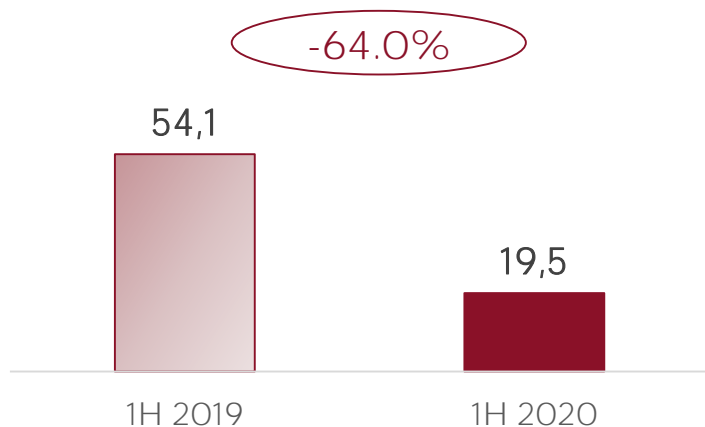
Operating revenues, impacted by the reduction in traffic volumes and the closure of nearly all commercial activities, amounted to €19.5 million, decreasing by 64.0% compared to €54.1 million in H1 2019. Both Aviation and Non-Aviation revenues decreased (-66.4% and -57.3%, respectively).



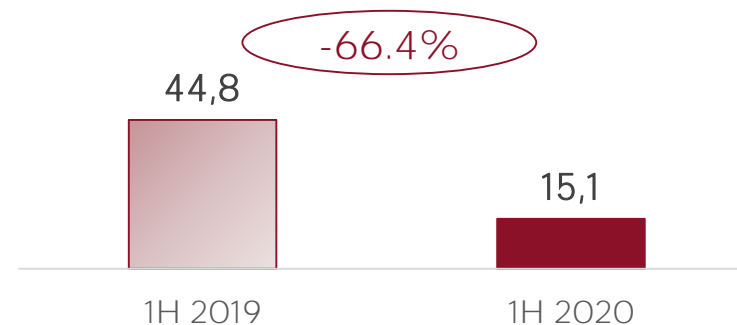
EBITDA negative at €5.4 million, compared to a positive €15.6 million in H1 2019

1H2020 Operating revenues

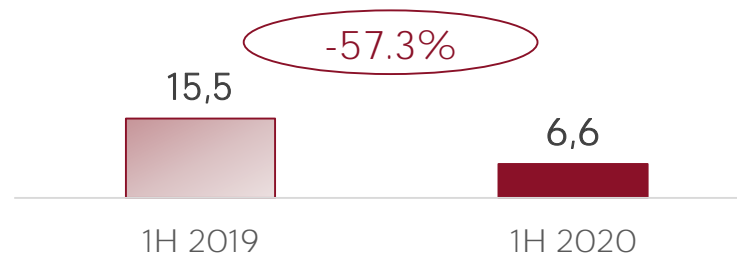
OPERATING REVENUES (€/mln)



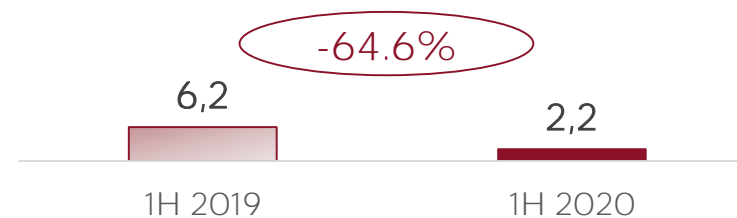
AVIATION REVENUES (€/mln)



NON AVIATION REVENUES (€/mln)



NETWORK DEVELOPMENT EXPENSES (€/mln)



Focus on 2Q2020 results

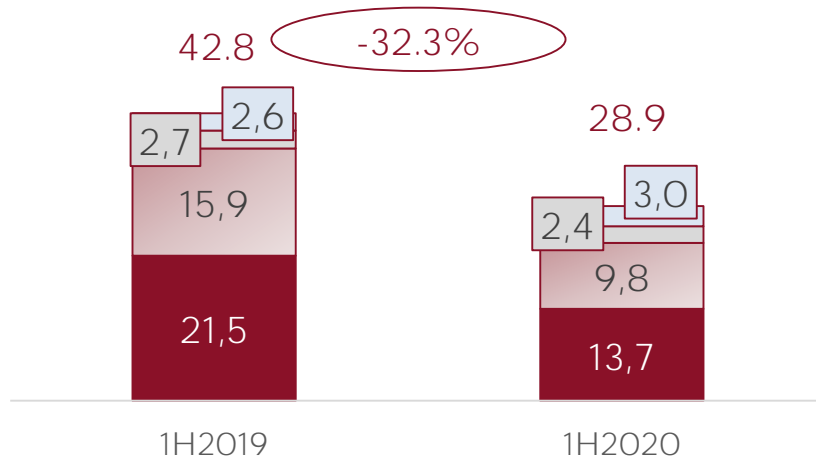
Successful implementation of costs reduction measures

	1Q 2019	1Q 2020	Δ%	2Q 2019	2Q 2020	Δ%
PASSENGERS	1,423,169	1,005,652	(29%)	2,365,755	23,582	(99%)
MOVEMENTS	14,150	11,307	(20%)	22,446	1,792	(92%)
<i>(€/000)</i>	1Q 2019	1Q 2020	Δ%	2Q 2019	2Q 2020	Δ%
Aviation revenues	17,347	13,651	(21%)	27,465	1,414	(95%)
Non Aviation revenues	6,722	5,308	(21%)	8,775	1,316	(85%)
Network development expenses	2,434	2,145	(12%)	3,792	57	(98%)
TOTAL OPERATING REVENUES	21,635	16,814	(22%)	32,448	2,673	(92%)
Others revenues	396	298	(25%)	379	53	(86%)
Revenues for construction services	1,578	2,374	50%	1,943	1,321	(32%)
TOTAL REVENUES	23,609	19,486	(17%)	34,770	4,047	(88%)
Operating expenses	19,640	18,145	(8%)	20,517	7,768	(62%)
Costs for construction services	1,027	1,964	(91%)	1,570	1,052	(33%)
TOTAL COSTS	20,667	20,109	(3%)	22,087	8,820	(60%)
EBITDA	2,942	(622)	<i>n.a.</i>	12,683	(4,773)	<i>n.a.</i>

Total costs

Sustainable cost savings achieved

TOTAL COSTS (€/mln)



■ Personnel costs ■ Service costs
■ Others ■ Construction costs

NET OF CONSTR. COSTS -35,5%

PERSONNEL COSTS

Personnel costs down by -36,6% thanks to:

- Extraordinary Wages Guarantee Fund for all employees in service;
- use of accumulated holiday leaves;
- remote working arrangements.

SERVICE COSTS

Service costs (-38,5%) decline due to:

- renegotiating contractual terms with suppliers, where possible;
- lower costs directly related to traffic figures;
- lower utility costs.

CONSTRUCTION COSTS

Construction costs (+16,2%) due to higher investments related to concession rights.

Net financial debt

<i>(€/000)</i>	1H 2020	FY 2019	Δ	1H 2019
CASH AND CASH EQUIVALENTS	15,908	19,863	(3,954)	6,653
Current bank loans	41,015	20,010	21,005	28,005
Current portion of non-current debt	4,858	4,930	(72)	8,598
Other current payables to leasing companies	409	410	(0)	398
CURRENT FINANCIAL INDEBTEDNESS	46,282	25,349	20,933	37,001
Net current financial debt	30,374	5,486	24,887	30,348
loans	21,113	23,352	(2,238)	22,011
Other non-current payables to leasing companies	4,089	4,239	(150)	4,212
NON-CURRENT NET FINANCIAL INDEBTEDNESS	25,203	27,590	(2,388)	26,223
NET FINANCIAL DEBT	55,576	33,077	22,499	56,571

The main differences compared to 1H 2019 depend of increase in liquidity, following the short-term bank loan taken out and the revoke the proposed distribution of dividends, offset by non current bank loan repaid.



Toscana Aeroporti S.p.A. – Company Presentation

4. Business Update

Significant events occurred after June 30th, 2020



NEW FINANCING (€ 85 MLN) GUARANTEED BY SACE

August 7th, 2020 – TA has defined an agreement with a pool of leading financial institutions comprised of Intesa Sanpaolo and BNL-BNP Paribas Group regarding a financing transaction for a total of €85 million, backed by SACE guarantees pursuant to the provisions of Decree-Law No. 23/2020 (the “Liquidity Decree”) within the framework of the programme “Garanzia Italia”.



TUSCANY REGION FUNDS (€ 10 MLN)

Regional Law No. 75, August 4th, 2020: the Tuscany Region agreed to allocate €10 million to Toscana Aeroporti in 2020 as grants dedicated to operational costs and investments in order to support the infrastructure activity.



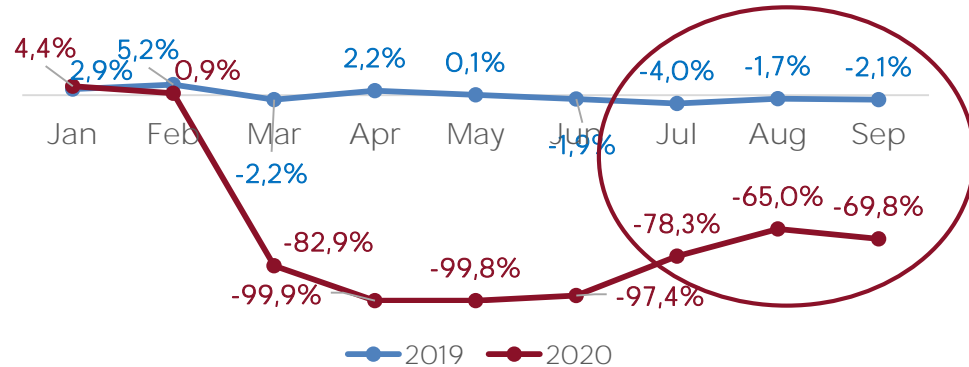
TWO-YEAR EXTENSION OF AIRPORTS CONCESSIONS

Law No. 77 - July 17, 2020: in order to contain the economic effects of the Covid-19 the epidemiological emergency and of the contagion containment measures adopted by the Italian Government and the Regions, **the terms of the concessions for the management and development of airport activity have been extended by two years.**

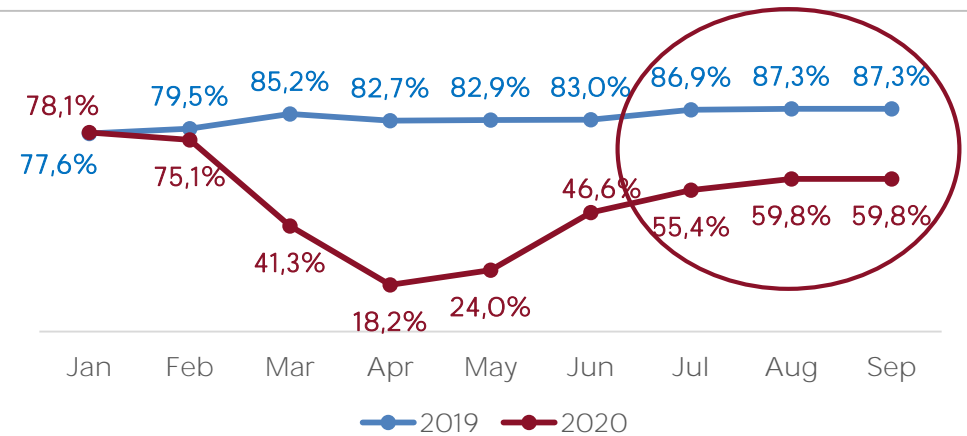
3Q2020 traffic results

PASSENGERS (Δ%)

3Q20/3Q19: -71.1%

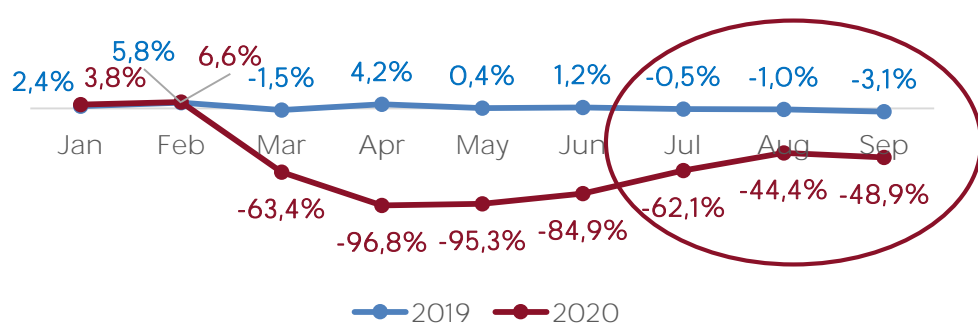


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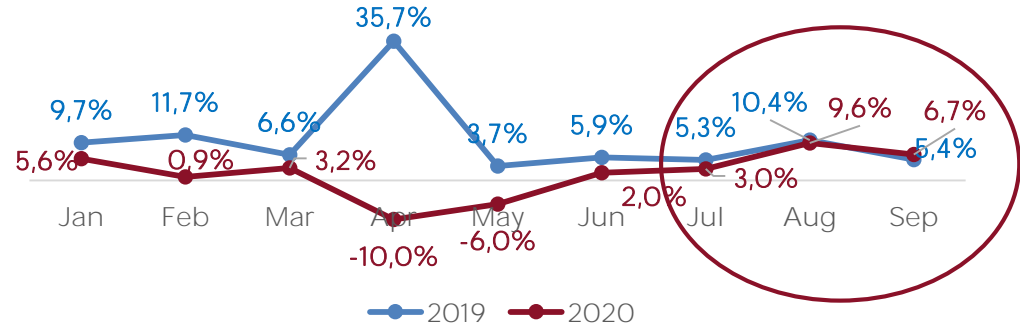
MOVEMENTS (Δ%)

3Q20/3Q19: -52.3%



CARGO (Δ%)

3Q20/3Q19: +5.9%



Preparing for the “New Normal”

- Adapting airports to new environment, implementing measures to minimize the risk of infection of passengers and employees while ensuring uninterrupted operations
- In collaboration with the aviation industry and regulators, setting and redefining new, customized safety and health protocols monitored and approved by infectious diseases experts
 - ✓ Sanitization & social distance measures
 - ✓ Screening & biosecurity control procedures for all passengers entering the airport terminals
 - ✓ Implementation of digital solutions in order to limit the contact with airport equipment and reduce crowding



REACTIVATE THE
TRAVEL
INDUSTRY
SAFELY



PROTOCOLS TO
ENSURE MAXIMUM
HEALTH AND
COMFORT FOR
ALL PASSENGERS
AND AIRPORT
OPERATORS



REGAIN
CONFIDENCE
IN TRAVELLING

Pisa airport terminal development plan

The plan to expand the terminal of the Pisa airport envisages works aimed at increasing the terminal's capacity up to **6.5 million passengers**.



Florence Airport new runway and terminal development plan

New runway of 2.400 metres and a new terminal with the aim of reaching the target of 4.5M passengers



FLR Masterplan - next steps

“SIMPLIFICATION LAW” – V.A.S. & V.I.A. PROCEDURES

BEFORE

Strategic Environmental Assessment (VAS) about the Regional Territorial Plan

plus

Environmental Impact Assessment (VIA) about the Masterplan

44 months

(December 6, 2010 > July 16, 2014)

33 months

(March 2015 > Dec. 2017)

NOW
“SIMPLIFICATION LAW”

Joint VIA/VAS procedure for the FLR Masterplan

12-15 months

Just ONE integrated environmental procedure for FLR Masterplan to be filed with the Italian Ministry of Environment, instead of two different procedures, one to be addressed to the Region of Tuscany for the Regional Plan and another to be filed with the Italian Ministry of Environment for the Masterplan

IR dates & contacts



2020 Financial calendar

Annual General Meeting: Monday, April 29

Q1 interim release: Tuesday, May 5

6M interim report: Tuesday, August 4

Q3 interim release: Tuesday, November 3



GET IN
CONTACT

IR contacts

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Toscana Aeroporti S.p.A. – Company Presentation

Appendix

Aviation: 2019-2022 regulated tariffs

Pisa Airport

February 25, 2019



ENAC
Approval of the Investment,
Quality and Environment Plan

April 30, 2019



Users' consultation

May 8, 2019



ART
2019-2022 tariffs approval

September 1, 2019



New tariffs effective since

Florence Airport

February 27, 2019



June 27, 2019



July 31, 2019



November 15, 2019



- REAL PRE-TAX WACC 7.27%
- RAB € 83.6M

- PRE-TAX WACC 7.37%
- RAB € 68.6M

Long-Term Concession agreements securing future revenue streams

Pisa

Florence

Parties

ENAC (Ente Nazionale per l'Aviazione Civile) and SAT (Società Aeroporto Toscano Galileo Galilei)

ENAC (Ente Nazionale per l'Aviazione Civile) and AdF (Aeroporto di Firenze)

Scope

Contracts provide the rights to develop, update, manage, maintain and use the Pisa and Florence airports with rights to grant sub-concessions related to property under concession.

Term

Signed on October 20, 2006
(40-year term)

Signed on March 11, 2003
(40-year term)



TWO-YEAR EXTENSION OF AIRPORTS CONCESSIONS

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Pisa

Proven LCC business model in one of **Italy's** main tourist destinations (Toscana) also focused on the development of intercontinental flights

Main routes by country

#	Country	%
1	Italy	27%
2	United Kingdom	21%
3	Spain	10%
4	Germany	7%
5	France	5%
6	Netherland	5%
7	Russia	3%
8	Others	22%

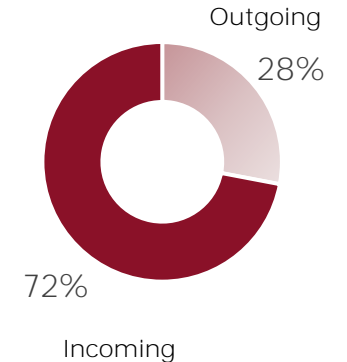


Plazza dei Miracoli

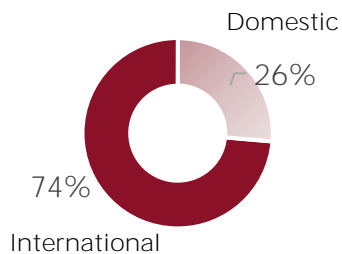
LCC Rationale

- O&D airport, favorably located in the middle of the European Union, providing access to various geographies and serving as a convenient destination for airlines
- Gateway to Tuscany and central Italy, directly linked to the Italian railway system
- Located in a world-class touristic destination, attracting ~6 mln visitors per year to the Leaning Tower of Pisa
- Efficient business operations, consistently delivering healthy profit margins while offering services and infrastructure at a competitive cost
- Potential to leverage on existing airlines relationships and TA's predominance in the region to foster expansion strategy

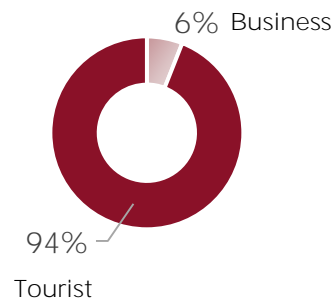
Pax profile



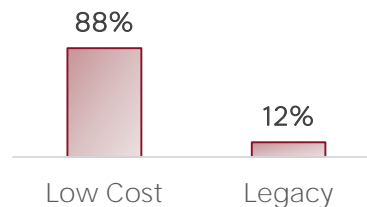
Pax traffic



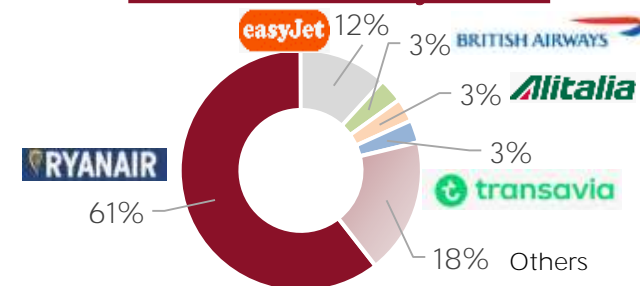
Type of pax



Pax per Type of Airline



Pax Breakdown by Airline



Data year: 2019

Florence

Profitable **“full cost”** intra-EU airlines service located in one of **Europe’s** Main tourist destinations and leading high fashion centers with one of highest yield per passenger

A key tourist attraction in Italy



Florence Baptistery
Battistero di San Giovanni



Cathedral of Saint Mary of the Flower (Duomo di Firenze)

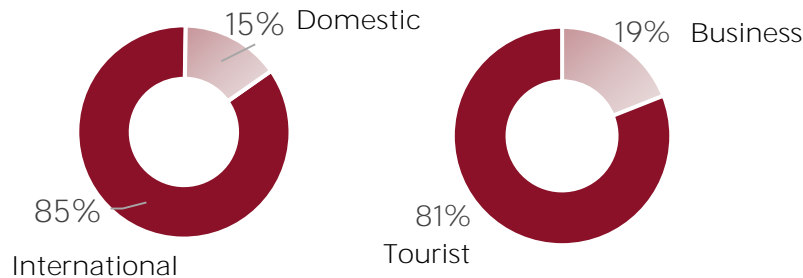


Palazzo Vecchio
(Palazzo della Signoria)



Ponte Vecchio

Passengers traffic

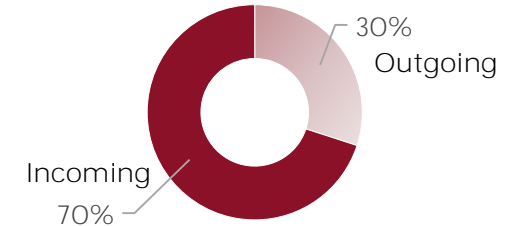


Data year: 2019

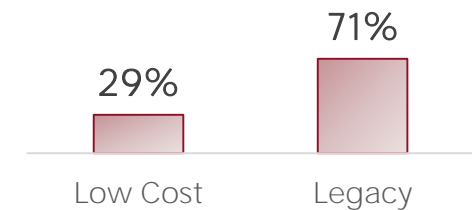
Main routes by country

#	Country	%
1	France	23%
2	Germany	17%
3	Italy	15%
4	Spain	14%
5	United Kingdom	9%
6	Netherland	8%
7	Switzerland	6%
8	Others	8%

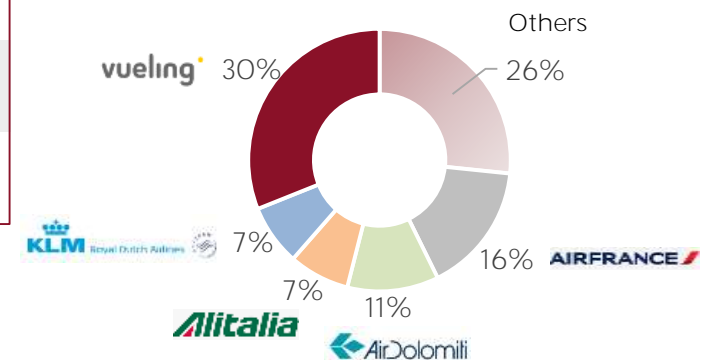
Pax profile



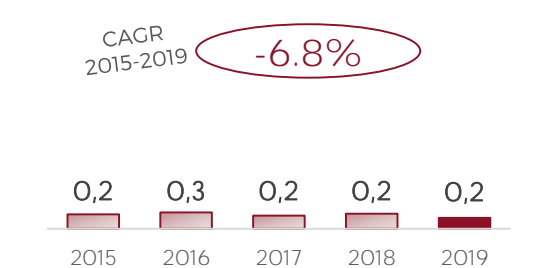
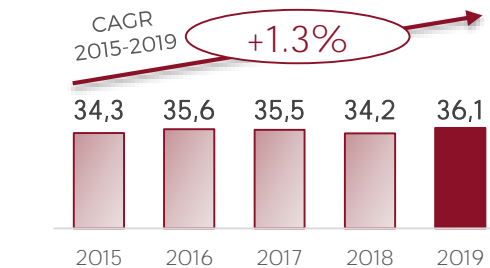
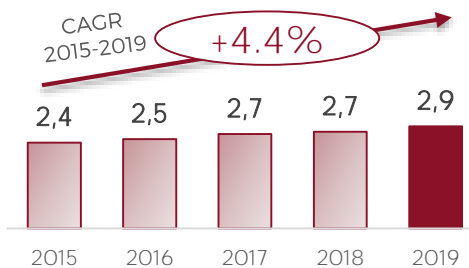
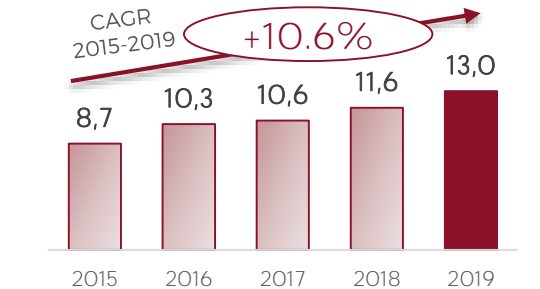
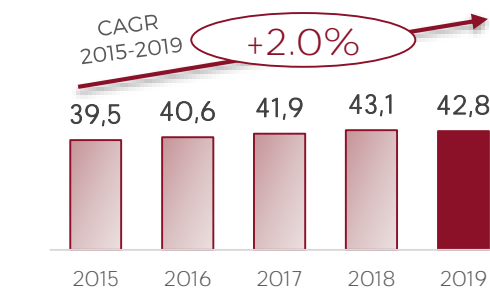
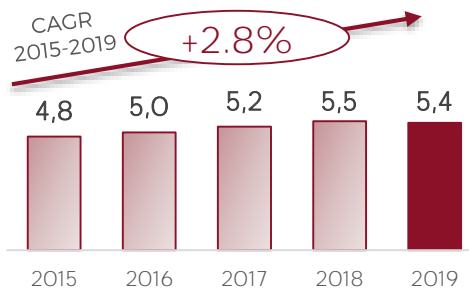
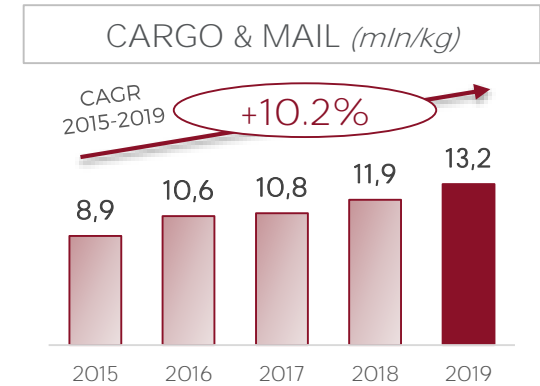
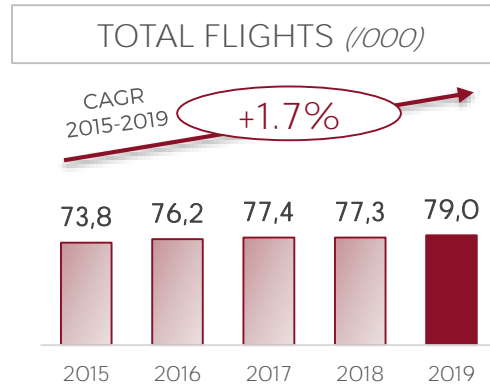
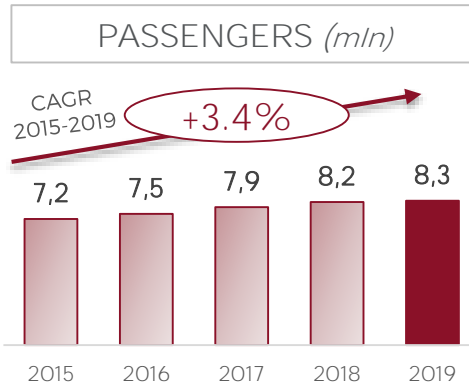
Pax per Type of Airline



Pax Breakdown by Airline



2015-2019 Florence & Pisa airports passenger traffic

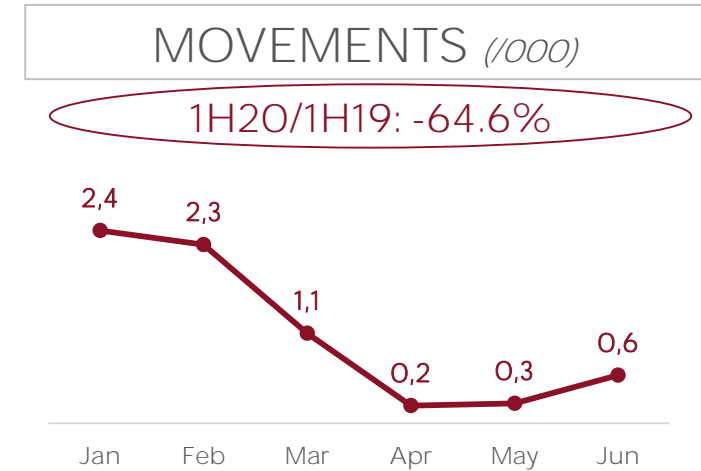
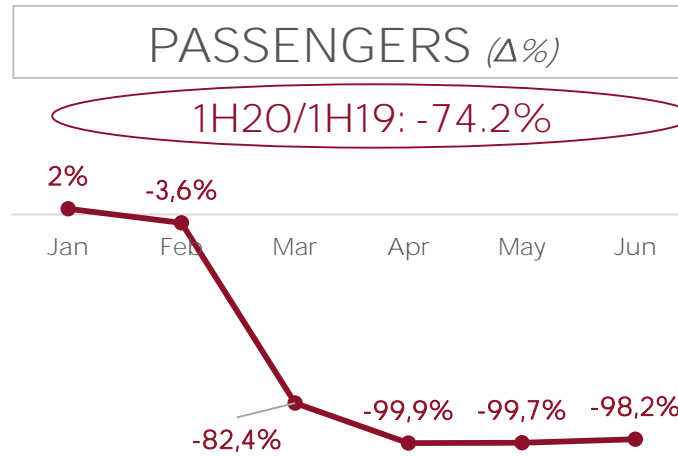


1H2020 Florence & Pisa airports traffic

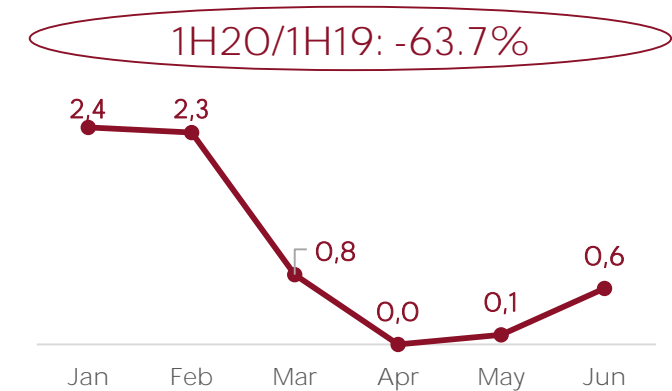
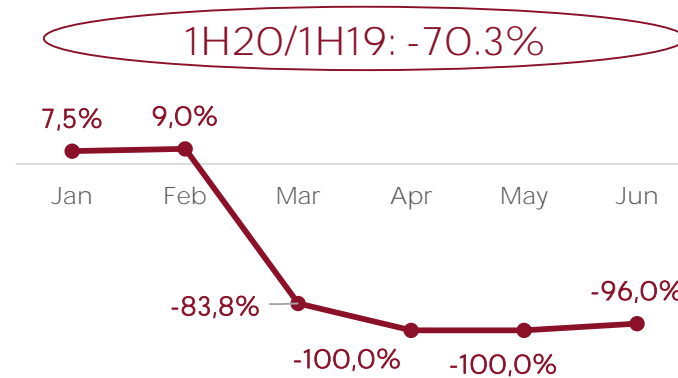
SIGNIFICANT DROP DUE TO COVID 19



PISA

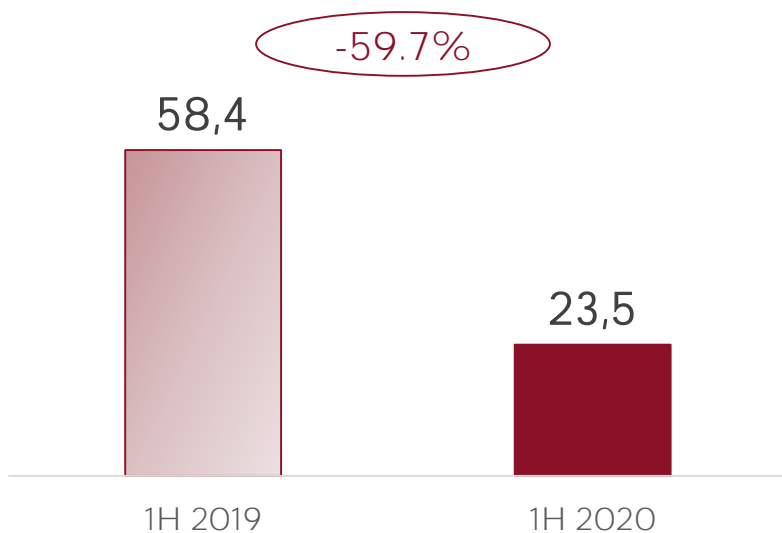


FLORENCE

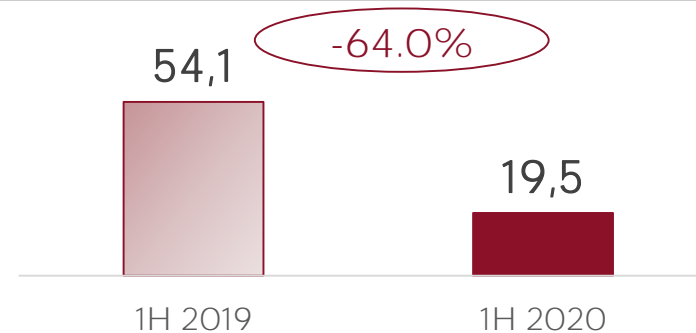


1H2020 Total revenues

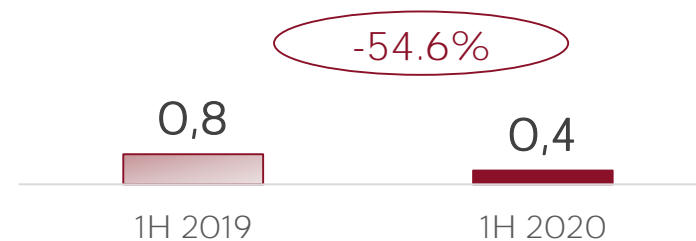
TOTAL REVENUES (€/mln)



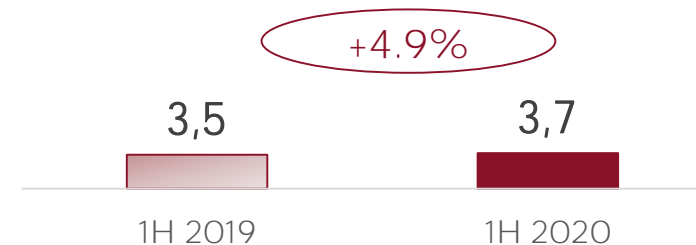
OPERATING REVENUES (€/mln)



OTHER REVENUES (€/mln)



REVENUES FOR CONSTRUCTION SERVICES (€/mln)



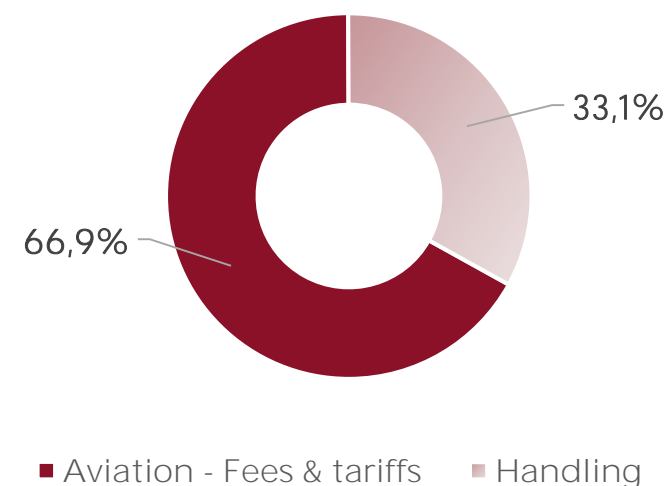
1H2020 Aviation results

AVIATION OPERATING REVENUES

(€/000)	1H 2020	1H 2019	Δ	Δ%
Handling	4,989	14,059	(9,070)	(64.5%)
Pax boarding fees	4,039	13,838	(9,800)	(70.8%)
Landing/departure fees	2,795	7,555	(4,760)	(63.0%)
Pax security fees	1,092	3,721	(2,629)	(70.7%)
Stopover fees	653	613	41	6.6%
PRM assistance fees	594	1,881	(1,287)	(68.4%)
Baggage security fees	378	1,741	(1,363)	(78.3%)
Centralised infrastructures	377	1,158	(781)	(67.5%)
Cargo fees	149	247	(98)	(39.7%)
TOT. AVIATION OP. REVENUES	15,065	44,813	(29,747)	(66.4%)

BREAKDOWN OF AVIATION REVENUES

(1H 2020)



MAIN REASONS:

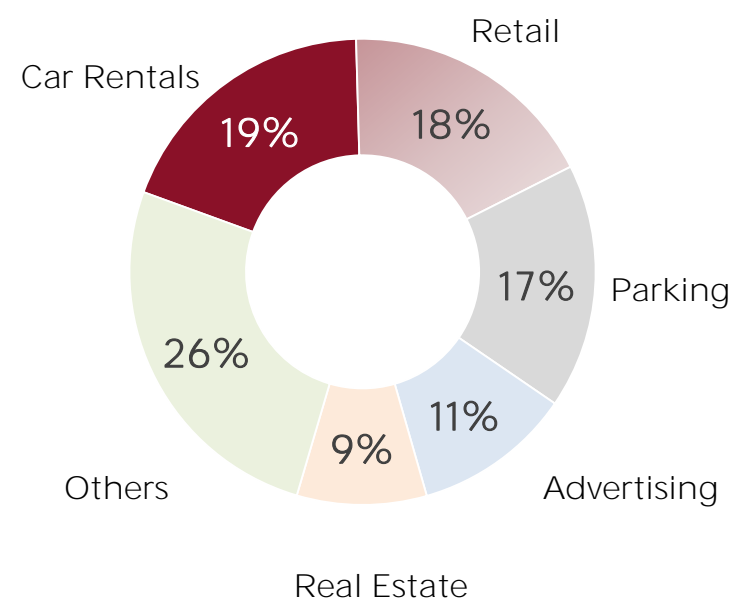
- Florence airport was closed from March 14, 2020 to May 3, 2020 with a partial resumption of commercial line operations starting from May 29, 2020. The deviation pax apr-jun 20/19 is equal to -98.6%.
- Pisa airport remained open with a single flight of Alitalia and DHL freight traffic. The deviation pax apr-jun 20/19 is equal to -99.2%.

1H2020 Non Aviation results

NON AVIATION OPERATING REVENUES

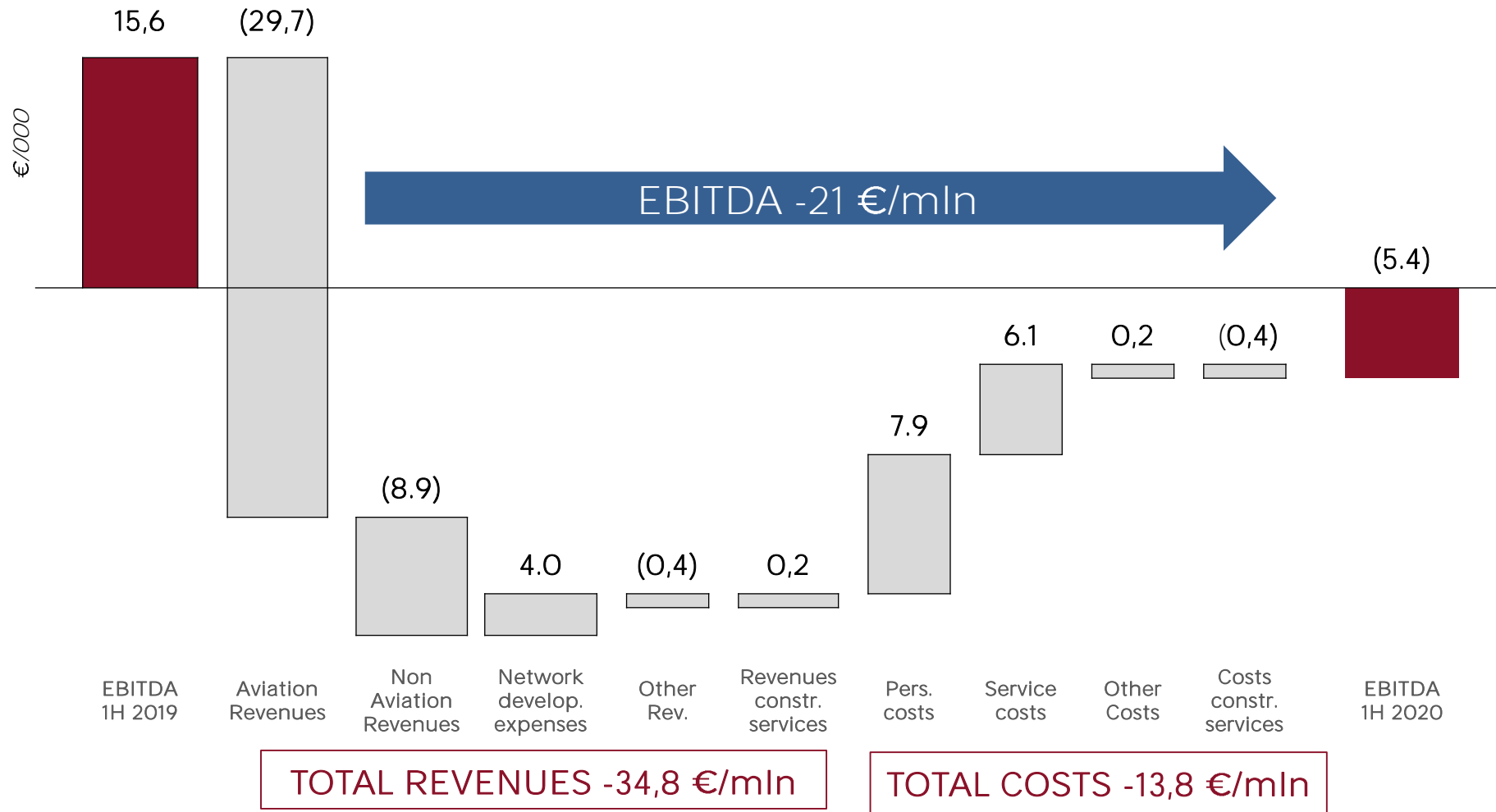
(€/000)	1H 2020	1H 2019	Δ	Δ%
Car rentals	1,152	2,729	(1,578)	(57.8%)
Retail	1,075	2,768	(1,693)	(61.2%)
Parking	1,054	3,278	(2,223)	(67.8%)
Advertising	948	1,046	(98)	(9.3%)
Real Estate	718	877	(159)	(18.2%)
Other subconcessions	534	1,169	(635)	(54.3%)
Food	501	1,770	(1,269)	(71.7%)
Vip Lounges	386	1,442	(1,056)	(73.2%)
Cargo agency	172	183	(11)	(5.8%)
Air ticketing	84	236	(151)	(64.2%)
TOT. NON AVIATION OP. REVENUES	6,624	15,497	(8,873)	(57.3%)

BREAKDOWN OF NON AVIATION REVENUES (1H 2020)

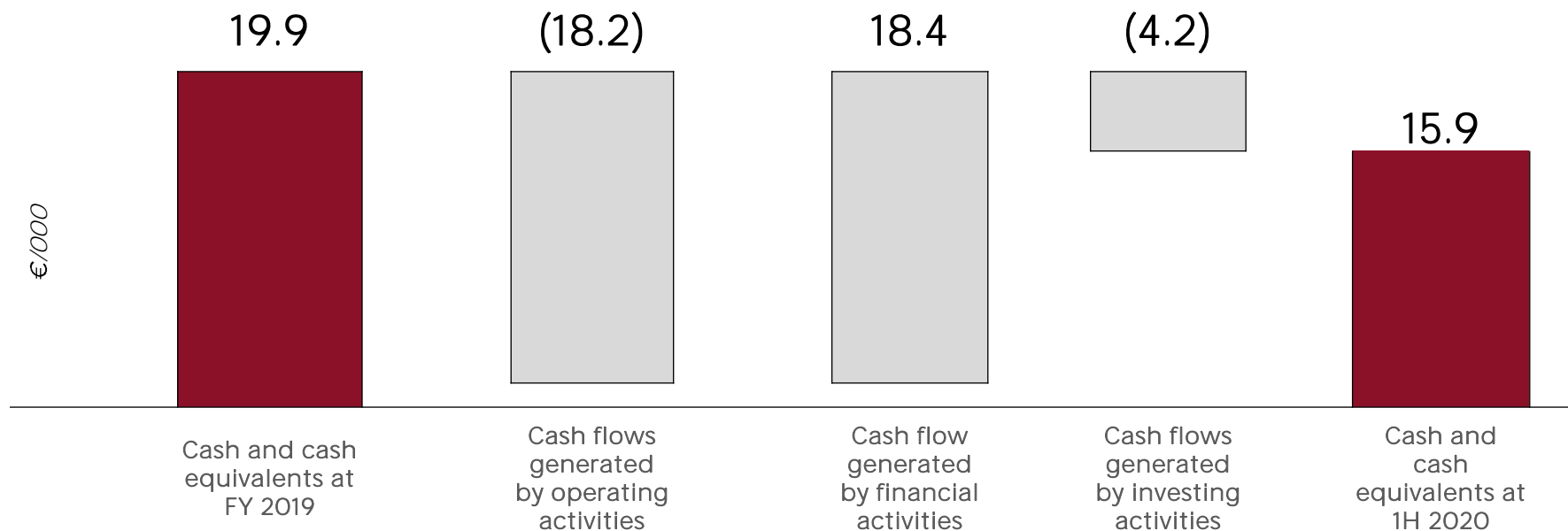


1H2020 EBITDA

1H RESULTS SEVERELY IMPACTED BY THE HEALTH EMERGENCY CAUSED BY COVID-19



1H2020 Cash Flow



Cash flow from investing activities:

Capex (€ 4,2M):

- intangible assets (€ 3.8M);
- tangible assets (€ 0.4M).

Cash flow from financial activities:

- Loans taken out (€ 21.0M);
- Repayment of loans (€ 2.3M);
- Finance expense for rights of use (€ 0.3M).