



# Company Presentation

Italian Stock Market Opportunities 2021 - Virtual Video Conference



January 13, 2021



# Table of contents

1. Toscana Aeroporti *at a glance*

---

2. 9M 2020 Results

---

3. Business Update

---





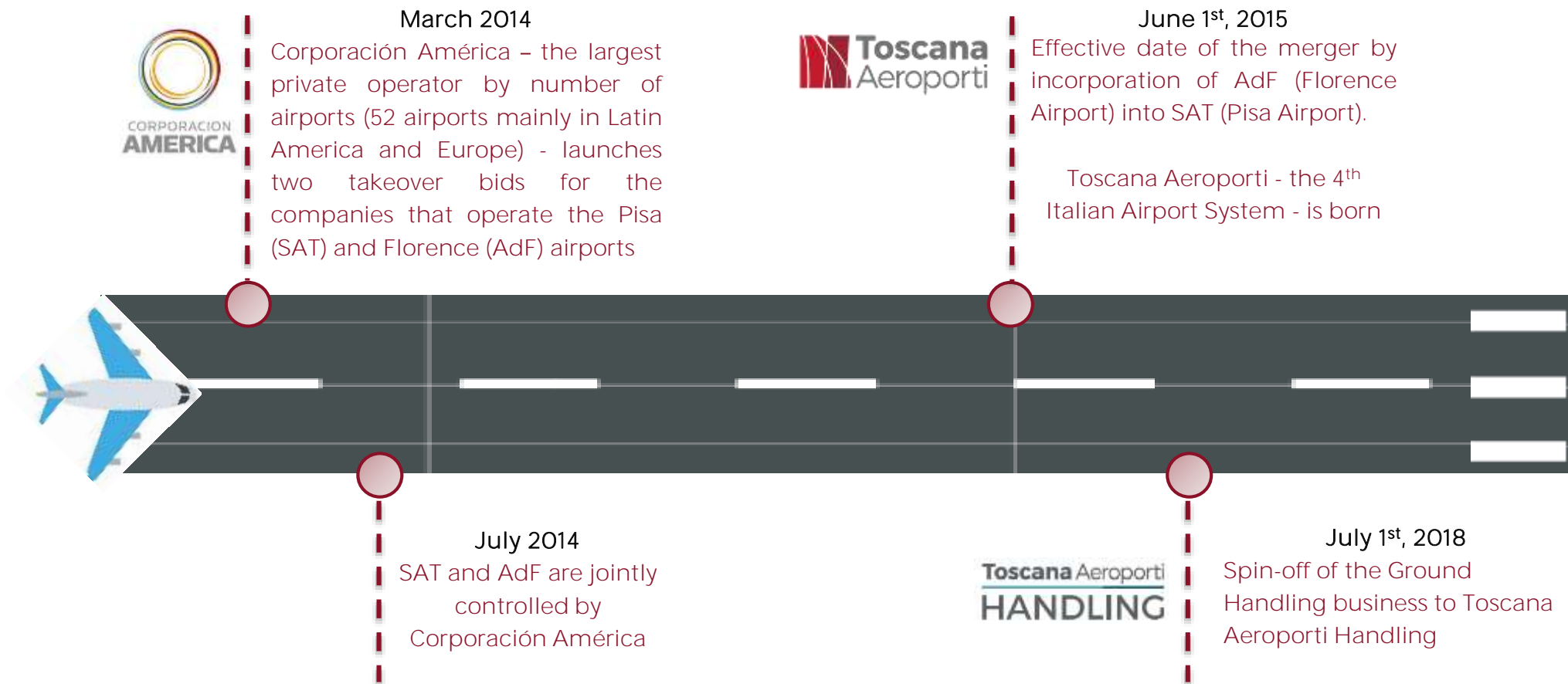




Toscana Aeroporti S.p.A. – Company Presentation

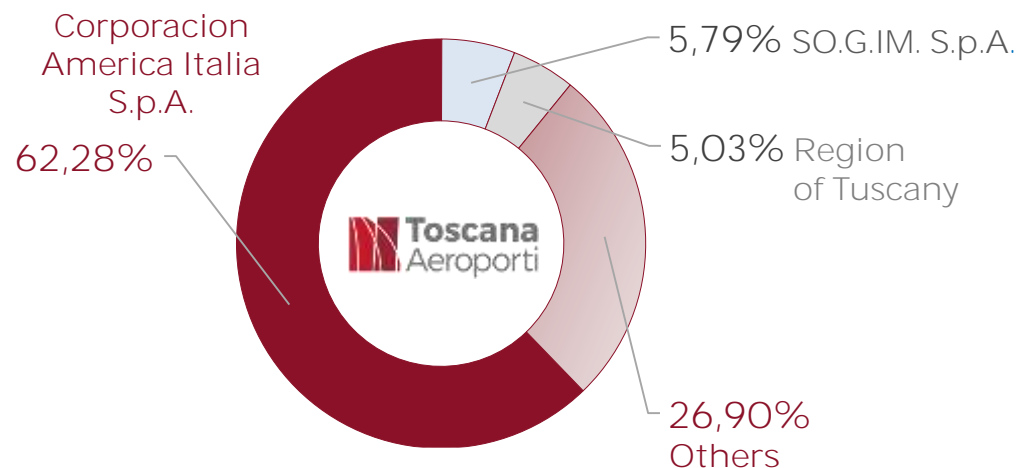
# 1. Toscana Aeroporti *at a glance*

# Toscana Aeroporti - milestones





# Toscana Aeroporti shareholders structure

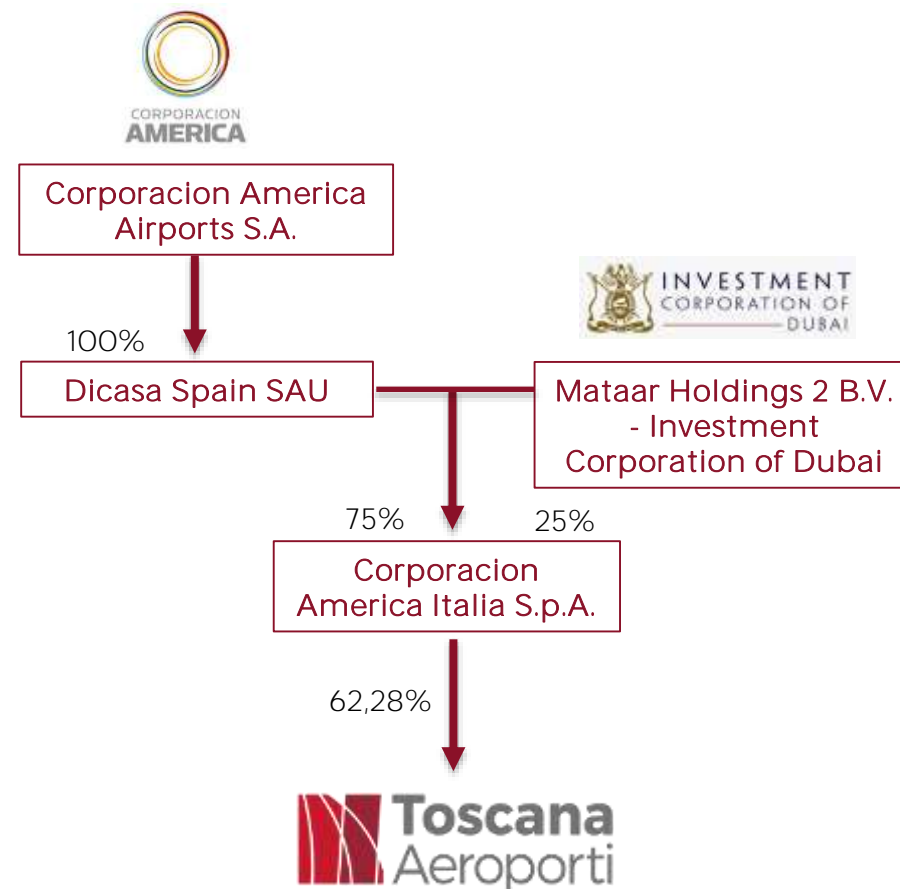


SO.G.IM  
S.p.A.

Società Generale Immobiliare S.p.A. is a real estate investment company located in Perugia, Italy

Region of  
Tuscany

The regional government of Tuscany



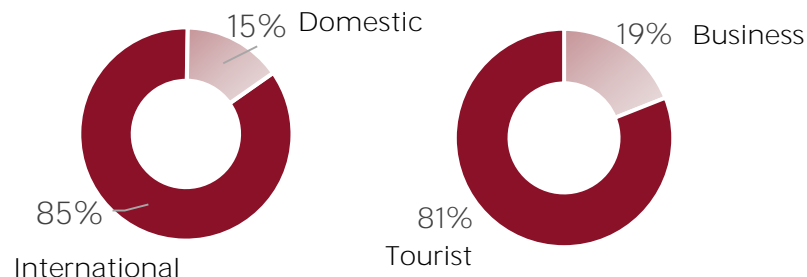
## Florence

Profitable **“full cost”** intra-EU airlines service located in one of **Europe’s** Main tourist destinations and leading high fashion centers with one of highest yield per passenger

### A key tourist attraction in Italy



### Passengers traffic

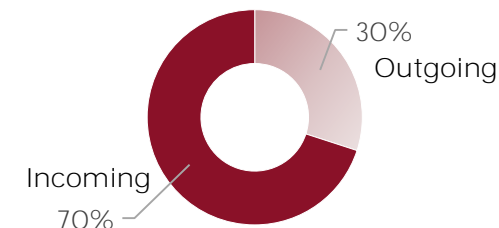


Data year: 2019

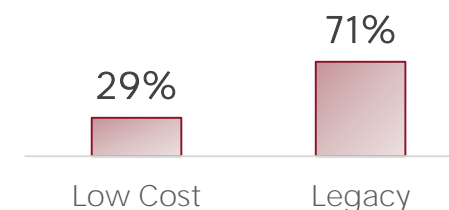
### Main routes by country

#	Country	%
1	France	23%
2	Germany	17%
3	Italy	15%
4	Spain	14%
5	United Kingdom	9%
6	Netherland	8%
7	Switzerland	6%
8	Others	8%

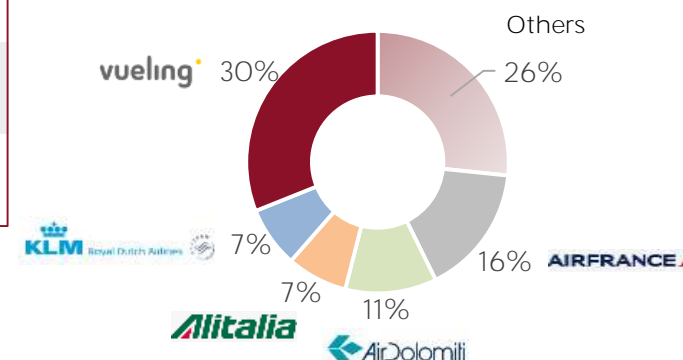
### Pax profile



### Pax per Type of Airline



### Pax Breakdown by Airline





## Pisa

Proven LCC business model in one of **Italy's** main tourist destinations (Toscana) also focused on the development of intercontinental flights

### Main routes by country

#	Country	%
1	Italy	27%
2	United Kingdom	21%
3	Spain	10%
4	Germany	7%
5	France	5%
6	Netherland	5%
7	Russia	3%
8	Others	22%

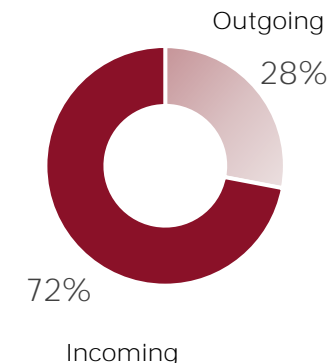


Plazza del Miracoli

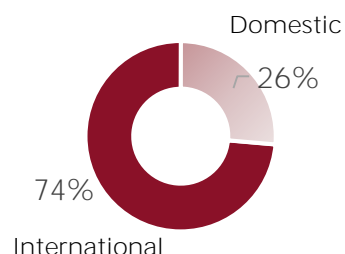
### LCC Rationale

- O&D airport, favorably located in the middle of the European Union, providing access to various geographies and serving as a convenient destination for airlines
- Gateway to Tuscany and central Italy, directly linked to the Italian railway system
- Located in a world-class touristic destination, attracting ~6 mln visitors per year to the Leaning Tower of Pisa
- Efficient business operations, consistently delivering healthy profit margins while offering services and infrastructure at a competitive cost
- Potential to leverage on existing airlines relationships and TA's predominance in the region to foster expansion strategy

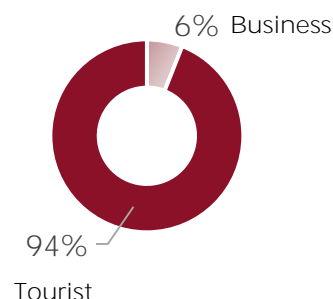
### Pax profile



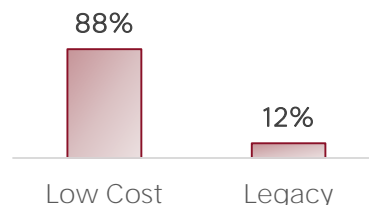
### Pax traffic



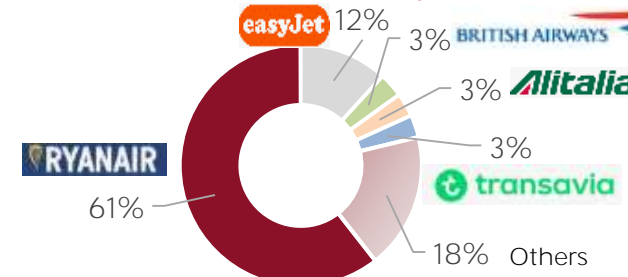
### Type of pax



### Pax per Type of Airline



### Pax Breakdown by Airline



Data year: 2019

## 2020 YTD EU listed airports Resilient TA stock performance









# Galilei International Airport



Toscana Aeroporti S.p.A. – Company Presentation

# 2. 9M 2020 Results

# Responses to COVID-19: opex reduction & Cash preservation

## OPEX REDUCTION

- **Personnel costs:** activated the CIGS/Extraordinary Wages Guarantee Fund (State's help to cover part of the employees' salary) for all employees in service, in addition to mandatory use of accrued holiday leave and, where possible, smart-working;
- **Supplier contracts:** renegotiated contractual terms with suppliers, where possible;
- **Maintenance, operational and utility expenses:** reduced expenses due to lower traffic handled, to Florence airport closure and part of Pisa airport closed;
- **Concession fees:** approved by the regulator the deferral of semi-annual concession fee payment to January 2021, originally due July 2020. The calculation to be based on actual number of passengers in 2020.

## CASH PRESERVATION

- **Dividend:** revoked distribution of dividends for FY2019;
- **Financing:** defined an agreement with a pool of leading financial institutions regarding a financing transaction for a total of € 85 million, backed by SACE guarantees ("Liquidity Decree") within the framework of the programme "Garanzia Italia".
- **Capex:** investments have been subject to extensive review, sorting out those related to regulatory requirements or to maintain high quality and security standards and airport safety.

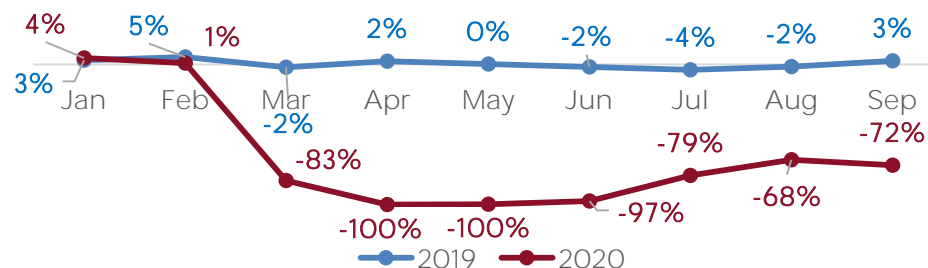


# 9M2020 Toscana Aeroporti traffic results

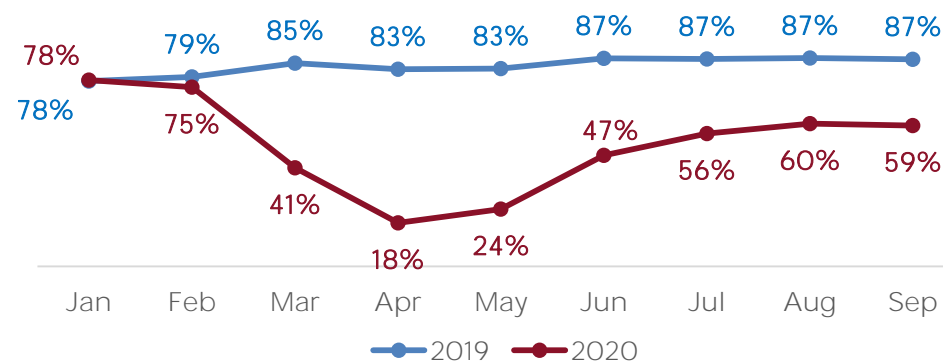
Significant drop due to COVID-19

## PASSENGERS ( $\Delta\%$ )

9M20/9M19: -72.8%

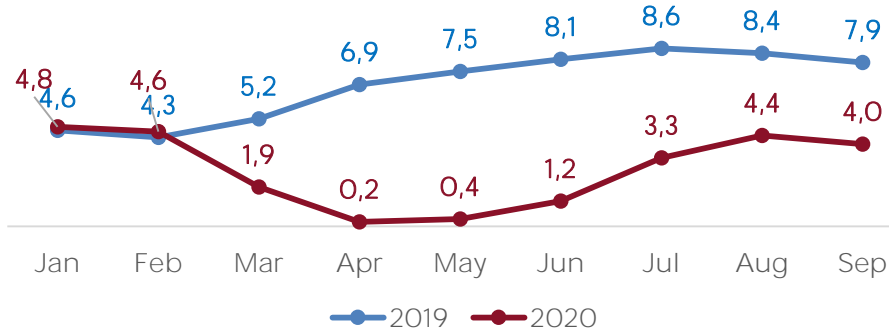


## LOAD FACTOR



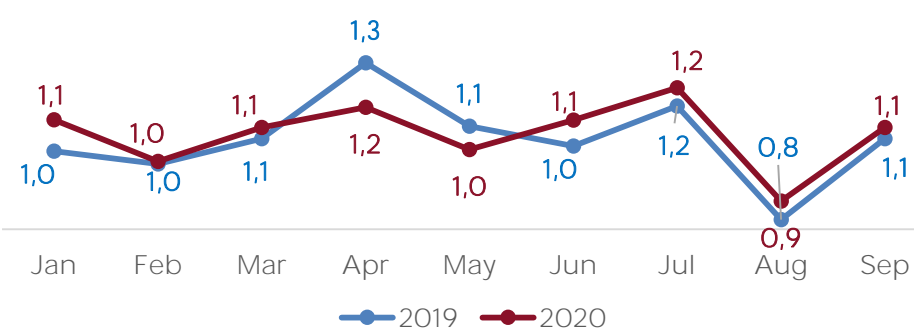
## MOVEMENTS (/000)

9M20/9M19: -59.7%



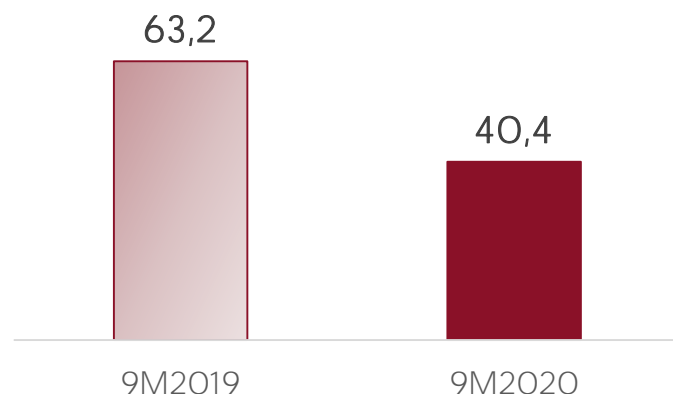
## CARGO (k tons)

9M20/9M19: +1.7%

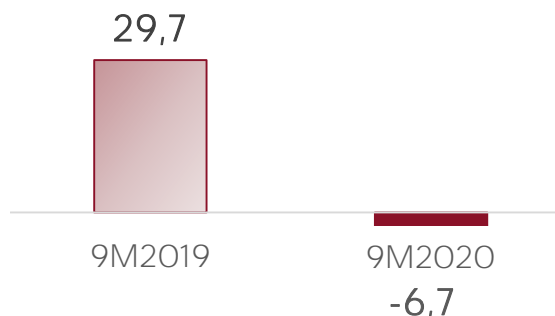


## 9M2020 Highlights

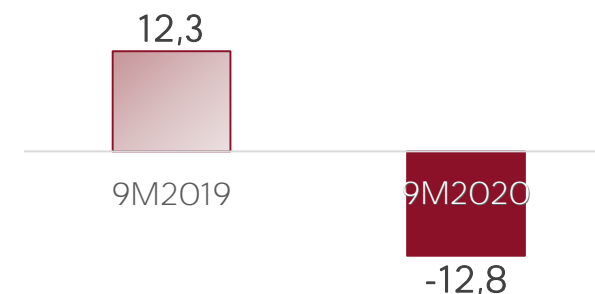
### OPERATING REVENUES (€/mln)



### EBITDA (€/mln)



### GROUP RESULTS (€/mln)



**9M results** severely impacted by the health emergency caused by Covid-19.



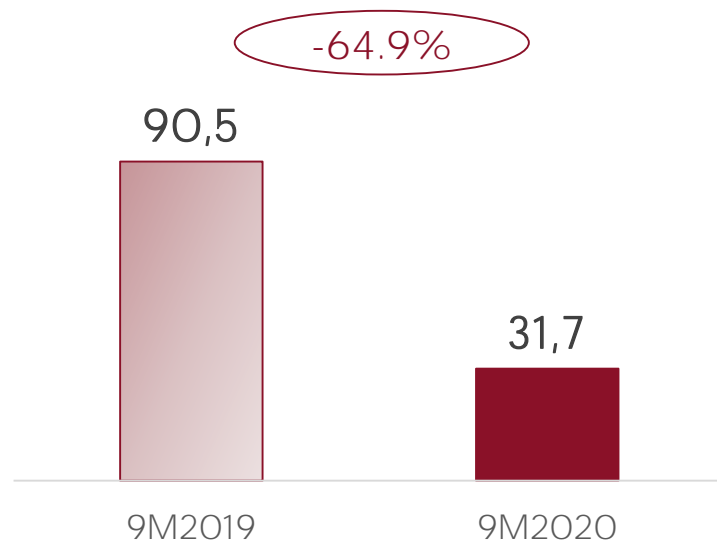
**Operating revenues**, impacted by the reduction in traffic volumes and the closure of nearly all commercial activities, amounted to €40.4 million, decreasing by 64.9% compared to €63.2 million in 9M2019. Both Aviation and Non-Aviation revenues decreased (-66.3% and -59.3%, respectively).



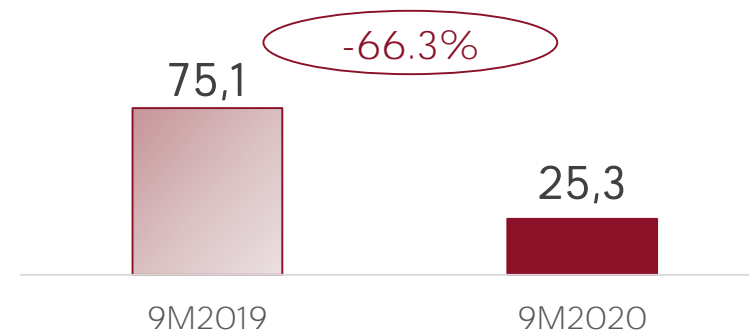
**EBITDA** negative at €6.7 million, compared to a positive €29.7 million in 9M2019

## 9M2020 Operating revenues

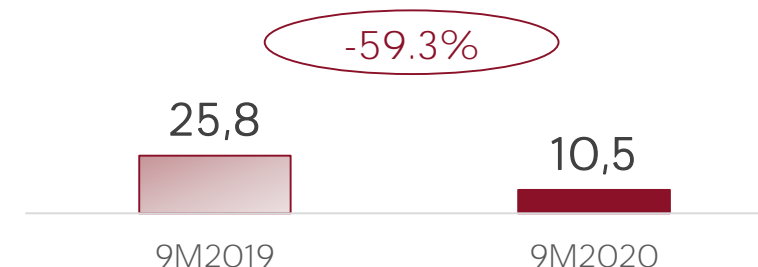
OPERATING REVENUES (€/mln)



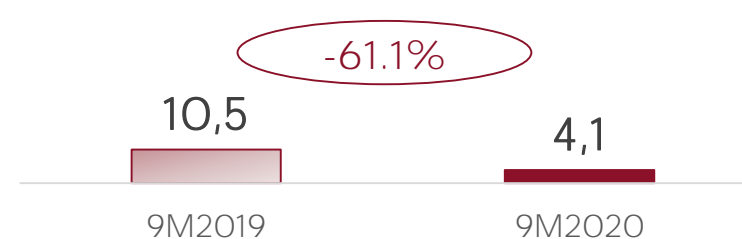
AVIATION REVENUES (€/mln)



NON AVIATION REVENUES (€/mln)



NETWORK DEVELOPMENT EXPENSES (€/mln)

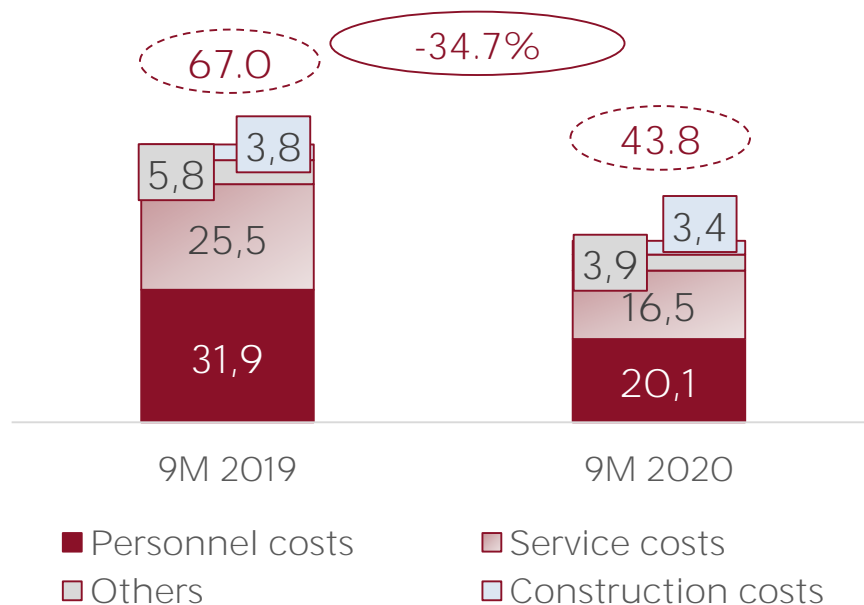




# Total costs

Substantial cost cutting measures achieved

TOTAL COSTS (€/mIn)



## PERSONNEL COSTS

Personnel costs down by -37,1% thanks to:

- Extraordinary Wages Guarantee Fund for all employees in service;
- use of accumulated holiday leaves;
- remote working arrangements.

## SERVICE COSTS

Service costs (-35,3%) decline due to:

- renegotiating contractual terms with suppliers, where possible;
- lower costs directly related to traffic figures;
- lower utility costs.

## CONSTRUCTION COSTS

Construction costs (-11,8%)

## Net financial debt

(€/000)	9M 2020	FY 2019	Δ	9M 2019
<b>CASH AND CASH EQUIVALENTS</b>	<b>6,281</b>	<b>19,863</b>	<b>(13,582)</b>	<b>17,890</b>
Current bank loans	41,027	20,010	21,018	26,009
Current portion of non-current debt	4,823	4,930	(107)	4,812
Other current payables to leasing companies	483	410	74	375
<b>CURRENT FINANCIAL INDEBTEDNESS</b>	<b>46,333</b>	<b>25,349</b>	<b>20,984</b>	<b>31,197</b>
Net current financial debt	40,053	5,486	34,566	13,307
Non-current bank payables	19,689	23,352	(3,663)	24,334
Other non-current payables to leasing companies	4,229	4,239	(9)	4,135
<b>NON-CURRENT NET FINANCIAL INDEBTEDNESS</b>	<b>23,918</b>	<b>27,590</b>	<b>(3,672)</b>	<b>28,469</b>
<b>NET FINANCIAL DEBT</b>	<b>63,971</b>	<b>33,077</b>	<b>30,894</b>	<b>41,776</b>

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).



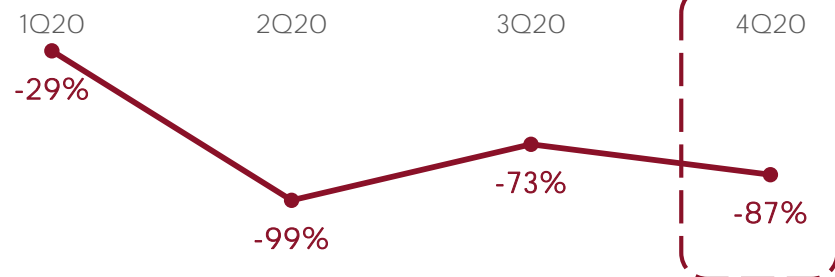


Toscana Aeroporti S.p.A. – Company Presentation

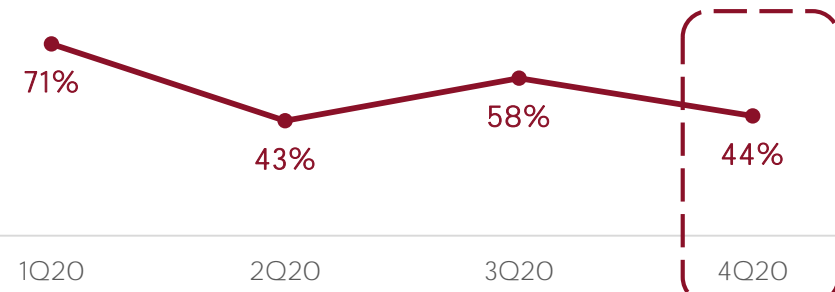
## 3. Business Update

# COVID-19 outbreak heavily affected 4Q traffic results

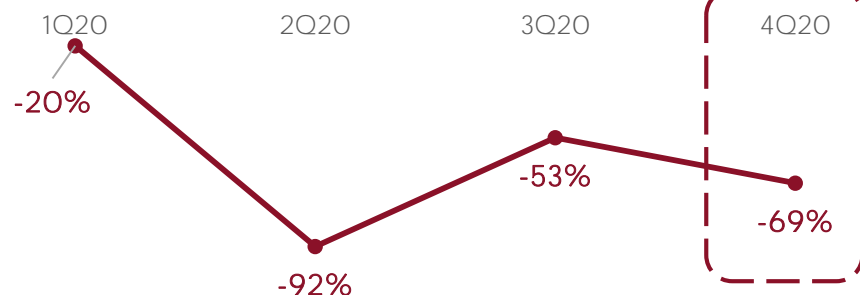
## PASSENGERS ( $\Delta\%$ )



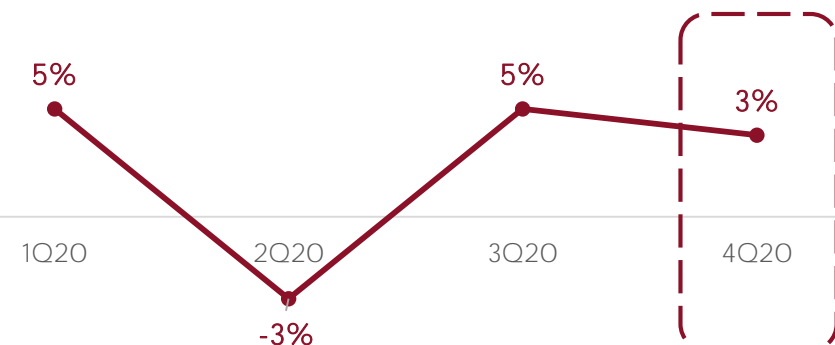
## LOAD FACTOR



## MOVEMENTS ( $\Delta\%$ )



## CARGO ( $\Delta\%$ )



The Tuscan Airport System reported total passenger traffic of approximately 2.0 million passengers in the 2020, declining by 76.0% compared to the 2019.

Florence airport and Pisa airport passengers declined by 76.7% and 75.6%, respectively.

## Key business updates



### TWO-YEAR EXTENSION OF AIRPORTS CONCESSIONS

*July 17, 2020* - Law No. 77: in order to contain the economic effects of the Covid-19 the epidemiological emergency and of the contagion containment measures adopted by the Italian Government and the Regions, **the terms of the concessions for the management and development of airport activity have been extended by two years.**



### NEW FINANCING (€ 85 MLN) GUARANTEED BY SACE

*November 6, 2020* - TA €85 Million SACE-guaranteed financing disbursed to Toscana Aeroporti by Intesa Sanpaolo and BNL - BNP Paribas Group.



### TUSCANY REGION FUNDS

*December 3, 2020* - The Regional Council approved Law No. 95 of which provides for financing for the airport system. This regional financial support is subject to approval by the European Community as it classified as a government grant.



### 2021 ITALIAN BUDGET LAW

*December 30, 2020* - Article 1, paragraphs 715-720, of the 2021 Italian Budget Law  
A €500 million fund (of which €450 million reserved for airport management companies and €50 million for handlers) has been established to compensate for the Covid-19-related damages.

## Aviation regulated tariffs

### Pisa Airport

February 25, 2019 ✓

ENAC  
Approval of the Investment,  
Quality and Environment Plan

October 28, 2020 ✓

**Users' consultation for 2021 tariffs:**

February 1st, 2021 ✓

Further to Italian authority (ART)  
approval, 2021 new tariffs effective  
since:

REAL PRE-TAX WACC 7.27%

### Florence Airport

✓ February 27, 2019

✓ October 29, 2020

✓ February 1st, 2021

PRE-TAX WACC 7.37%

2021 Passengers with Reduced Mobility (PRM) tariffs: on November 25, 2020 (Pisa airport) and November 26, 2020 (Florence airport) the annual users' consultation took place for the updating of the 2021 PRM tariff.

2021 aviation regulated tariffs in line with 2020 ones



## Pisa airport terminal development plan

The plan to expand the terminal of the Pisa airport envisages works aimed at increasing the terminal's capacity up to **6.5 million passengers**.



# Florence Airport new runway and terminal development plan

New runway of 2.400 metres and a new terminal with the aim of reaching the target of **4.5M passengers**



## FLR Masterplan – next steps

“SIMPLIFICATION LAW” – V.A.S. & V.I.A. PROCEDURES and Public Debate

*Previous  
procedure*

*Strategic Environmental  
Assessment (VAS)  
about the Regional  
Territorial Plan*

plus

*Environmental Impact  
Assessment (VIA)  
about the Masterplan*

44 months

(December 6, 2010 > July 16, 2014)

33 months

(March 2015 > Dec. 2017)

*New  
procedure*  
“SIMPLIFICATION  
LAW”

Joint VIA/VAS  
procedure for the  
FLR Masterplan

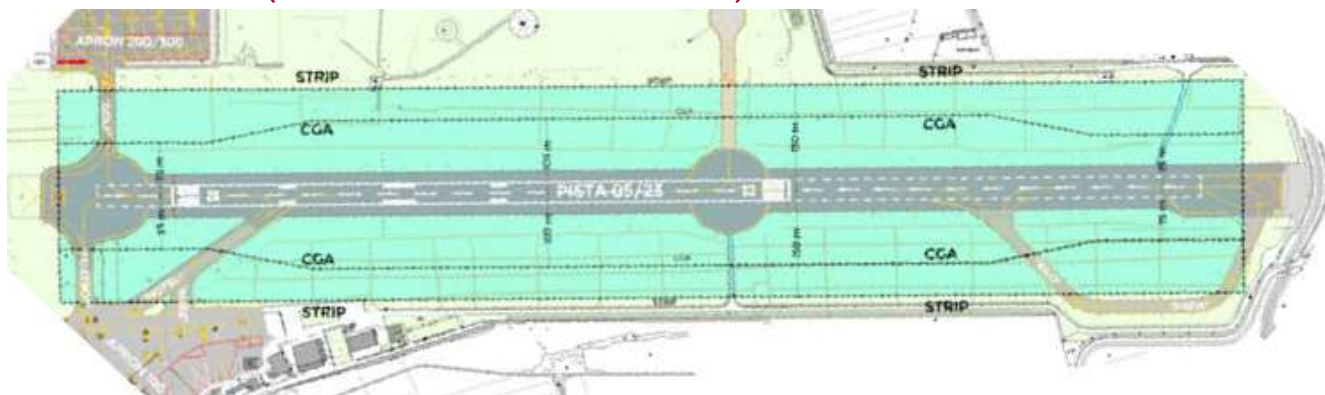
20-22 months

Just ONE integrated environmental procedure for FLR Masterplan to be filed with the Italian Ministry of Environment, instead of two different procedures, one to be addressed to the Region of Tuscany for the Regional Plan and another to be filed with the Italian Ministry of Environment for the Masterplan.  
Possibility to perform the Public Debate process together with the public consultation phase (first phase) foreseen by the VIA/VAS procedure.

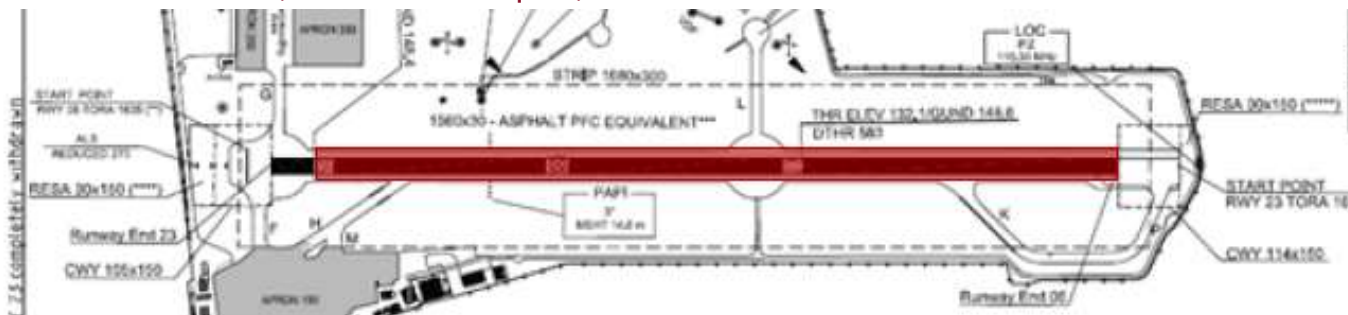


# Florence airport - runway and strips maintenance works

a) **RUNWAY'S STRIPS** (1.680 mt. x 300 mt.) ~€ 3,5 mln



b) RUNWAY SURFACE (59.000 sqm) ~€ 2,8 mln



**FLORENCE AIRPORT'S RUNWAY** WILL BE CLOSED TO AIR TRAFFIC  
FROM FEBRUARY 1, 2021 TO MARCH 20, 2021

# IR dates & contacts



## 2021 Financial calendar

*Annual General Meeting: Thursday, April 29*

*Q1 interim release: Wednesday, May 12*

*6M interim report: Wednesday, August 4*

*Q3 interim release: Friday, November 12*



GET IN  
CONTACT

## IR contacts

Gabriele Paoli

Phone: +39 050 849 240

Phone: +39 055 3061 693

Email: [gabriele.paoli@toscana-aeroporti.com](mailto:gabriele.paoli@toscana-aeroporti.com)

**Toscana Aeroporti S.p.A.**

Via del Termine n. 11

50127 - Firenze

# Disclaimer

*This document has been prepared by Toscana Aeroporti S.p.A. solely for information purposes and for use in presentations of the Company. The information contained herein has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. None of the company, its affiliates, or its representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document. This document includes forward-looking statements. These forward-looking statements express current expectations and projections about future events, involve predictions and are subject to a number of factors that may influence the accuracy of the statements and the projections upon which the statements are based. Prospective investors are cautioned not to place undue reliance on these forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in many cases, beyond our control. In light of these risks, uncertainties, and assumptions, the forward-looking events discussed in this document might not occur and no assurance can be given that the anticipated results will be achieved. Actual events or results may differ materially as a results of risks and uncertainties facing Toscana Aeroporti S.p.A.. Such risks and uncertainties include, but are not limited to increased competition and regulatory, legislative and judicial developments that could cause actual results to vary materially from future results indicated, expressed or implied in such forwardlooking statements. Moreover, any statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. This document does not constitute an offer or invitation to purchase or subscribe for any shares and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.*