

**PRESS RELEASE**

AEROPORTO GUGLIELMO MARCONI DI BOLOGNA: The Board of Directors approves consolidated and the draft of separate financial statements as at December 31, 2019.

Strong growth of the main economic indicators:

- **Consolidated revenues amount to Euro 125.1 million, + 9.7% compared to 2018**
- **EBITDA reaches Euro 44.9 million, strongly growing (+ 16.1%) compared to 38.7 million in the previous year.**
- **Consolidated EBIT amount to Euro 31.1 million, for a growth of 23.2% compared to 25.2 million in 2018.**
- **Consolidated net profit was Euro20.9 million, + 16.3% compared to 2018.**

As a precautionary measure due the exceptional nature of the Covid-19 health emergency, the proposed allocation of the profit of AdB will be 5% to the legal reserve and the remaining 95% to the extraordinary reserve.

The CEO Nazareno Ventola: "the strength of the airport's economic and capital structure, result of over ten consecutive years of growth, will be the key factor in facing the current Covid-19 emergency in the best possible conditions".

Bologna, March 30, 2020 - The Board of Directors of Aeroporto Guglielmo Marconi di Bologna SpA, chaired by Enrico Postacchini has today approved the draft of separate and consolidated financial statements as at 31 December 2019, in addition to the consolidated non-financial statement mandatory under Article 4 of Legislative Decree no. 254/2016.

"Aeroporto di Bologna achieves a very satisfactory 2019 in terms of economic performance and local development, in continuity with the results of the last few years. The eyes are now on the huge challenge posed by the Covid-19 health emergency. We are putting in place all the necessary initiatives in order to ensure the continuity of the public service and the safety of passengers and workers, in the hopeful expectation that this unprecedented situation will be overcome as soon as possible and the airport will be able to resume its development path" , commented **Enrico Postacchini, Chairman of Aeroporto Guglielmo Marconi di Bologna**.

"The numbers presented today testify the economic and strategic strength of the project we are carrying out, which is enhanced by the recent approval of the 2016-2030 Airport Development Plan at the end of the Services Conference" - commented **Nazareno Ventola, CEO and Managing Director of Aeroporto Guglielmo Marconi di Bologna** - "The strength of the airport's economic and capital structure, result of over ten consecutive years of growth, will be the key factor to tackle the contingent negative framework in the best possible conditions, represented by the measures taken at national and global level to contain the health emergency caused by Covid-19".



Operating performance

Consolidated revenues in 2019 amounted to Euro 125.1 million, an increase of 9.7% compared to Euro 114.1 million recorded in 2018, thanks to the positive performance recorded both in revenues for aeronautical services (airport fees paid by passengers, airlines and airport operators) and non-aeronautical services.

More specifically, revenues for aeronautical services amounted to Euro 63.3 million, with an increase of 12.3% compared to the previous year, mainly due to the increase in traffic and the purchase of fares. Revenues from non-aeronautical services, on the other hand, recorded a 7.6% increase, reaching Euro 44.3 million, thanks to the good performance of all the components of the category.

Operating costs in 2019 amounted to Euro 80.2 million, with an increase - proportionally less than the increase in revenues - of 6.4% compared to the previous year, due to the growth in costs for services (+ 4.4%), and personnel costs (+ 8.5%). The first ones increase due to the higher costs for utilities, maintenance and services related to the increase in traffic; the growth in the workforce linked to the increased traffic is also the basis for the increase in personnel costs together with the enhancement of the staff areas for a total of 29 additional average resources.

Excluding the construction services category, revenues recorded growth of 10.4% and costs of 6.8%.

Profitability

Consolidated **EBITDA** in 2019 was Euro 44.9 million, sharply growing (+ 16.1%) compared to 38.7 million in 2018. Consolidated **EBIT** amounted to Euro 31.1 million, for a growth of 23.2% compared to 25.2 million in 2018.

2019 net **operating result**, entirely attributable to the Group, has been of Euro 20.9 million, with an increase of 16.3% compared to the Euro 17.9 million recorded in 2018.

Traffic

2019 has been a year of strong traffic growth for Aeroporto Guglielmo Marconi di Bologna, which exceeds nine million passengers for the first time. To be exact, 9,405,920 passengers passed through the airport, including transit and General Aviation, with a growth of 10.6% compared to 2018, thanks to the introduction of new destinations and the strengthening of existing routes.

2019 also confirmed the strong international vocation of the airport, with passengers on international flights - both EU and non-EU - equal to 79.2% of traffic, increasing compared to 76.8% in 2018.

The growth in passenger traffic is supported by both the legacy carrier component and the low-cost carrier component.

Specifically, legacy carrier traffic closed 2019 with a 4.9% growth in passenger volume thanks to the introduction of new flights to Helsinki, Philadelphia, Nis and Tirana and to the increase in frequencies to some hubs by the main international airlines, such as connections to Frankfurt, Amsterdam, Istanbul, Tblisi, Athens, Madrid and Marrakech.



The segment represented by low cost carriers is also growing strongly, registering an increase of 14.7%, in particular thanks to the strengthening of operations by Ryanair and Wizzair.

The average load factor (filling coefficient of an aircraft) confirms the positive growth trend of the last few years, going from 81.3% in 2018 to 81.5% in 2019, thanks to the increase in passengers higher than the increase in seats offered.

Cargo traffic in 2019 was 48,832,550 kg. (-7.3% compared to 2018), in line with the sector's performance and suffering the difficult international situation and in particular by the commercial tensions between the United States and China.

In terms of traffic by geographical areas, it is confirmed that only about a fifth of passenger traffic (20.8%) is domestic, followed by Spain (13.8%), the United Kingdom (9.6%), Germany (9.5%) and France (5.4%).

In 2019 the network of destinations served directly increased from 114 in 2018 to 120, with the number of carriers operating at the airport increasing from 49 to 57. Ryanair confirms itself 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, 2019 is positive for Euro 10.5 million, compared to Euro 8 million in 2018. The increase is due to the lower overall financial debt (equal to Euro 19.2 million, compared to the 21.2 million at December 31, 2018) thanks mainly to the payment of the loan installments for Euro 4.4 million, partially offset by the increase in current and non-current financial liabilities for leasing, following the new accounting standard IFRS 16, for Euro 2 million, corresponding to future rents already signed contractually, for the right to use third party assets.

At December 31, 2019, the **Total Shareholders' Equity** was Euro 178.2 million, registering an increase compared to Euro 173.7 million at December 31, 2018. In addition to the result for the year, the change takes into account the distribution of dividends approved by the Shareholders' Meeting Shareholders of the General Shareholders' Meeting of April 29, 2019 for 16.2 million Euros.

Allocation of profit for the year

The Board of Directors of the Parent Company, adopting a prudent approach, in order to support the capital solidity and contain the future economic and financial impact of the Covid-19 health emergency and in discontinuity with the practice adopted in recent years, in which the payout was 95%, proposes the following allocation of operating profit (Euro 20.1 million):

- 5% to the legal reserve on the basis of the statutory provisions and art. 2430 of the Italian Civil Code for Euro 1,003,388.93;
- the remaining Euro 19,064,389.66 to the extraordinary reserve.

Significant events after period-end



In February 2020, the airport recorded a 0.3% increase in passenger traffic compared to February 2019, for a total of 590,287 passengers. This figure is the result of the brilliant numbers of the first three weeks of February (+ 5.3% over the same period of 2019), followed by a clear turnaround, starting on the 22nd day of the month (-25.1% in the last 8 days of the month), due to the Covid-19 health emergency.

Aeroporto di Bologna is today open and operational, but as a result of the cancellations made by the airlines, traffic contracted by 69.9% in the first two weeks of March and by 99% in the third and fourth weeks compared to 2019, bringing the overall reduction in the period 1-28 March to around 85% (-62% on movements). From 1 January to 28 March, passenger traffic contracted by around 26% and movements by around 18% compared to the same period in 2019.

Considering the drastic reduction in traffic volumes and the Prime Ministerial Decree of March 11, 2020, which decreed the closure of almost all retail outlets (shops and restaurants), a significant reduction in aeronautical and non-aviation revenues of the Parent Company, AdB, can be expected in March. AdB has already implemented and made operational a comprehensive efficiency plan to mitigate the negative impact of the exceptional situation on profitability.

With the aim of reducing labour costs, which is one of the main cost items for the Group and at the same time safeguarding current employment levels, considering the significant drop in traffic volumes and further estimated lower revenues, on March 21 the Parent Company has launched an extraordinary redundancy fund for all its employees, with maintenance of the minimum essential services on the operating side and a significant reduction in the activities of all other employees.

Overall, a significant reduction in operating profitability is expected in Q1 2020 compared to the same period of last year, also taking into account the high fixed cost structure that characterizes the sector.

The uncertainty regarding the duration of the current health emergency and the speed and intensity of its evolution make it difficult to predict traffic trends and the Company's economic-financial situation in the coming months, but expectations are for a significant contraction in volumes and, consequently, in results and cash flow for the next quarter.

In order to maintain the financial equilibrium and liquidity necessary for operating purposes, the Board of Directors of the Parent Company has resolved to start the already planned access to credit lines and bank loans as soon as possible in order to adequately fund the Group's financial needs. With the same aim of safeguarding the company's cash flow, the Shareholders' Meeting is proposed to allocate the 2019 profit for the year to reserves.

Despite the presence of a contingent and unprecedented negative situation, the Group has assessed, on the basis of the information currently available, that this difficult emergency situation should be considered temporary and that, once the health crisis will be over, the economic downturn that will be recorded in the 2020 results will be progressively recovered over a medium-term horizon.

Changes in the Financial Calendar and other deliberations

The Board of Directors resolved to change the date of the first call of the Shareholders' Meeting, scheduled for April 27, 2020 and postponed to April 30, 2020.

The Board has therefore resolved to convene, on first call, on April 30, 2020, at 11.00 a.m. in Bologna, Via Triumvirato 84, at the registered office of Aeroporto Guglielmo Marconi di Bologna



S.p.A. and, if necessary, on second call, on May 25, 2020, same time and place, the Shareholders' Meeting for the approval of the 2019 financial statements, the proposed net profit allocation and the annual approval of the remuneration policy. The Shareholders' Meeting will be held exclusively with remote audio-video participation in accordance with current regulations for the management of the Covid-19 health emergency. The notice of call and the documentation prepared for submission to the Shareholders' Meeting will be published in the manner and terms required by law.

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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 2019 was the seventh biggest Italian airport by passenger numbers, with 9.4 million passengers (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.

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 forth airport for global connectivity (Source: ICCSAI - Fact Book 2019).

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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For further informations: www.bologna-airport.it

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Statement of Consolidated Financial Position – Assets

<i>In thousands of Euros</i>	at 31.12.2019	at 31.12.2018
Concession rights	176,184	166,292
Other intangible assets	2,276	2,059
<i>Intangible assets</i>	178,460	168,351
Land, real estate, plant and equipment	14,951	15,135
Investment property	4,732	4,732
<i>Tangible assets</i>	19,683	19,867
Shareholdings	44	43
Other non-current assets	12,586	16,205
Deferred tax assets	6,190	6,108
Other non-current assets	994	1,464
<i>Other non-current assets</i>	19,814	23,820
<i>NON-CURRENT ASSETS</i>	217,957	212,038
Inventories	622	594
Trade receivables	15,464	14,272
Other current assets	5,203	4,661
Current financial assets	501	13,449
Cash and cash equivalents	29,253	15,762
<i>CURRENT ASSETS</i>	51,043	48,738
<i>TOTAL ASSETS</i>	269,000	260,776



Statement of Consolidated Financial Position – Liabilities

<i>In thousands of Euros</i>	at 31.12.2019	at 31.12.2018
Share capital	90,314	90,314
Reserves	67,009	65,469
Year-end results	20,852	17,927
GROUP SHAREHOLDERS' EQUITY	178,175	173,710
MINORITY INTERESTS	0	0
TOTAL SHAREHOLDERS' EQUITY	178,175	173,710
TFR [Severance] and other personnel provisions	4,257	4,205
Deferred tax liabilities	2,558	2,456
Airport infrastructure provision	9,524	10,332
Provisions for risks and expenses	1,390	1,028
Current financial liabilities	13,080	14,690
Other non-current liabilities	136	168
NON-CURRENT LIABILITIES	30,945	32,879
Trade payables	18,537	19,011
Other liabilities	31,112	26,367
Airport infrastructure provision	4,040	1,757
Provisions for risks and expenses	18	526
Current financial liabilities	6,173	6,526
CURRENT LIABILITIES	59,880	54,187
TOTAL LIABILITIES	90,825	87,066
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	269,000	260,776



Consolidated Income Statement

<i>In thousands of Euros</i>	at 31.12.2019	at 31.12.2018
Revenues from aeronautical services	63,274	56,342
Revenues from non-aeronautical services	44,295	41,160
Revenues from construction services	16,420	15,650
Other operating revenues and proceeds	1,146	940
Revenues	125,135	114,092
Consumables and goods	(2,305)	(1,952)
Costs for services	(20,920)	(20,030)
Costs for construction services	(15,639)	(14,905)
Leases, rentals and other costs	(8,614)	(8,123)
Other operating expenses	(3,260)	(3,210)
Personnel costs	(29,460)	(27,154)
Costs	(80,198)	(75,374)
Amortisation of concession rights	(6,243)	(5,857)
Amortisation of other intangible assets	(1,576)	(1,323)
Amortisation of tangible assets	(2,750)	(2,219)
Depreciation and impairment	(10,569)	(9,399)
Provision for doubtful accounts	1	(64)
Airport infrastructure provision	(2,893)	(3,752)
Provisions for other risks and charges	(409)	(291)
Provisions for risks and charges	(3,301)	(4,107)
Total Costs	(94,068)	(88,880)
Operating results	31,067	25,212
Financial income	150	384
Financial expenses	(1,125)	(620)
Result before taxes	30,092	24,976
Taxes for the period	(9,240)	(7,049)
Profit (losses) for the period	20,852	17,927
Minority profits (losses)	0	0
Group profits (losses)	20,852	17,927
Profits (losses) basic per share (Euro)	0.57	0.50
Profits (losses) diluted per share (Euro)	0.57	0.50



Consolidated Income Statement with adjusted Gross Operating Profit

<i>In thousands of Euros</i>	at 31.12.2019	at 31.12.2018
Revenues from aeronautical services	63,274	56,342
Revenues from non-aeronautical services	44,295	41,160
Other operating revenues and income	1,065	940
Adjusted Revenues	108,634	98,442
Consumables and goods	(2,305)	(1,952)
Services costs	(20,920)	(20,030)
Leases, rentals and other costs	(8,614)	(8,123)
Other operating expenses	(3,260)	(3,210)
Personnel costs	(29,460)	(27,154)
Adjusted costs	(64,559)	(60,469)
Adjusted gross operating profit (adjusted EBITDA)	44,075	37,973
Revenues from construction services	16,420	15,650
Costs for construction services	(15,639)	(14,905)
Margin for construction services	781	745
Revenues from Terminal Value on renewal provision	81	0
Gross Operating Profit (EBITDA)	44,937	38,718



Consolidated Net Financial Position

<i>In thousands of Euros</i>	at 31.12.2019	at 31.12.2018
Cash	26	27
Cash equivalents	29,227	15,735
Securities held for trading	0	0
Liquidity	29,253	15,762
Current financial receivables	501	13,449
Current bank debt	(28)	(43)
Current portion of non-current debt	(3,059)	(4,433)
Other current financial debt	(3,086)	(2,050)
Current financial debt	(6,173)	(6,526)
Net current financial position	23,581	22,685
Non-current bank debt	(11,643)	(14,690)
Bonds issued	0	0
Other non-current liabilities	(1,437)	0
Non-current financial debt	(13,080)	(14,690)
Net financial position	10,501	7,995

Cash Flow Statement

<i>In thousands of Euros</i>	at 31.12.2019	at 31.12.2018
Cash flow generated / (absorbed) by operating activities before changes in working capital	45,153	38,066
Cash flow generated / (absorbed) from net operating activities	34,991	30,342
Cash flow generated / (absorbed) from investing activities	(254)	(10,806)
Cash flow generated / (absorbed) from financing activities	(21,246)	(19,983)
Final cash change	13,491	(447)
Liquid assets at beginning of period	15,762	16,209
Final cash change	13,491	(447)
Liquid assets at end of period	29,253	15,762