



PRESS RELEASE

AEROPORTO GUGLIELMO MARCONI DI BOLOGNA: The Board of Directors approves consolidated and the draft of separate financial statements as at December 31, 2018.

Revenues and income results register a strong growth in 2018, thanks to the 10th consecutive record on traffic:

- **Consolidated Revenues of Euro 114.1 million, + 15.1% vs 2017**
- **Consolidated Net Profit of Euro 17.9 million, + 10.8% compared to 16.2 million in 2017**

Proposed to pay an ordinary gross dividend of Euro 0.449 per share (payment date May 8, 2019, ex-dividend date May 6, 2019 and record date May 7, 2019)

Bologna, 14th March 2019 – The Board of Directors of Aeroporto Guglielmo Marconi di Bologna S.p.A., chaired by Enrico Postacchini, today has approved the consolidated and the draft of separate financial statements as at December 31, 2018 in addition to the consolidated non-financial statement mandatory under Article 4 of Legislative Decree no. 254/2016.

"The airport confirms its role as a strategic asset for the economic development of our territory, also strengthening the relevance of the international component in passenger traffic. We expect in 2019 that the planned opening of the People Mover to and from the Central Station will give our airport a determinant role within a network of connectivity increasingly based on the interaction between different transport systems", commented **Enrico Postacchini, Chairman of Guglielmo Marconi Bologna Airport**.

"The results achieved in 2018, tenth consecutive year of growth record in passenger traffic, confirm our commitment in creating value for all stakeholders and reward a management model that has always had as a point of straight the balancing of the various components of the company's business - commented **Nazareno Ventola, CEO and Managing Director of Guglielmo Marconi Bologna Airport** - The strategy of continuous expansion of connections will continue in 2019, as we already introduced new flights that in the coming months will reach destinations both in Italy, Europe and Middle East, as well as the direct connection to the United States, with Philadelphia".

Operating performance

Consolidated revenues for the year 2018 amounted to Euro 114.1 million, increasing by 15.1% compared to Euro 99.1 million in 2017, thanks to the positive trend registered by both Aeronautical (airport charges paid by passengers, airlines and airport operators) and Non-Aeronautical revenues.

In detail, revenues from aeronautical services in 2018 amounted to Euro 56.3 million, up 5.9% on the previous year, mainly due to the increase in traffic and the improvement in the contractual conditions with some carriers. On the other hand, revenues for non-aeronautical services, amounted to Euro 41.2 million, increasing by 7.7% thanks to the good performance of all the components of this category.



2018 operating costs amounted to Euro 75.4 million, with an increase of 16.1% compared to 2017 mainly linked to service costs (+7.1%) and costs for construction services (+132.4%, in parallel with higher revenues due to the growth in investments), rents, rentals and other costs (+5.9%, due to the growth in traffic on which the concession and security fees are calculated and to the increase of the fees for investments in technology). The other operating expenses register a reduction (-7.4%, due to the absence of accessory charges for the purchase of a property in 2017).

Excluding revenues and costs for construction services and the reversal of the "one-off" system charges in the period, compared to a 6.5% increase in revenues, the increase in costs is limited to 2.1% resulting in an adjusted gross operating margin of 38 million euros, up 14.4% compared to 2017.

Profitability

2018 consolidated EBITDA amounted to Euro 38.7 million, with a growth of 13.1% compared to Euro 34.2 million in 2017. Consolidated EBIT amounted to Euro 25.2 million, growing by 11.4% compared to Euro 22.6 million in 2017.

Consolidated net result in 2018 amounted to Euro 17.9 million, registering an increase of 10.8% compared to Euro 16.2 million in 2017. Group's share amounted to Euro 17.9 million compared to Euro 16 million in 2017 (+ 12.3%).

Traffic

Bologna Airport registered in 2018 a total of 8,506,658 passengers, including flights and General Aviation, setting a new traffic record, with an increase of 3.8% compared to 8,198,102 passengers in 2017, thanks the introduction of new destinations and the upgrading of already active routes.

2018 also confirms the strong international vocation of the airport of Bologna, with passengers on international flights - both EU and non-EU - accounting for 76.8% of traffic, registering a slight increase compared to 76.3% in 2017.

The growth in passenger traffic is supported by both the legacy carrier traffic component and the low-cost component. In particular, legacy traffic grew by 4.3%, thanks to the introduction of new flights (including Athens, Kiev, Tbilisi, Vienna and six destinations in Russia) and the upgrading of the frequencies of some of the main companies international (including the fifth daily flight to Frankfurt operated by Lufthansa, the fourth daily flight to Amsterdam, operated by KLM, and the third daily flight to Moscow operated by Aeroflot).

The low-cost segment also confirms a growth trend, with an increase of 2.6% thanks to the strengthened investment on the airport by the most important low-cost airlines, in particular Ryanair, which launched new connections for Amman, Kaunas and London Luton, continued those for Bratislava, Cologne, Naples and Prague and increased the frequencies for Manchester. Furthermore, the frequencies operated by Vueling on the Bologna-Barcelona route (from 7 to 12 weekly frequencies) increased from 1 May 2018.

In 2018 there was also a traffic increase in in the charter segment (+ 51.3%), thanks to the slight recovery of flights to Egypt, which remains however a marginal segment compared to overall airport traffic.

The average load factor confirms the positive trend, passing from 80.9% in 2017 to 81.3% in 2018, thanks to the increase in passengers higher than the rise of offered seats.



Cargo traffic in 2018 was 52,681,291 kg, 6.1% lower than in 2017 due to the absence of the extraordinary volumes recorded during the previous year.

In terms of geographical composition of traffic, just under a quarter of passengers (23.2%) are domestic, followed by Spain (14.2%), Germany (8.9%), United Kingdom (8.7%) and Romania (5.2%).

Confirming the strength of Bologna Airport traffic, to date there are 114 destinations that can be reached directly, with 49 carriers active at the airport: Ryanair is confirmed as the first airline by number of passengers, followed by Wizz Air, Alitalia, Air France, Lufthansa and British Airways.

Balance Sheet and Investments

The Group's Net Financial Position at December 31, 2018 is positive for Euro 8 million, decreasing from Euro 10 million registered in 2017. The reduction is due to lower overall liquidity on the one hand, partially offset by the parallel decline in total financial debt, mainly due to the payment of mortgage instalments. The main driver of the cash flow absorption derives from the investments made during the year of Euro 19.5 million, to which 4.5 million are added for cyclical renewal and maintenance of airport infrastructures (Renewal Fund).

With a Total Shareholders' Equity of Euro 173.7 million euros, registering a slight increase compared to 172.3 million in 2017, the Group confirms a solid capital structure. The growth integrates the distribution of dividends approved by the General Shareholders' Meeting of April 24, 2018 for EUR 14.2 million.

Dividend proposal

Considering a Net Profit result of Guglielmo Marconi di Bologna SpA, equal to Euro 17.1 million, the Board of Directors decided to submit to General Shareholders' Meeting a proposal for the distribution of an ordinary gross dividend of Euro 0.449 per ordinary share, with a pay-out of 95%.

The dividend - if approved by General Shareholders' Meeting scheduled for April 29, 2019, shall be payable as of May 8, 2019, with coupon detachment (the no. 4) starting from May 6, 2019, and with the date of entitlement to receive the dividend (record date) on May 7, 2019.

Significant events after period-end

In the first two months of 2019, the total of passengers at the airport amounted to 1,229,889 (+7.8% compared to the first two months of 2018). Total movements were 10,379, with an increase of 8.3%.

With regards to the introduction of new flights and frequencies' increase:

- American Airlines will start a new flight to Philadelphia with 4 weekly frequencies from 6 June 2019;
- Finnair will start a new direct connection with Helsinki with 3 weekly flights from 10 April 2019;
- Laudamotion will start a new flight to Stuttgart with 6 weekly frequencies starting from Summer 2019;

- Ryanair will introduce during the Summer 2019 new flights to Corfu, Crotone and Podgorica with 2 weekly frequencies and a new flight to Marseille with 3 weekly frequencies;
- Blue Panorama will introduce the new flight to Reggio Calabria in Summer 2019 with 3 weekly frequencies;
- Turkish Airlines will introduce the third daily frequency on the Bologna-Istanbul route in June 2019;
- Georgian Airlines will start the third daily frequency on the Bologna-Tblisi route in Summer 2019.

Other deliberations

The Board of Directors has resolved to call the General Shareholders' Meeting on April 29, 2019 at 03.00 p.m. (at the Legal Head Office in Via Triumvirato 84, Bologna) for the approval of the 2018 statutory financial statements and the proposal of dividend distribution, for the renewal of the corporate offices and for the annual approval of the remuneration policy.

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It is also announced that, starting from tomorrow, March 15th, Patrizia Muffato - Administration and Finance Director of Bologna Airport, S.p.A. - will also take on the role of Investor Relator of the Company, replacing Nazzarena Franco, actual Director of Strategy, Planning and Investor Relations, which leaves Bologna Airport to seize a new professional opportunity outside the Group.

The Board of Directors expresses to Nazzarena Franco the deepest thanks for the task carried out with professionalism and competence during a long and fruitful collaboration.

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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.

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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, in 2018 was the eighth biggest Italian airport by passenger numbers, with 8.5 million passengers, of which 76,8% 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 2018 114 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 European continental hubs make Bologna Italy's fourth airport in 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 recently completed a major upgrade and expansion of the passenger terminal, while the capacity of aeronautical infrastructure is deemed adequate to accommodate the expected growth over the coming years. 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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For further information: www.bologna-airport.it

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Statement of Consolidated Financial Position – Assets

<i>In thousands of Euros</i>	at 31.12.2018	at 31.12.2017
Concession rights	166.292	156.523
Other intangible assets	2.059	1.784
<i>Intangible assets</i>	168.351	158.307
Land, real estate, plant and equipment	15.135	14.670
Investment property	4.732	4.732
<i>Tangible assets</i>	19.867	19.402
Shareholdings	43	43
Other non-current assets	16.205	19.827
Deferred tax assets	6.108	6.799
Other non-current assets	1.464	1.496
<i>Other non-current assets</i>	23.820	28.165
<i>NON-CURRENT ASSETS</i>	212.038	205.874
Inventories	594	538
Trade receivables	14.272	13.220
Other current assets	4.661	4.188
Current financial assets	13.449	20.617
Cash and cash equivalents	15.762	16.209
<i>CURRENT ASSETS</i>	48.738	54.772
Assets held for sale	0	117
TOTALE ATTIVITA'	260.776	260.763



Statement of Consolidated Financial Position – Liabilities

<i>In thousands of Euros</i>	at 31.12.2018	at 31.12.2017
Share capital	90.314	90.314
Reserves	65.469	65.218
Year-end results	17.927	15.969
GROUP SHAREHOLDERS' EQUITY	173.710	171.501
MINORITY INTERESTS	0	821
TOTAL SHAREHOLDERS' EQUITY	173.710	172.322
TFR [Severance] and other personnel provisions	4.205	4.405
Deferred tax liabilities	2.456	2.371
Airport infrastructure provision	10.332	9.575
Provisions for risks and expenses	1.028	1.265
Current financial liabilities	14.690	19.109
Other non-current liabilities	168	169
NON-CURRENT LIABILITIES	32.879	36.894
Trade payables	19.011	16.208
Other liabilities	26.367	24.174
Airport infrastructure provision	1.757	3.498
Provisions for risks and expenses	526	0
Current financial liabilities	6.526	7.667
CURRENT LIABILITIES	54.187	51.547
TOTAL LIABILITIES	87.066	88.441
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	260.776	260.763

Consolidated Income Statement

<i>In thousands of Euros</i>	at 31.12.2018	at 31.12.2017
Revenues from aeronautical services	56.342	53.212
Revenues from non-aeronautical services	41.160	38.222
Revenues from construction services	15.650	6.735
Other operating revenues and proceeds	940	977
Revenues	114.092	99.146
Consumables and goods	(1.952)	(1.852)
Costs for services	(20.030)	(18.694)
Costs for construction services	(14.905)	(6.414)
Leases, rentals and other costs	(8.123)	(7.668)
Other operating expenses	(3.210)	(3.465)
Personnel costs	(27.154)	(26.832)
Costs	(75.374)	(64.925)
Amortisation of concession rights	(5.857)	(5.749)
Amortisation of other intangible assets	(1.323)	(989)
Amortisation of tangible assets	(2.219)	(2.085)
Depreciation and impairment	(9.399)	(8.823)
Provision for doubtful accounts	(64)	12
Airport infrastructure provision	(3.752)	(2.544)
Provisions for other risks and charges	(291)	(240)
Provisions for risks and charges	(4.107)	(2.772)
Total Costs	(88.880)	(76.520)
Operating results	25.212	22.626
Financial income	384	274
Financial expenses	(620)	(852)
Result before taxes	24.976	22.048
Taxes for the period	(7.049)	(5.865)
Profit (losses) for the period	17.927	16.183
Minority profits (losses)	0	214
Group profits (losses)	17.927	15.969
Profits (losses) basic per share (Euro)	0,50	0,44
Profits (losses) diluted per share (Euro)	0,50	0,44



Consolidated Income Statement with adjusted Gross Operating Profit

<i>In thousands of Euros</i>	at 31.12.2018	At 31.12.2017
Revenues from aeronautical services	56.342	53.212
Revenues from non-aeronautical services	41.160	38.222
Other operating revenues and income	940	977
Adjusted Revenues	98.442	92.411
Consumables and goods	(1.952)	(1.852)
Services costs	(20.030)	(19.413)
Leases, rentals and other costs	(8.123)	(7.668)
Other operating expenses	(3.210)	(3.465)
Personnel costs	(27.154)	(26.832)
Adjusted costs	(60.469)	(59.230)
Adjusted gross operating profit (adjusted EBITDA)	37.973	33.181
Revenues from construction services	15.650	6.735
Costs for construction services	(14.905)	(6.414)
Margin for construction services	745	321
Utilities - One-off energy costs	0	719
Gross Operating Profit (EBITDA)	38.718	34.221



Consolidated Net Financial Position

<i>In thousands of Euros</i>	at 31.12.2018	at 31.12.2017
Cash	27	27
Cash equivalents	15.735	16.182
Securities held for trading	0	0
Liquidity	15.762	16.209
Current financial receivables	13.449	20.617
Current bank debt	(43)	(54)
Current portion of non-current debt	(4.433)	(5.807)
Other current financial debt	(2.050)	(1.806)
Current financial debt	(6.526)	(7.667)
Net current financial debt	22.685	29.159
Non-current bank debt	(14.690)	(19.109)
Bonds issued	0	0
Other non-current liabilities	0	0
Non-current financial debt	(14.690)	(19.109)
Net financial debt	7.995	10.050

Cash Flow Statement

<i>In thousands of Euros</i>	at 31.12.2018	at 31.12.2017
Cash flow generated / (absorbed) by operating activities before changes in working capital	38.066	34.351
Cash flow generated / (absorbed) from net operating activities	30.342	25.275
Cash flow generated / (absorbed) from investing activities	(10.806)	(13.349)
Cash flow generated / (absorbed) from financing activities	(19.983)	(15.827)
Final cash change	(447)	(3.901)
Liquid assets at beginning of period	16.209	20.110
Final cash change	(447)	(3.901)
Liquid assets at end of period	15.762	16.209