



PRESS RELEASE

AEROPORTO GUGLIELMO MARCONI DI BOLOGNA: The Board of Directors approves consolidated and the draft of separate financial statements as at December 31, 2017:

- **Passengers' traffic amounting to 8.2 million (+6.7% compared to 2016), thanks to the growth of all traffic's components**
- **Consolidated Revenues of Euro 99.1 million, +9.6% vs 2016**
- **Consolidated EBITDA of Euro 34.2 million, with a growth of +21.3% compared to 2016**
- **Consolidated Net Profit of Euro 16.2 million, +41.9% compared to 11.4 million of 2016**

Bologna, 15th March 2018 – 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, 2017.

Fiscal year 2017 has been the 9th consecutive year of traffic record for Bologna Airport with about 8.2 million passengers and an increase of 6.7% compared to 2016, thanks to the introduction of new connections and the strengthening of already existing routes.

2017 results have furtherly confirmed Bologna Airport's international role, with passengers directed to international destinations – both EU and extra EU - accounting for 76.3% of the total, compared to the incidence of 75% recorded in 2016.

“2017 results confirm the international role of our airport thanks to the continuous increase of flights towards strategic areas, that include the most important destinations of the European market, Emirates flights with Dubai and, starting from next June, also the connections with China. The airport represents a more and more strategic driver for the economic development of our catchment area, supporting business, professionals and citizens” - commented **Enrico Postacchini, Chairman of Guglielmo Marconi Airport of Bologna.**

“2017 results, the ninth consecutive year of traffic growth above national average, support value creation for all stakeholders, give us great satisfaction, confirming the successful strategy of continuous expansion of offered flights, the sustainable mix between legacy carriers traffic and low-cost segment as well as the strategic role of the airport for the Italian market. Bologna Airport proves a unique connection both towards north and south of Italy, strategically at the centre of railways and highways. In this sense, the further increase of served connections and in particular the flights with five Chinese cities that will start in June, represent key drivers for the continuous growth of the airport and its catchment area” - said **Nazareno Ventola, CEO and Managing Director of Guglielmo Marconi Airport of Bologna.**



Traffic

Bologna Airport has registered in 2017 a total of 8,198,156 passengers, included flights and General Aviation, compared to 7,680,992 passengers in 2016.

Both the legacy carriers traffic and the low-cost segment contributed to confirm this positive trend in passengers' growth. In particular, the legacy traffic registered an increase of 8.6% thanks to the introduction of new flights (Tirana and Kiev respectively by Ernst Airlines and Dart Airlines) and to the strengthening of frequencies by the most important international airlines towards certain hubs (the higher daily frequency by Air France on Paris, Alitalia on Rome and Catania, TAP on Lisbon, Jetairly on Marrakech and Air Dolomiti on Monaco).

The low cost traffic confirms as well its net growth trend, increasing by 5.5%, thanks to the strengthened investment on the airport by most important low cost airlines, in particular Ryanair with new connections on Naples, Prague, Colonia, Bratislava, Eindhoven and Lisbon, Wizzair which started a flight to Suceava and increased frequencies to Chisinau, Craiova and Timisoara, as well as Eurowings that introduced a new flight to Hamburg since Summer 2017.

Thanks to a slight recovery of the flights towards Egypt also the charter segment registered in 2017 a relevant growth (8.5%), remaining however a minor segment compared to overall airport traffic.

The average load factor registered a significative increase, from 78.5% in 2016 to 80.9% in 2017, driven by a passengers' increase higher than the rise of offered seats.

Cargo traffic confirmed a positive trend, too, with 56,132,109 kg, growing by 17.7% compared to 2016, thanks to the increase of volumes in all the traffic's components.

Looking at the geographical composition of the traffic, in 2017 domestic passengers accounted for about a quarter of the total (23.7%), followed by Spain (14.4%), Germany (10.0%), UK (8.4%) and Romania (5.7%).

Confirming the solidity of Bologna Airport traffic, today there are 106 destinations that can be reached directly, with 45 carriers active at the airport. Ryanair is confirmed as the first airline for the number of passengers, followed by Wizz Air, Alitalia, Lufthansa, Air France and British Airways.

Operating performance

2017 consolidated revenues amounted to Euro 99.1 million, increasing by 9.6% compared to Euro 90.4 million in 2016, thanks to the positive trend registered by both Aeronautical (airport charges paid by passengers, airlines and airport operators) and Non-Aeronautical revenues.

In particular, 2017 Aeronautical revenues amounted to Euro 53.2 million, with an increase of 10.3% due to the growth in the passengers traffic and to the improvement in the contractual conditions with some carriers. The Non-Aeronautical revenues amounted to Euro 38.2 million, registering a growth of 8.3% thanks to the positive trend of all its components and in particular services to passengers, Retail and car parking.

2017 operating costs amounted to Euro 64.9 million, with an increase of 4.3% mostly due to increased costs for consumables and goods (+26.2% mainly due to higher fuel purchases), to construction services (+12.3% combined with higher revenues, as evidenced by the increase in the corresponding investment), other operating expenses (+11.1%), leases, rentals and other costs (+5.9%) and the personnel costs (+5.1% due to the staff growth of 13 full-time equivalent people for activities sensitive to traffic increase such as security).



Profitability

2017 Consolidated EBITDA amounted to Euro 34.2 million, with a growth of 21.3% compared to Euro 28.2 million in 2016. Consolidated EBIT amounted to Euro 22.6 million, growing by 31.0% compared to Euro 17.3 million in 2016.

2017 consolidated net result amounted to Euro 16.2 million compared to Euro 11.4 million of 2016 (+41.9%). This result is supported by strong traffic growth and the related positive dynamics on all revenue lines, as well as by the control of the cost structure. Group's share amounted to Euro 16 million compared to Euro 11.3 million in 2016 (+41.2%).

Balance Sheet and Investments

The Group Net Financial Position as at December 31, 2017 was positive for Euro 10 million, in further improvement compared to the positive amount of Euro 8.5 million as of December 31, 2016. This trend was determined by the lower bank debt, linked to the repayment of some loans' instalments for Euro 5.8 million.

2017 confirmed the Group solid capital structure, with a Total Shareholders' Equity of Euro 172.3 million compared to Euro 166.1 million at 31 December 2016, an increase which integrates the period's results as well as 2017 dividends' payment of Euro 10 million approved by the General Shareholders' Meeting of 27 April 2017.

Total investments in 2017 amounted to Euro 12.4 million, of which Euro 4 million for the investments related to the Masterplan execution (mainly infrastructure) and the remaining for airport operations improvements, aimed to the continuous improvement of services to passengers.

Dividend proposal

In light of Net Profit result of Aeroporto Guglielmo Marconi di Bologna amounting to Euro 14.9 million, the Board of Directors decided to submit to General Shareholders' Meeting a proposal for the distribution of a gross dividend of Euro 0,392 per ordinary share, with a pay-out of 95%.

The dividend - if approved by General Shareholders' Meeting scheduled for April 24, 2018 – shall be payable as of May 9, 2018 with ex-date on May 7, 2018 and record date on May 8, 2018.

Significant events after period-end

In the first two months of 2018, the total of passengers amounted to 1,141,342 with an increase of 11.7% compared to the same period of 2017. Total movements were 9,584, with an increase of 6.3%.

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

- KLM started the fourth daily frequency from Bologna to Amsterdam since February 2018;
- Ural Airlines will start new connections towards six Russian destinations with a weekly frequency from Summer 2018;
- Blue Panorama will start new direct connections (60 flights in arrival and departure) from/to China from June, 15 2018;



- Georgian Airways will start a new flight to Tbilisi with 2 weekly frequencies from Summer 2018;
- Aegean Airlines will start a new seasonal flight to Athens with 2 weekly frequencies from Summer 2018;
- Alitalia will start:
 - A new flight to Palermo with 2 daily frequencies from June to September 2018;
 - The second daily frequency from Bologna to Catania in Summer 2018;
- Aeroflot will start the third daily frequency from Bologna to Moscow in July 2018;
- Vueling will start the second daily frequency from Bologna to Barcelona in Summer 2018.

Other deliberations

The Board of Directors has resolved to call the General Shareholders' Meeting on April 24, 2018 at 03.00 p.m. (at the Legal Head Office in Via Triumvirato 84, Bologna) for the approval of the 2017 statutory financial statements and the proposal of dividend distribution, of the appointment of two Board members following the resignation of two Board members that took place in the last quarter of 2017, and, finally, of the remuneration policy.

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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 2017 was the eighth biggest Italian airport by passenger numbers, with 8.2 million passengers, 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 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 31.12.2017	at 31.12.2016
Concession rights	156,523	155,595
Other intangible assets	1,784	1,116
<i>Intangible assets</i>	158,307	156,711
Land, real estate, plant and equipment	14,670	12,098
Investment property	4,732	4,732
<i>Tangible assets</i>	19,402	16,830
Shareholdings	43	147
Other non-current assets	19,827	17,990
Deferred tax assets	6,799	7,427
Other non-current assets	1,496	1,384
<i>Other non-current assets</i>	28,165	26,948
<i>NON-CURRENT ASSETS</i>	205,874	200,489
Inventories	538	519
Trade receivables	13,220	13,454
Other current assets	4,188	3,399
Current financial assets	20,617	22,085
Cash and cash equivalents	16,209	20,110
<i>CURRENT ASSETS</i>	54,772	59,567
Assets held for sale	117	0
TOTALE ATTIVITA'	260.763	260.056



Statement of Consolidated Financial Position – Liabilities

<i>In thousands of Euros</i>	at 31.12.2017	at 31.12.2016
Share capital	90,314	90,314
Reserves	65,218	63,882
Year-end results	15,969	11,311
GROUP SHAREHOLDERS' EQUITY	171,501	165,507
MINORITY INTERESTS	821	607
TOTAL SHAREHOLDERS' EQUITY	172,322	166,114
TFR [Severance] and other personnel provisions	4,405	4,596
Deferred tax liabilities	2,371	2,216
Airport infrastructure provision	9,575	10,631
Provisions for risks and expenses	1,265	1,006
Current financial liabilities	19,109	24,896
Other non-current liabilities	169	194
NON-CURRENT LIABILITIES	36,894	43,539
Trade payables	16,208	15,669
Other liabilities	24,174	22,802
Airport infrastructure provision	3,498	2,933
Provisions for risks and expenses	0	159
Current financial liabilities	7,667	8,840
CURRENT LIABILITIES	51,547	50,403
TOTAL LIABILITIES	88,441	93,942
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	260,763	260,056

Consolidated Income Statement

<i>In thousands of Euros</i>	at 31.12.2017	at 31.12.2016
Revenues from aeronautical services	53,212	48,224
Revenues from non-aeronautical services	38,222	35,296
Revenues from construction services	6,735	5,999
Other operating revenues and proceeds	977	923
Revenues	99,146	90,442
Consumables and goods	(1,852)	(1,467)
Costs for services	(18,694)	(19,153)
Costs for construction services	(6,414)	(5,713)
Leases, rentals and other costs	(7,668)	(7,240)
Other operating expenses	(3,465)	(3,120)
Personnel costs	(26,832)	(25,537)
Costs	(64,925)	(62,230)
Amortisation of concession rights	(5,749)	(5,347)
Amortisation of other intangible assets	(989)	(758)
Amortisation of tangible assets	(2,085)	(1,836)
Depreciation and impairment	(8,823)	(7,941)
Provision for doubtful accounts	12	(63)
Airport infrastructure provision	(2,544)	(2,925)
Provisions for other risks and charges	(240)	(11)
Provisions for risks and charges	(2,772)	(2,999)
Total Costs	(76,520)	(73,170)
Operating results	22,626	17,272
Financial income	274	362
Financial expenses	(852)	(1,223)
Result before taxes	22,048	16,411
Taxes for the period	(5,865)	(5,006)
Profit (losses) for the period	16,183	11,405
Minority profits (losses)	214	94
Group profits (losses)	15,969	11,311
Profits (losses) basic per share (Euro)	0.44	0.31
Profits (losses) diluted per share (Euro)	0.44	0.31



Consolidated Income Statement with adjusted Gross Operating Profit

<i>In thousands of Euros</i>	<i>at 31.12.2017</i>	<i>At 31.12.2016</i>
Revenues from aeronautical services	53,212	48,224
Revenues from non-aeronautical services	38,222	35,296
Other operating revenues and income	977	923
Adjusted Revenues	92,411	84,443
Consumables and goods	(1,852)	(1,467)
Services costs	(19,413)	(18,434)
Leases, rentals and other costs	(7,668)	(7,240)
Other operating expenses	(3,465)	(3,120)
Personnel costs	(26,832)	(25,537)
Adjusted costs	(59,230)	(55,798)
Adjusted gross operating profit (adjusted EBITDA)	33,181	28,645
Revenues from construction services	6,735	5,999
Costs for construction services	(6,414)	(5,713)
Margin for construction services	321	286
Utilities - One-off energy costs	719	(719)
Gross Operating Profit (EBITDA)	34,221	28,212

Consolidated Net Financial Position

<i>In thousands of Euros</i>	at 31.12.2017	at 31.12.2016
Cash	27	25
Cash equivalents	16,182	20,085
Securities held for trading	0	0
Liquidity	16,209	20,110
Current financial receivables	20,617	22,085
Current bank debt	(54)	(70)
Current portion of non-current debt	(5,807)	(5,800)
Other current financial debt	(1,806)	(2,970)
Current financial debt	(7,667)	(8,840)
Net current financial debt	29,159	33,355
Non-current bank debt	(19,109)	(24,896)
Bonds issued	0	0
Other non-current liabilities	0	0
Non-current financial debt	(19,109)	(24,896)
Net financial debt	10,050	8,459

Cash Flow Statement

<i>In thousands of Euros</i>	at 31.12.2017	at 31.12.2016
Cash flow generated / (absorbed) by operating activities before changes in working capital	34,351	28,045
Cash flow generated / (absorbed) from net operating activities	25,275	29,344
Cash flow generated / (absorbed) from investing activities	(13,349)	(41,647)
Cash flow generated / (absorbed) from financing activities	(15,827)	(18,271)
Final cash change	(3,901)	(30,574)
Liquid assets at beginning of period	20,110	50,684
Final cash change	(3,901)	(30,574)
Liquid assets at end of period	16,209	20,110

