

THE BOARD OF DIRECTORS APPROVES THE INTERIM FINANCIAL REPORT
AT 30 SEPTEMBER, 2020

Partial recovery of the Tuscan Airport System's passenger traffic in the third quarter of the year compared to the previous quarter, albeit to levels still far from the pre-Covid-19 situation.

The Company's results – like those of all Italian and international airport operators – have been severely impacted by the effects of the Covid-19 health emergency, combined with the constant lack of coordination and diverging travel restrictions introduced in the various countries.

- **Passenger traffic:** 1.8 million passengers handled at the Florence and Pisa airports in the first nine months of the year, declining by 72.8% compared to the same period of 2019 and in line with the Italian airport system (-69.6%). After a positive start to the first two months of the year (+2.7%), the consequences of the Covid-19 pandemic reduced air traffic to near zero in the second quarter of the year (-99%), followed by a partial recovery in the third quarter (-72.9%).
- **Operating revenues** amounted to €31.7 million (€90.5 million in the first nine months of 2019). Both Aviation and Non-Aviation revenues decreased (-66.3% and -59.3%, respectively).
- **EBITDA** was negative at €6.7 million, compared to a positive €29.7 million at September 30, 2019.
- **Net result for the period** of the Group was negative for €12.8 million at September 30, 2020, compared to a positive €12.3 million for the same period of 2019.
- **Net Financial Debt** amounted to €64.0 million at September 30, 2020 compared to €33.1 million at December 31, 2019 and €41.8 million at September 30, 2019.

Consolidated results at September 30, 2020:

Consolidated figures (€ million)	9M2020	% on revenues	9M2019	% on revenues	Δ	Δ%
Total revenues	37.1	100%	96.7	100%	(59.6)	(61.6%)
Operating revenues	31.7	85.6%	90.5	93.6%	(58.7)	(64.9%)
EBITDA	(6.7)	n.a.	29.7	30.7%	(36.3)	n.a.
EBIT	(16.4)	n.a.	19.6	20.3%	(36.0)	n.a.
PBT	(17.2)	n.a.	18.5	19.2%	(35.7)	n.a.
Group's net profit (loss) for the period	(12.8)	n.a.	12.3	12.7%	(25.0)	n.a.

Florence, November 3, 2020 – The Board of Directors of Toscana Aeroporti S.p.A. (“**Toscana Aeroporti**”, the “**Company**”, or “**TA**”) – an Italian company listed on the electronic share market (MTA) of Borsa Italiana S.p.A. which manages the Florence and Pisa airports – met today to examine and approve the Interim Financial Report at September 30, 2020.

“This is an extremely complex time for the airport sector” commented Toscana Aeroporti Chairman **Marco Carrai**. *“Sustained by our considerable resilience, we are taking all possible actions both to manage costs and to foster the safety of our employees and passengers by implementing innovating, cutting-edge solutions. Out of our awareness of the strategic role that airports play for Tuscany, we are collaborating with local institutions*

and stakeholders to respond as effectively as possible to this exceptional situation, which we hope – as often remarked by Assaeroporti – the Italian government will help resolve through extraordinary support measures.”

Passenger and cargo traffic results for the first nine months of 2020

In the first nine months of 2020, the Tuscan Airport System's passenger traffic was negatively affected by the health emergency caused by the spread of Covid-19. Passengers handled were 1,751,671 at September 30, 2020, decreasing by 72.8% compared to the same period of 2019. After a positive start to the first two months of the year (+2.7%), the consequences of the Covid-19 pandemic reduced air traffic to near zero in the second quarter of the year (-99%), followed by a partial recovery in the third quarter (-72.9%), albeit far from the pre-Covid-19 data. International scheduled flights were impacted more severely by the pandemic effects (-76.5%) than national passenger flights (-59.5%), in a scenario in which international scheduled traffic accounts for over 68.6% of the Tuscan Airport System's total passenger traffic.

At September 30, 2020, cargo traffic was in line with the same period of 2019 (+1.7%), with 9,713 tons of carried goods and mail.

Pisa Galileo Galilei airport

At September 30, 2020, Pisa airport's traffic (1,153,260 passengers handled) declined by 72.9% compared to the same period of 2019. This result was attributable to the performance of traffic in the first two months of 2020 in line with the previous year (-0.5%), which was then reduced to near zero in the second quarter of the year (-99.2%), followed by a partial recovery in the third quarter of 2020 (-71.1%), albeit far from pre-Covid data. In detail, passenger traffic dropped by 77.9% in international scheduled flights and by -58.1% in national flights. Cargo traffic was in line with the same period of 2019 (-1.3%), with 9,276 tons of carried goods and mail.

Florence Amerigo Vespucci airport

In the first nine months of the year, passengers handled by the Florence airport were 598,411, down 72.7% compared to the same period of 2019. This result was attributable to the increase in traffic reported in the first two months of 2020 (+8.2%), which was followed by a sharp decline (-98.6%) in the second quarter of the year (in application of Ministry of Infrastructure and Transport Decree No. 112/2020, operations at the Florence airport were temporarily suspended with effect from March 14, 2020, and then resumed on May 4, 2020) and a partial recovery in the third quarter of 2020 (-76.6%) compared to the previous quarter, although far below the pre-Covid data. In detail, the decline in passenger traffic was more marked in international scheduled flights (-74.1%) than in national flights (-64.5%).

Consolidated results

Total revenues at September 30, 2020 amounted to €37.1 million, down 61.6% compared to €96.7 million for the same period of 2019. This result was attributable to the decline in both operating revenues (€31.7 million, down by 64.9%) and other revenues (€730 thousand compared to €1.4 million for the first nine months of 2019), in addition to the decrease in revenues from construction services (€4.6 million compared to €4.8 million for the first nine months of 2019).

Operating revenues are broken down as follows.

- **Aviation revenues** for the first nine months of 2020 amounted to €25.3 million, down 66.3% compared to €75.1 million for the same period of 2019. As a result of the lower traffic handled in the period, a decline was reported in both revenues generated by airport rights, charges and taxes (€16.9 million compared to €51.8 million for the first nine months of 2019) and handling revenues (€8.4 million at September 30, 2020 compared to €23.3 million for the same period of 2019).
- **Network development expenses** at September 30, 2020 amounted to €4.1 million, down 61.1% compared to €10.5 million for the same period of 2019.
- **Non-Aviation revenues** dropped by 59.3%, decreasing from €25.8 million at September 30, 2019 to €10.5 million at September 30, 2020.

With regard to the third quarter alone, operating revenues totaled €12.6 million, down 65.9% compared to €37.0 million in Q3 2019, whereas total revenues amounted to €13.6 million, declining by 64.6% compared to €38.3 million for the same period of 2019.

Total costs at September 30, 2020 were €43.8 million (-34.7%) compared to €67.0 million for the same period of 2019, due to a decline in both operating costs (-36.1%) amounting to €40.4 million for the first nine months of 2020, and costs for construction services (-11.8%), amounting to €3.4 million. In order to bring operating costs into line with the severe reduction in traffic demand caused by the Covid-19 emergency, Toscana Aeroporti took prompt measures to reduce said costs, placing almost all employees in service in the Extraordinary Wages Guarantee Fund (in addition to using accumulated holiday leaves and remote working arrangements) and renegotiating contractual terms with suppliers, where possible.

With regard to the third quarter alone, operating costs totaled €14.5 million, decreasing by 37.2% compared to Q3 2019, whereas total costs amounted to €14.8 million, declining by 38.9% compared to €24.3 million for the third quarter of 2019.

EBITDA was negative for €6.7 million compared to a positive €29.7 million at September 30, 2019.

With reference to the third quarter alone, EBITDA was negative for €1.3 million compared to a positive €14.0 million for the third quarter of 2019.

EBIT was negative for €16.4 million at September 30, 2020 compared to a positive €19.6 million for the first nine months of 2019. **PBT** went from a positive €18.5 million at September 30, 2019 to a negative €17.2 million at September 30, 2020.

With reference to the third quarter alone, EBIT was negative for €4.7 million compared to a positive €10.8 million for the same period of 2019. PBT was negative for €4.9 million compared to a positive €10.4 million for the third quarter of 2019.

The Group's net result for the period was negative for €12.8 million compared to a net profit of €12.3 million reported in the first nine months of 2019.

With reference to the third quarter alone, the **Group's net result** for the period was negative for €3.9 million compared to a positive €7.0 million for the third quarter of 2019.

Net Financial Debt was €64.0 million, compared to €33.1 million at December 31, 2019 and €41.8 million at September 30, 2019. The increase in net financial debt in the first nine

months of 2020 compared to the same period of 2019 was chiefly attributable to a greater absorption of cash flows generated by operating activities (approximately €38.1 million).

The Group's total investments at September 30, 2020 amounted to €6.0 million, of which €4.7 million regarding intangible assets – mainly due to the expansion of the passenger terminal, the first-flush water treatment and harvesting system of the Pisa airport, the development of the Florence airport Master Plan and the upgrade of the BHS and baggage conveyors at both airports – and €1.3 million in property, plant and equipment.

Significant events occurred in the first nine months of 2020

In order to contribute to enhancing the Tuscan Airport System, support the regional economy and respond to the critical market situation caused by the Covid-19 emergency, the Regional Council approved Law No. 59 of July 30, 2020, Article 7 of which provides for financing for the airport system. This regional financial support is subject to approval by the European Community as it classifies as a government grant.

Significant events occurred after September 30, 2020

The number of those testing positive for Covid-19 has been rising again, both in Italy and the rest of the world, since mid-September. The various governmental measures to combat the pandemic, such as lockdowns and curfews, in European countries such as Spain, the United Kingdom and France, are leading airlines to revise their winter schedules by cutting international flights and destinations served from both Pisa and Florence.

Outlook

In the first ten months of 2020, the Tuscan Airport System reported total passenger traffic of about 1.9 million (-73.7% compared to the first ten months of 2019).

This performance was attributable to the combined effect of the demand recorded in January and February 2020, up 2.7% compared to the same period of 2019, and the severe impact generated by the restrictions of operations imposed due to the coronavirus as of March 2020, which led to a decline in passenger traffic by 84.5% in the period March-October 2020.

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

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

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

households, workers and businesses, trusting in the possibility that the recovery trend may continue in the coming months.

The consolidated financial statements at September 30, 2020 are attached hereto. The quarterly accounts at September 30, 2020 have not been audited.

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

The consolidated Interim Financial Report at September 30, 2020 will be made available to the public at the Company's registered office, through the authorized storage mechanism IINFO and will also be published on the Company's website www.toscana-aeroporti.com, under "Investor Relations" section.

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

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

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

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

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

This press release is also available on the corporate website at the following address www.toscana-aeroporti.com, "Investor Relations" section.

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TOSCANA AEROPORTI GROUP - CONSOLIDATED INCOME STATEMENT

<i>€ thousand</i>	at 30.09.2020	at 30.09.2019
REVENUES		
Operating revenues	31,749	90,474
Other revenues	730	1,428
Revenues from construction services	4,614	4,793
TOTAL REVENUES (A)	37,093	96,696
COSTS		
Operating costs		
Consumables	824	983
Personnel costs	20,078	31,931
Service costs	16,471	25,463
Sundry operating expenses	1,097	1,770
Airport fees	1,936	3,081
Total operating costs	40,407	63,228
Costs for construction services	3,350	3,796
TOTAL COSTS (B)	43,756	67,024
GROSS OPERATING MARGIN (A-B)	-6,664	29,671
Depreciation, amortization and write-downs	8,129	8,207
Provision for risks and repairs	970	1,543
Net reversals(write-downs) of trade and other receivables	591	279
OPERATING RESULT	-16,355	19,643
NET FINANCE COSTS		
Finance income	3	5
Finance expense	-966	-1,147
Gains (losses) from investments	101	32
TOTAL NET FINANCE COSTS	-862	-1,110
PROFIT (LOSS) BEFORE TAXES	-17,217	18,533
Taxes for the period	4,375	-6,081
PROFIT/(LOSS) FOR THE PERIOD	-12,841	12,452
Minority interests	83	-187
GROUP'S NET PROFIT/(LOSS)	-12,758	12,265
Earnings per share (€)	(0,6855)	0,6590
Diluted earnings per share (€)	(0,6855)	0,6590

TOSCANA AEROPORTI GROUP - CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>€ thousand</i>	at 30.09.2020	at 30.09.2019
PROFIT/(LOSS) FOR THE PERIOD (A)	-12,841	12,452
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	-63	-387
COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD (A) + (B)	-12,904	12,065
Minority interests	93	-177
GROUP'S COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	-12,810	11,888

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (€ thousand)

ASSETS	09/30/2020	12/31/2019
NON-CURRENT ASSETS		
Intangible Assets	174,580	174,880
Property, plant and equipment	28,865	30,310
Rights of use	4,639	4,619
Equity investments in other companies	2,945	2,945
Equity investments in Associate Companies	613	570
Other Financial Assets	3,221	3,220
Receivables from others, due beyond the year	272	308
Deferred tax assets	6,391	1,717
TOTAL NON-CURRENT ASSETS	221,526	218,569
CURRENT ASSETS		
Trade receivables	19,480	17,525
Tax assets for current taxes	565	280
Other tax receivables	1,244	1,497
Receivables from others, due within the year	6,032	10,014
Cash and cash equivalents	6,281	19,863
TOTAL CURRENT ASSETS	33,601	49,179
TOTAL ASSETS	255,128	267,749
EQUITY AND LIABILITIES	09/30/2020	12/31/2019
CAPITAL AND RESERVES		
Share capital	30,710	30,710
Capital reserves	87,678	74,124
IAS adjustments reserve	-3,229	-3,229
Profit/(Loss) carried forward	3,945	3,403
Group's profit (loss) for the period	-12,758	14,149
TOTAL GROUP'S EQUITY	106,346	119,156
MINORITY INTEREST	268	361
TOTAL EQUITY	106,614	119,518
NON-CURRENT LIABILITIES		
Provisions for liabilities and contingencies	1,909	2,458
Provisions for repairs and replacements	18,113	17,834
Employee benefits funds	5,673	5,767
Financial liabilities beyond the year	19,689	23,352
Financial liabilities for rights of use beyond the year	4,229	4,239
Other payables due beyond the year	363	338
TOTAL NON-CURRENT LIABILITIES	49,975	53,988
CURRENT LIABILITIES		
Financial liabilities due beyond the year	45,850	24,940
Financial liabilities for rights of use within the year	483	410
Tax payables	295	2,174
Other tax payables	10,717	11,987
Payables to suppliers	26,651	31,643
Payables to social security institutions	1,892	2,611
Other payables due within the year	8,468	12,568
Provisions for repair and replacement	4,182	7,911
TOTAL CURRENT LIABILITIES	98,538	94,243
TOTAL LIABILITIES	148,514	148,231
TOTAL EQUITY AND LIABILITIES	255,128	267,749

CONSOLIDATED NET FINANCIAL DEBT

<i>Euro thousand</i>	09/30/2020	12/31/2019	Abs. change	09/30/2019
A. Cash on hand and at banks	6,281	19,863	(13,582)	17,890
B. Other cash and cash equivalents	-	-	-	-
C. Securities held for trading	-	-	-	-
D. Liquid assets (A) + (B) + (C)	6,281	19,863	(13,582)	17,890
E. Current financial receivables	-	-	-	-
F. Current bank payables	41,027	20,010	21,018	26,009
G. Current portion of non-current debt	4,823	4,930	(107)	4,812
H. Other current payables to leasing companies	483	410	74	375
I. Current financial debt (F) + (G) + (H)	46,333	25,349	20,984	31,197
J. Net current financial debt (I) - (E) - (D)	40,053	5,486	34,566	13,307
K. Non-current bank payables	19,689	23,352	(3,663)	24,334
L. Bonds issued	-	-	-	-
M. Other non-current payables to leasing companies	4,229	4,239	(9)	4,135
N. Non-current financial debt (K) + (L) + (M)	23,918	27,590	(3,672)	28,469
Net financial debt: (J) + (N) (NFP)	63,971	33,077	30,894	41,776

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>€ thousand</i>	at 30.09.2020	at 30.09.2019
OPERATING ACTIVITIES		
Net result for the period	(12,841)	12,452
<i>Adjusted for:</i>		
- Amortisation of tangible assets, intangible assets and rights of use	8,129	8,207
- Change in the provision for liabilities and contingencies	(550)	(2,154)
- Net change for employee benefits funds	(243)	(356)
- Net change of restoration fund	(3,922)	(78)
- Finance expense for rights of use	104	104
- Other finance expense (income)	859	1,057
- Net change in (prepaid)/deferred taxes	(4,654)	765
- Taxes for the period	279	5,317
- (Increase)/decrease in trade receivables	(1,919)	(10,210)
- (Increase)/decrease in other receivables	4,237	(1,126)
- (Increase)/decrease in trade payables	(4,992)	456
- (Increase)/decrease in other payables	(6,065)	3,053
<i>Cash flows of operating activities</i>	(21,577)	17,489
- Interest paid	(313)	(393)
- Taxes paid	(2,442)	(3,277)
Cash flows generated by operating activities	(24,332)	13,818
INVESTING ACTIVITIES		
- Purchase of tangible assets	(1,254)	(4,209)
- Sale of tangible assets	2	0
- Purchase of intangible assets	(4,733)	(5,147)
- Sale of financial assets	(44)	81
Cash flows generated by investing activities	(6,029)	(9,275)
FINANCING ACTIVITIES		
- Dividends paid	0	(13,188)
- Short-/long-term loans taken out	21,000	18,500
- Short-/long-term loans (repaid)	(3,764)	(5,767)
- Finance expense for rights of use (repaid)	(457)	(468)
Net cash generated by/(used for) financing activities	16,779	(923)
Net increase/(decrease) in cash and cash equivalents	(13,582)	3,621
Cash and cash equivalents at beginning of period	19,863	14,270
Cash and cash equivalents at end of period	6,281	17,890