



## **PRESS RELEASE**

**AEROPORTO GUGLIELMO MARCONI DI BOLOGNA S.p.A.: The Board of Directors approves the Group Q3 2018 Results.**

**Passenger traffic sets a new record in the first nine months, reaching approx. 6.4 million passengers (+2.3% versus 2017), which reflects positively on record economic results**

- **The result has been achieved thanks to the introduction of new connections and the strengthening of the existing ones, despite four days of closure of the airport in September**
- **Consolidated Revenues of Euro 83.2 million, +13.2% compared to the first nine months of 2017**
- **Consolidated EBITDA amounting to Euro 29.3 million, + 6.4% compared to the same period of 2017**
- **Group Net Profit totals Euro 14.6 million, +5.9% compared to 13.8 million of 2017**
- **Assessed the co-optation of Marco Troncone in the Board of Directors to replace Livio Fenati**

Bologna, 14 November 2018 – The Board of Directors of Aeroporto Guglielmo Marconi di Bologna S.p.A., chaired by Enrico Postacchini, has approved today the group results for the first nine months of 2018.

In the third quarter of 2018, Bologna Airport confirmed the positive trend in terms of traffic, with over 6.4 million passengers, despite four days of closure for extraordinary maintenance of the runway in September, which has determined a lack of traffic estimated at around 100 thousand passengers.

“The results obtained in recent months are in line with forecasts and are the result of the positive effects that traffic growth has generated on all the main components of the business, generating a multiplier effect on operating results - commented **Nazareno Ventola, Chief Executive Officer and General Manager of Guglielmo Marconi Airport of Bologna** – More in detail, the growth has been supported by the traffic mix, by actions aimed at increasing margins, confirming the careful monitoring of operating cost dynamics, and by exploiting the traffic units managed to maximize the impact also on the non-aviation component”.

## **Traffic**



In the first nine months of 2018 Bologna Airport registered a 2.3% growth in traffic for a total of 6,441,857 passengers, including transits and General Aviation, compared to 6,299,489 passengers in the same period of 2017.

Regarding freight traffic, in the first nine months of 2018, cargo traffic amounted to 38,804,463 kg, down by 7.6% compared to the figure for 2017, due to the lack of extraordinary volumes that had been managed during the last financial year.

The average load factor of aircrafts recorded a slight increase, amounting to 81.8% compared to 81.5% in the first nine months of 2017, driven by a passengers' increase higher than the rise of offered seats.

Both legacy carriers' and the low-cost component contributed to the growth in passenger traffic. In detail, scheduled traffic grew by 3.2% thanks to the introduction of new connections and the upgrading of frequencies by some of the main international airlines.

Low-cost traffic also confirms a positive trend, recording an increase of 0.6% thanks to the strengthening of operations by Ryanair, which continues the connections to Bratislava, Cologne, Naples and Prague and increases the frequencies of those for Manchester, and of Vueling, which increases the frequencies on the Bologna-Barcelona route.

Lastly, traffic in the charter segment is up sharply, registering a + 59.6% thanks to a cautious recovery of flights to Egypt. However, the contribution of this segment to the overall traffic of the airport remains marginal.

### **Operating performance**

Consolidated revenues as at September 30th 2018 amounted to Euro 83.2 million, up by 13.2% compared to Euro 73.5 million in the same period in 2017, thanks to the positive trend recorded by all components.

More in detail, revenues for aeronautical services (airport fees paid by passengers, airlines and airport operators) amounted to Euro 42.6 million, growing by 4.7% due to the increase in traffic and tariff update. Revenues from non-aeronautical services (mainly car parks, retail and passenger services) amounted to Euro 30.8 million, recording a 6.1% increase compared to 2017, thanks to the positive trend of all the components of this category. Lastly, as at September 30th, 2018 revenues from construction services amounted to Euro 9.0 million, recording a + 170.1% due to higher investments made in the period.

Operating costs in the first nine months of 2018 amount to approximately Euro 53.9 million, with an increase of 17.3% compared to Euro 45.9 million in 2017. This increase is particularly linked to: costs for consumables and goods (+ 9.5%) due to higher fuel purchases, service costs (+ 13.5%) for maintenance activities and higher clearance costs due to snowfall and particularly harsh temperatures in February and March; personnel costs (+ 2.8%); and finally, to the item fees, rentals and other costs (+ 6%) linked to the traffic growth. Costs for construction services also increased (+ 170.1%) due to higher investments made in the period.

Adjusted revenues, which excludes the impact of construction services, recorded an increase of 5.8% in the first nine months of the year. The growth in adjusted costs, which also excludes the "one-off" system costs, amounts to 4.5%.

### **Profitability**

Consolidated EBITDA in the first nine months of 2018 amounted to Euro 29.3 million, with a growth of 6.4% compared to Euro 27.6 million in the previous year, while Adjusted EBITDA increases by 7.9%. Consolidated EBIT amounted to Euro 20.4 million, with an increase of 4.6% compared to Euro 19.5 million in 2017.

The growth in passenger traffic, the positive dynamics started in 2017 with the new scheduled connections and the activities to support the aviation marginality have contributed to the consolidated net income which in the first nine months of 2018 is equal to Euro 14.6 million, registering an increase of 5.9% compared to Euro 13.8 million in 2017.

### **Balance Sheet and Investments**

The Group's Net Financial Position as at September 30th 2018 is positive for Euro 16.7 million, compared to Euro 10.1 million at December 31th 2017.

At the end of the third quarter of 2018, Consolidated Shareholders' Equity amount to Euro 172.8 million, compared to Euro 172.3 million at the end of 2017.

The total amount of investments made as at September 30th 2018 amounted to Euro 10.9 million, mainly for investments related to both the execution of the airport Masterplan and investments destined for airport operations.

### **Significant events after period-end**

In October 2018 the airport recorded 747,354 passengers, with an increase of 4.6% on the same month of 2017.

In the period January-October 2018 the total passengers of Marconi were 7,183,520, with a growth of 2.5% over the same period of 2017. The movements were 56,776, with a decrease of 0.8% compared to the previous year.

In terms of starting of new flights and frequency increase:

- Ryanair has launched a new connection to Amman with two weekly frequencies, a new connection to Kaunas with two weekly frequencies and a new daily connection to London Luton, starting from Winter 2018/2019;
- Lauda Air has introduced a new four-weekly connection to Vienna, starting with Winter 2018/2019;



- Lufthansa has introduced an additional daily frequency for Frankfurt (from four to five daily frequencies) starting from Winter 2018/2019.

On October 2nd, 2018, the Parent Company, seizing the opportunity of greater control of the business, especially on the infrastructures dedicated to the air side activity, purchased 49% of TAG's capital which therefore became a 100% subsidiary.

\* \* \*

The Board of Directors of Guglielmo Marconi Airport of Bologna SpA also approved, with the favorable opinion of the Board of Statutory Auditors, the co-optation of Mr. Marco Troncone to replace the Director Livio Fenati, who had resigned on September 26, 2018.

Marco Troncone declared that he satisfies the independence requirements. The Board of Directors, once the opinion of the Board of Statutory Auditors has been acquired, assessed the existence of independence requirements of Marco Troncone. The curriculum vitae of the new member is available on the website of the Company [www.bologna-airport.it](http://www.bologna-airport.it) (Investor Relations/Corporate Governance).

\* \* \*

The Interim Management Report as at September 30th 2018 is available to the public on the company's website at [www.bologna-airport.it](http://www.bologna-airport.it) in the Investor Relations section, as well as on the authorized storage mechanism 1unfo ([www.1info.it](http://www.1info.it)).

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Attached: Statement of Consolidated Financial Position, Consolidated Income Statement, Consolidated Net Financial Position and Cash Flow Statement.

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*The Executive Officer in charge of the preparation of the corporate accounting documents, Patrizia Muffato, declares in accordance with paragraph 2, Article 154-bis of the Consolidated Finance Act that the accounting information in the present press release corresponds to the underlying accounting documents, records and entries.*

\* \* \*

**Bologna Guglielmo Marconi Airport**, classified as a "strategic airport" in the centre-north area of the National Airports Plan prepared by the Ministry of Infrastructure and Transport, is now the eighth biggest Italian airport by passenger numbers, with more than 8.2 million passengers in 2017, of which 76% on international flights (Source: Assaeroporti). Located in the heart of the Emilian food valley and the



*automotive and packaging industrial districts, the airport has a catchment area of about 11 million inhabitants and around 47,000 companies, with a strong propensity to exports and internationalisation and with commercial expansion policies to Eastern Europe and Asia.*

*In 2017 106 destinations were served from Bologna: the presence at the airport of some of the largest airlines in Europe along with some of the leading low-cost carriers and the close link with International hubs make Bologna Italy's fourth airport for global connectivity (Source: ICCSAI - Fact Book 2017) and the first in Europe in terms of growth of connectivity in the decade from 2004 to 2014 (Source: ACI Europe Airport Connectivity Report 2004-2014).*

*As for airport infrastructure, the airport has among its strategic objectives in the next few years an important development plan that mainly concerns the expansion of the terminal, particularly in the parts of security checks and gate area. The company's aim is to make Bologna Airport one of the most modern and functional in Italy, an important gateway to the city and region.*

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**Per ulteriori informazioni:** [www.bologna-airport.it](http://www.bologna-airport.it)

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### Statement of Consolidated Financial Position - Assets

<i>In thousands of Euros</i>	at 30.09.2018	at 31.12.2017
Concession rights	161.195	156,523
Other intangible assets	1.879	1,784
<b><i>Intangible assets</i></b>	<b>163.074</b>	<b>158,307</b>
Land, real estate, plant and equipment	14.217	14,670
Investment property	4.732	4,732
<b><i>Tangible assets</i></b>	<b>18.949</b>	<b>19,402</b>
Shareholdings	43	43
Other non-current assets	10.331	19,827
Deferred tax assets	6.187	6,799
Other non-current assets	1.451	1,496
<b><i>Other non-current assets</i></b>	<b>18.012</b>	<b>28,165</b>
<b><i>NON-CURRENT ASSETS</i></b>	<b>200.035</b>	<b>205,874</b>
Inventories	527	538
Trade receivables	15.304	13,220
Other current assets	5.195	4,188
Current financial assets	9.604	20,617
Cash and cash equivalents	31.550	16,209
<b><i>CURRENT ASSETS</i></b>	<b>62.180</b>	<b>54,772</b>
Assets for sale	0	117
<b>TOTAL ASSETS</b>	<b>262.215</b>	<b>260,763</b>



## Statement of Consolidated Financial Position – Liabilities

<i>In thousands of Euros</i>	<i>at 30.09.2018</i>	<i>at 31.12.2017</i>
Share capital	90.314	90,314
Reserves	67.050	65,218
Year-end results	14.454	15,969
<b>GROUP SHAREHOLDERS' EQUITY</b>	<b>171.818</b>	<b>171,501</b>
<b>MINORITY INTERESTS</b>	<b>977</b>	<b>821</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>172.795</b>	<b>172,322</b>
TFR [Severance] and other personnel provisions	4.372	4,405
Deferred tax liabilities	2.416	2,371
Airport infrastructure provision	9.461	9,575
Provisions for risks and expenses	1.496	1,265
Current financial liabilities	16.092	19,109
Other non-current liabilities	168	169
<b>NON-CURRENT LIABILITIES</b>	<b>34.005</b>	<b>36,894</b>
Trade payables	17.916	16,208
Other liabilities	28.215	24,174
Airport infrastructure provision	906	3,498
Current financial liabilities	8.378	7,667
<b>CURRENT LIABILITIES</b>	<b>55.415</b>	<b>51,547</b>
<b>TOTAL LIABILITIES</b>	<b>89.420</b>	<b>88,441</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>262.215</b>	<b>260,763</b>

## Consolidated Income Statement

<i>In thousands of Euros</i>	<b>At 30.09.2018</b>	<b>At 30.09.2017</b>
Revenues from aeronautical services	42.596	40.669
Revenues from non-aeronautical services	30.795	29.021
Revenues from construction services	8.993	3.330
Other operating revenues and proceeds	799	456
<b>Revenues</b>	<b>83.183</b>	<b>73.476</b>
Consumables and goods	(1.532)	(1.399)
Costs for services	(15.084)	(13.285)
Costs for construction services	(8.565)	(3.171)
Leases, rentals and other costs	(6.072)	(5.728)
Other operating expenses	(2.451)	(2.707)
Personnel costs	(20.172)	(19.631)
<b>Costs</b>	<b>(53.876)</b>	<b>(45.921)</b>
Amortisation of concession rights	(4.320)	(4.246)
Amortisation of other intangible assets	(704)	(508)
Amortisation of tangible assets	(1.624)	(1.528)
<b>Depreciation and impairment</b>	<b>(6.648)</b>	<b>(6.282)</b>
Provision for doubtful accounts	(57)	(62)
Airport infrastructure provision	(2.000)	(1.184)
Provisions for other risks and charges	(233)	(563)
<b>Provisions for risks and charges</b>	<b>(2.290)</b>	<b>(1.809)</b>
<b>Total Costs</b>	<b>(62.814)</b>	<b>(54.012)</b>
<b>Operating results</b>	<b>20.369</b>	<b>19.464</b>
Financial income	576	374
Financial expenses	(453)	(605)
<b>Result before taxes</b>	<b>20.492</b>	<b>19.233</b>
Taxes for the period	(5.882)	(5.433)
<b>Profit (losses) for the period</b>	<b>14.610</b>	<b>13.800</b>
<b>Minority profits (losses)</b>	<b>156</b>	<b>177</b>
<b>Group profits (losses)</b>	<b>14.454</b>	<b>13.623</b>
<b>Profits (losses) basic per share (Euro)</b>	<b>0,40</b>	<b>0,38</b>
<b>Profits (losses) diluted per share (Euro)</b>	<b>0,40</b>	<b>0,38</b>



**Consolidated Net Financial Position**

	In thousands of Euros	at 30.09.2018	at 31.12.2017	at 30.09.2017
A	Cash	23	27	26
B	Cash equivalents	31.527	16,182	30.759
C	Securities held for trading	0	0	0
<b>D</b>	<b>Liquidity</b>	<b>31.550</b>	<b>16,209</b>	<b>30.785</b>
<b>E</b>	<b>Current financial receivables</b>	<b>9.604</b>	<b>20,617</b>	<b>12.948</b>
F	Current bank debt	(170)	(54)	(191)
G	Current portion of non-current debt	(5.808)	(5,807)	(5.806)
H	Other current financial debt	(2.400)	(1,806)	(2.617)
<b>I</b>	<b>Current financial debt</b>	<b>(8.378)</b>	<b>(7,667)</b>	<b>(8.614)</b>
<b>J</b>	<b>Net current financial debt</b>	<b>32.776</b>	<b>29,159</b>	<b>35.119</b>
K	Non-current bank debt	(16.092)	(19,109)	(21.884)
L	Bonds issued	0	0	0
M	Other non-current liabilities	0	0	0
<b>N</b>	<b>Non-current financial debt</b>	<b>(16.092)</b>	<b>(19,109)</b>	<b>(21.884)</b>
<b>O</b>	<b>Net financial debt</b>	<b>16.684</b>	<b>10,050</b>	<b>13.235</b>



## Cash Flow Statement

In thousands of Euros	at 30.09.2018	at 30.09.2017
Cash flow generated /( absorbed) from operating activities before changes in working capital	28.967	27.667
Cash flow generated /(absorbed) from net operating activities	22.456	16.016
Cash flow generated / (absorbed) from investing activities	10.085	7.702
Cash flow generated / (absorbed) from financing activities	(17.200)	(13.043)
Final cash change	15.341	10.675
Liquid assets at beginning of period	16.209	20.110
Final cash change	15.341	10.675
Liquid assets at end of period	31.550	30.785