

**PRESS RELEASE**
**THE BOARD OF DIRECTORS APPROVES THE INTERIM FINANCIAL REPORT  
AT SEPTEMBER 30, 2019**

- **6.5 million passengers** for the first nine months of the year, in line with the same period of 2018.
- **Operating revenues** amounted to €90.5 million, up 4.6% compared to the first nine months of 2018. Aviation and Non-Aviation revenues increased by +2.0% and +8.3%, respectively.
- **EBITDA** amounted to €29.7 million, down 1.6%. Net of the non-recurring events recorded in the first nine months of 2018 and 2019, EBITDA grew by 5.5%.
- The **Group's net profit for the period** was €12.3 million compared to €13.0 million at September 30, 2018. Net of the non-recurring events recorded in the first nine months of 2018 and 2019, and the related tax burden, net profit for the period rose by 5.5%.
- **Net Financial Debt<sup>1</sup>** amounted to €41.8 million, compared to €28.2 million at December 31, 2018 and €36.9 million at September 30, 2018. Capital solidity confirmed by a 0.36 Debt/Equity ratio.

Consolidated results at September 30, 2019:

Consolidated figures (€ million)	9M 2019	% on revenues	9M 2018	% on revenues	Δ	Δ%
Total revenues	96.7	100%	101.2	100%	(4.5)	(4.4%)
Operating revenues	90.5	93.6%	86.5	85.5%	4.0	+4.6%
EBITDA	29.7	30.7%	30.1	29.8%	(0.5)	(1.6%)
Adjusted EBITDA	27.7 <sup>2</sup>	28.6%	26.2 <sup>3</sup>	25.9%	1.5	+5.5%
EBIT	19.6	20.3%	20.6	20.3%	(0.9)	(4.4%)
PBT	18.5	19.2%	19.6	19.4%	(1.1)	(5.5%)
<b>Group's net profit (loss) for the period</b>	12.3	12.7%	13.0	12.8%	(0.7)	(5.5%)
Adjusted net profit (loss) for the period	10.9 <sup>4</sup>	11.3%	10.3 <sup>5</sup>	10.2%	0.6	+5.5%

*Florence, November 7, 2019* – The Board of Directors of Toscana Aeroporti S.p.A. (“Toscana Aeroporti”, the “Company”, or “TA”) – an Italian company listed on the electronic share market (MTA) of Borsa Italiana S.p.A. which manages the Florence and Pisa airports – met today to examine and approve the Interim Financial Report at September 30, 2019.

Passenger and cargo traffic results for the first nine months of 2019

In the period ended September 30, 2019, the Tuscan Airport System handled 6,450,837 passengers, in line with the same period of 2018 (-0.1%).

<sup>1</sup> Net financial debt at September 30, 2019 included overall financial payables of €4.5 million (of which €4.1 million non-current and €375 thousand current financial payables) related to the application of the new IFRS 16 - *Leases* as of January 1, 2019.

<sup>2</sup> Adjusted EBITDA at September 30, 2019 net of the amount (€2 million) related to the favorable judgement No. 2517/19 of the Provincial Tax Commission of Rome on the “Fire Protection Fund”.

<sup>3</sup> Adjusted EBITDA at September 30, 2018, net of the proceed (€3.9 million) recognized following the favorable judgement regarding the dispute between Italy's Ministry of Transport and Toscana Aeroporti.

<sup>4</sup> Adjusted net profit at September 30, 2019, net of the amount (€2 million) related to the above-mentioned favorable judgement on the “Fire Protection Fund” and the related tax burden.

<sup>5</sup> Adjusted net profit at September 30, 2018, net of the above-mentioned proceed recognized following the favorable judgement regarding the dispute between Italy's Ministry of Transport and Toscana Aeroporti and the related tax burden.

In the first nine months of 2019, the Florence and Pisa airports served 96 destinations, of which 11 domestic and 85 international (21 covered by both airports), through 34 airlines (of which 8 operating at both airports), of which 18 legacy airlines and 16 low-cost airlines. At September 30, 2019, **cargo traffic grew** by +12.9%, with almost 9.6 thousand tons of carried goods and mail.

#### Pisa Galileo Galilei airport

In the first nine months of the year, **Pisa airport's traffic (4,255,589 passengers handled)** declined by 1.9% compared to the same period of 2018, mainly due to the performance of commercial flights (-1.8%). The increased aviation capacity for Munich (AirDolomiti/Lufthansa) and Tirana (FlyErnest and Albawings) and the new flight to Casablanca (Air Arabia) largely offset the reduction in Ryanair's flights, the suspension of the connection to Saint Petersburg and the decline in flights to Moscow (Pobeda Airlines). **The Pisa airport's key markets** – besides the domestic one (25.1%) – were the UK (21.4% of the total), Spain (9.8% of the total), and Germany (7.1% of the total). Cargo traffic increased by 13.6% compared to the same period of 2018, carrying 9,401 tons of goods and mail.

#### Florence Amerigo Vespucci airport

In the first nine month of 2019, passengers handled were 2,195,248, up +3.4% compared to the same period of 2018. This result was achieved despite the estimated loss of about 60,000 passengers in the first nine months of 2019 due to the 588 re-routed/cancelled flights. Among these flights, as many as 284 were re-routed/cancelled due to adverse weather conditions, confirming the inadequate infrastructure of the Florence airport. Net of the estimated passenger loss, the Florence airport's traffic would have grown by +6.2%. This result was chiefly attributable to the positive performance of the flight to Lisbon (TAP), the increase in connections to Madrid (Iberia), the launch of the new flight to Copenhagen (SAS) and the full operation by the AirFrance flight to Paris, which in 2018 was impacted by the carrier's strikes involving pilots, cabin crew and ground staff. Moreover, the third aircraft assigned by Vueling as of mid-September allowed to add 4 new destinations (Bilbao, Munich, Vienna and Prague) and increase service on routes already served. International scheduled traffic, which accounted for 86.9% of total scheduled traffic, rose by +4.2%. The Florence airport's key markets were France (20.4% of the total), Germany (18.1% of the total) and Italy (13.1% of the total).

Analyzing the data for the third quarter alone, the Tuscan Airport System handled 2.7 million passengers, decreasing by 1.1% as a result of the 3.0% decline reported by Pisa Galileo Galilei airport and the 3.0% increase by Florence Amerigo Vespucci airport.

#### Consolidated results

**Total revenues** at September 30, 2019 amounted to €96.7 million, down 4.4% compared to €101.2 million for the same period of 2018. This result was attributable to the increase in operating revenues (€90.5 million, up 4.6%) and the decline in both revenues from construction services (€4.8 million compared to €9.4 million at September 30, 2018) and other revenues (€1.4 million compared to €5.3 million for the first nine months of 2018). It bears recalling that in the first half of the previous year this item had benefited from the €3.9 million extraordinary income following the favorable judgement concerning the adjustment for inflation of the Florence airport's airport rights for prior financial years.

Operating revenues are broken down as follows.

- Aviation revenues at September 30, 2019 amounted to €75.1 million, up 2.0% compared to €73.6 million for the same period of 2018. Revenues generated by airport rights, charges and taxes grew (+3.5% to €51.8 million at September 30, 2019 compared to €50.0 million for the same period of 2018), whereas handling revenues dropped by 1.2% (€23.3 million compared to €23.6 million for the first nine months of 2018).
- Network development expenses at September 30, 2019 amounted to €10.5 million, down by €534 thousand (-4.8%) compared to €11.0 million at September 30, 2018.
- In the first nine months of 2019, Non-Aviation revenues amounted to €25.8 million, up by 8.3%, a far better performance than the passenger traffic during the reporting period (-0.1%). Noteworthy are, in particular, the positive revenue performances related to: Car rentals (+€1.1 million; +29.4%), VIP Lounges (+€371 thousand; +16.9%) and Retail (+€365 thousand; +9.1%).

Analyzing the data for the third quarter alone, operating revenues amounted to €37.0 million, up +1.9% compared to €36.4 million for the third quarter of 2018. Revenues from construction services stood at €1.3 million, down 66.4% compared to the same period of 2018.

Total costs at September 30, 2019 were €67.0 million (-5.7%) compared to €71.1 million for the same period of 2018, due to higher operating costs (+1.0%) amounting to €63.2 million at September 30, 2019, and lower costs for construction services (-55.1%), amounting to €3.8 million at September 30, 2019.

EBITDA stood at €29.7 million, down 1.6% compared to €30.1 million for the same period of 2018. Net of the aforementioned non-recurring events recorded in the first nine months of 2018 and 2019, EBITDA grew by 5.5%.

As regards the third quarter alone, EBITDA amounted to €14.0 million, down 5.0% compared to the third quarter of 2018.

EBIT totaled €19.6 million, down 4.4% compared to €20.6 million at September 30, 2018. PBT stood at €18.5 million, decreasing by 5.5% compared to €19.6 million for the first nine months of 2018.

In detail, with regard to the third quarter alone, EBIT was €10.8 million, down 2.8% compared to the third quarter of 2018 (€11.1 million). PBT dropped by 2.8% to €10.8 million compared to €11.1 million for the same period of 2018.

The **Group's net profit for the period** declined by 5.5% (€12.3 million for the first nine months of 2019 compared to €13.0 million for the same period of 2018). Net of the aforementioned non-recurring events recorded in the first nine months of 2018 and 2019, and the related tax burden, the Group's net profit for the period rose by €572 thousand (+5.5%).

Considering the third quarter alone, the Group's net profit for the period totaled €7.0 million, down 1.7% compared to the third quarter of 2018 (€7.1 million).

**Net Financial Debt**<sup>6</sup> was €41.8 million, compared to €28.2 million at December 31, 2018 and €36.9 million at September 30, 2018. This change was mainly attributable to the short-term loans taken out to cover the liquidity needs associated with the **business'** seasonal nature. Debt/Equity ratio was 0.36.

**The Group's total investments at September 30, 2019 amounted to €9.4 million**, of which €5.1 million regarding intangible assets – mainly due to the development of the Florence airport Master Plan and the continuation of the Pisa airport's expansion works – and €4.2 million in property, plant and equipment.

#### Main news on the operations after September 30, 2019

##### Pisa airport

- **Ryanair:** a new flight to Bucharest Otopeni (twice a week) will be launched in the 2019 winter season. In addition, the connection to Dublin will also continue to be operated in the winter season.

##### Florence airport

- **Eurowings:** flights from/to Düsseldorf will continue in the winter season (twice a week).
- **Iberia:** increase in the number of weekly flights to Madrid in the 2019 winter season (from 7 flights a week in 2018/2019 to 11 in 2019/2020).
- **British Airways:** increase in the number of flights to London City (from 8-9 flights a week in the winter season 2018/2019 to 14 in 2019/2020).
- **Brussels Airlines:** connections to Brussels will be operated until November 29, 2019, thus extending the flight's seasonal schedule.

#### Outlook

In the **first ten months of 2019**, the Tuscan Airport System reported total passenger traffic of 7.2 million, slightly increasing by 0.1% compared to the same period of 2018 (the Florence's airport rose by +4.3%, whereas the Pisa's airport declined by -2%).

The Toscana Aeroporti Group expects to report a positive growth rate in 2019 compared to 2018, despite the continuing critical situation of Alitalia – which is currently under extraordinary administration – and the developments of Brexit.

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*The consolidated financial statements at September 30, 2019 are attached hereto. The quarterly accounts at September 30, 2019 have not been audited.*

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

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*The consolidated Interim Financial Report at September 30, 2019 will be made available to the public at the Company's registered office, through the authorized storage mechanism IINFO and will also be published on the Company's website [www.toscana-aeroporti.com](http://www.toscana-aeroporti.com), under "Investor Relations" section.*

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<sup>6</sup> Net financial debt at September 30, 2019 included overall financial payables of €4.5 million (of which €4.1 million non-current and €375 thousand current financial payables) related to the application of the new IFRS 16 - *Leases* as of January 1, 2019.

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

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

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

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

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

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*This press release is also available on the corporate website at the following address [www.toscana-aeroporti.com](http://www.toscana-aeroporti.com), “Investor Relations” section.*

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**TOSCANA AEROPORTI GROUP - CONSOLIDATED INCOME STATEMENT**

<i>€ thousand</i>	at 30.09.2019	at 30.09.2018
<b>REVENUES</b>		
Operating revenues	90,474	86,479
Other revenues	1,428	5,329
Revenues from construction services	4,793	9,386
<b>TOTAL REVENUES (A)</b>	<b>96,696</b>	<b>101,193</b>
<b>COSTS</b>		
<b>Operating costs</b>		
Consumables	983	822
Personnel costs	31,931	32,092
Service costs	25,463	22,897
Sundry operating expenses	1,770	1,669
Airport fees	3,081	5,113
<b>Total operating costs</b>	<b>63,228</b>	<b>62,594</b>
Costs for construction services	3,796	8,457
<b>TOTAL COSTS (B)</b>	<b>67,024</b>	<b>71,051</b>
<b>GROSS OPERATING MARGIN (A-B)</b>	<b>29,671</b>	<b>30,143</b>
Depreciation, amortization and write-downs	8,207	7,367
Provision for risks and repairs	1,543	1,896
Net reversals(write-downs) of trade and other receivables	279	328
<b>OPERATING RESULT</b>	<b>19,643</b>	<b>20,552</b>
<b>NET FINANCE COSTS</b>		
Finance income	5	39
Finance expense	-1,147	-1,015
Gains (losses) from investments	32	36
<b>TOTAL NET FINANCE COSTS</b>	<b>-1,110</b>	<b>-940</b>
<b>PROFIT (LOSS) BEFORE TAXES</b>	<b>18,533</b>	<b>19,611</b>
Taxes for the period	-6,081	-6,454
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>12,452</b>	<b>13,157</b>
Minority interests	-187	-177
<b>GROUP'S NET PROFIT/(LOSS)</b>	<b>12,265</b>	<b>12,980</b>
Earnings per share (€)	0,6590	0,6974
Diluted earnings per share (€)	0,6590	0,6974

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**TOSCANA AEROPORTI GROUP – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

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€ thousand

at 30.09.2019 at 30.09.2018

<b>PROFIT/(LOSS) FOR THE PERIOD (A)</b>	<b>12,452</b>	<b>13,157</b>
Other comprehensive income/(loss) that will subsequently be reclassified through profit or loss:		
- Income/(loss) arising from the determination of the Termination Benefit after tax	-387	138
<b>COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD (A) + (B)</b>	<b>12,065</b>	<b>13,296</b>
Minority interests	-177	-57
<b>GROUP'S COMPREHENSIVE INCOME/(LOSS)FOR THE PERIOD</b>	<b>11,888</b>	<b>13,239</b>

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ thousand)

ASSETS	09/30/2019	12/31/2018
NON-CURRENT ASSETS		
Intangible Assets	172,832	172,956
Property, plant and equipment	28,526	26,853
Rights of use	4,472	0
Equity investments in other companies	2,945	2,945
Equity investments in Associate Companies	570	596
FINANCIAL ASSETS		
Guarantee deposits	207	190
Receivables from others, due beyond the year	3,328	3,399
Other Financial Assets	3,534	3,589
Deferred tax assets	1,579	2,221
<b>TOTAL NON-CURRENT ASSETS</b>	<b>214,459</b>	<b>209,160</b>
CURRENT ASSETS		
Trade receivables	28,993	18,861
Receivables from associate companies	252	174
Tax receivables	1,656	2,355
Receivables from others, due within the year	10,881	9,050
Cash and cash equivalents	17,890	14,270
<b>TOTAL CURRENT ASSETS</b>	<b>59,672</b>	<b>44,710</b>
<b>TOTAL ASSETS</b>	<b>274,131</b>	<b>253,870</b>



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ thousand)**

TOTAL EQUITY AND LIABILITIES	09/30/2019	12/31/2018
<b>CAPITAL AND RESERVES</b>		
Share capital	30,710	30,710
Capital reserves	74,124	73,405
IAS adjustments reserve	-3,229	-3,229
Profit/(Loss) carried forward	3,227	2,754
<b>Group's profit (loss) for the period</b>	<b>12,265</b>	<b>14,596</b>
<b>TOTAL GROUP'S EQUITY</b>	<b>117,097</b>	<b>118,236</b>
MINORITY INTEREST	308	292
<b>TOTAL EQUITY</b>	<b>117,405</b>	<b>118,528</b>
<b>NON-CURRENT LIABILITIES</b>		
Provisions for liabilities and contingencies	2,010	4,164
Provisions for repairs and replacements	18,043	18,939
Employee benefits funds	6,029	5,782
Financial liabilities beyond the year	24,334	28,164
Financial liabilities for rights of use beyond the year	4,135	0
Other payables due beyond the year	253	202
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>54,804</b>	<b>57,251</b>
<b>CURRENT LIABILITIES</b>		
Financial liabilities due beyond the year	30,822	14,256
Financial liabilities for rights of use within the year	375	0
Tax payables	12,296	10,985
Trade and sundry payable		
Payables to suppliers	29,063	28,606
Payables to social security institutions	1,777	2,955
Other payables due within the year	15,474	14,201
Provisions for repair and replacement	7,864	6,473
Advance payments	4,251	614
Total trade and sundry payables	58,429	52,849
<b>TOTAL CURRENT LIABILITIES</b>	<b>101,922</b>	<b>78,091</b>
<b>TOTAL LIABILITIES</b>	<b>156,726</b>	<b>135,342</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>274,131</b>	<b>253,870</b>

CONSOLIDATED NET FINANCIAL DEBT

<i>Euro thousand</i>	09/30/2019	12/31/2018	Abs. change	09/30/2018
A. Cash on hand and at banks	17,890	14,270	3,621	14,785
B. Other cash and cash equivalents	-	-	-	-
C. Securities held for trading	-	-	-	-
<b>D. Liquid assets (A) + (B) + (C)</b>	<b>17,890</b>	<b>14,270</b>	<b>3,621</b>	<b>14,785</b>
E. Current financial receivables	-	-	-	-
F. Current bank payables	26,009	9,501	16,509	18,002
G. Current portion of non-current debt	4,812	4,755	57	4,654
H. Other current payables to leasing companies	375	-	375	-
<b>I. Current financial debt (F) + (G) + (H)</b>	<b>31,197</b>	<b>14,256</b>	<b>16,940</b>	<b>22,657</b>
<b>J. Net current financial debt (I) - (E) - (D)</b>	<b>13,307</b>	<b>(13)</b>	<b>13,320</b>	<b>7,872</b>
K. Non-current bank payables	24,334	28,164	(3,830)	29,049
L. Bonds issued	-	-	-	-
M. Other non-current payables to leasing companies	4,135	-	4,135	-
<b>N. Non-current financial debt (K) + (L) + (M)</b>	<b>28,469</b>	<b>28,164</b>	<b>305</b>	<b>29,049</b>
<b>Net financial debt: (J) + (N) (NFP)</b>	<b>41,776</b>	<b>28,151</b>	<b>13,625</b>	<b>36,921</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

<i>€ thousand</i>	at 30.09.2019	at 30.09.2018
<b>OPERATING ACTIVITIES</b>		
<b>Net result for the period</b>	<b>12,452</b>	<b>13,157</b>
<i>Adjusted for:</i>		
- Depreciation and amortization	8,207	7,367
- Other provisions and write-downs	(276)	(413)
- Change in the provision for liabilities and contingencies	(2,154)	(340)
- Net change in termination benefits and other provisions	(140)	(368)
- Finance expense for the period	1,037	1,015
- Finance expense for rights of use	104	0
- Net change in (prepaid)/deferred taxes	642	336
- Taxes for the period	5,439	6,118
<b><i>Cash flows of operating activities before changes in working capital</i></b>	<b>25,311</b>	<b>26,871</b>
- (Increase)/decrease in trade receivables	(10,132)	(1,552)
- (Increase)/decrease in other receivables	(1,210)	(5,484)
- (Increase)/decrease in trade payables	456	351
- (Increase)/decrease in other payables	3,054	(1,404)
<b><i>Cash flows of operating activities before changes in working capital</i></b>	<b>(7,831)</b>	<b>(8,088)</b>
<b>Liquid assets generated by operating activities</b>	<b>17,480</b>	<b>18,783</b>
- Interest paid	(393)	(390)
- Taxes paid	(3,277)	(2,336)
<b>Cash flows generated by operating activities</b>	<b>13,810</b>	<b>16,058</b>
<b>INVESTING ACTIVITIES</b>		
- Purchase of tangible assets	(4,209)	(1,569)
- Purchase of intangible assets	(5,147)	(9,763)
- Investments and financial assets	81	(3,155)
<b>Cash flows generated by investing activities</b>	<b>(9,275)</b>	<b>(14,486)</b>
<b>CASH FLOWS GENERATED BY OPERATING ACTIVITIES</b>	<b>4,535</b>	<b>1,572</b>
<b>FINANCING ACTIVITIES</b>		
- Dividends paid	(13,188)	(9,993)
- Short-/long-term loans taken out	18,500	18,500
- Short-/long-term loans (repaid)	(5,767)	(8,653)
- Finance expense for rights of use (repaid)	(460)	0
<b>Net cash generated by/(used for) financing activities</b>	<b>(914)</b>	<b>(146)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,621</b>	<b>1,426</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>14,270</b>	<b>13,360</b>
<b>Cash and cash equivalents at end of period</b>	<b>17,890</b>	<b>14,785</b>