



## **PRESS RELEASE**

### **AEROPORTO GUGLIELMO MARCONI DI BOLOGNA S.p.A.: the Board of Directors approves the Group Q1 2020 Results.**

- **Traffic down 28.9% compared to the first quarter of 2019**
- **Consolidated revenues of Euro 20.8 million, down 24.3% compared to Euro 27.5 million in the previous year**
- **Consolidated EBITDA of 4.2 million euro (8.3 million in first quarter 2019)**
- **Consolidated net profit amounted to 619 thousand euro (3.5 million in the first quarter of 2019)**

Bologna, May 15 2020 - 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 three months of 2020.

"The data we are presenting today tell on the one hand the consequences of a completely unexpected and highly impacting event on the operations of our airport, such as the explosion of a global health emergency, on the other hand our efforts to contain the effects of the inevitable contraction of air traffic on all components of the business - commented **Nazareno Ventola, Chief Executive Officer and General Manager of Aeroporto Guglielmo Marconi di Bologna** - We confirm the maximum availability of the Group to meet the commitments made with reference to infrastructure development, the maintenance of employment levels and the safety of passengers and employees to overcome this emergency phase and restart the Bologna airport towards the recovery phase and development abruptly interrupted by the pandemic. This is without prejudice to evaluating the measures to support the airport sector which will be ensured to public entities - such as that represented by AdB spa - carried out with constant commitment and maximum attention to the profiles of operations in conditions of maximum possible safety, in this highly critical contingency".

## **Traffic**

In the first quarter of 2020 there was an overall 28.9% drop in passenger traffic - in line with the national data of 31.8% - and a 21.1% drop in movements compared to the same period of 2019.

The numbers are the result of the excellent performance recorded in January (+9.9% compared to 2019), and the first three weeks of February (+5.3% compared to 2019), which was followed by the effects of the decisions adopted by the Government in order to face the health emergency caused by the spread of Covid-19 and the cancellations made by airlines, which led to a sharp reversal of the trend starting from February 22 (-25.1% in the last 8 days of the month) and in March, which recorded a traffic contraction of about 86% compared to 2019.

Despite the presence of minimal traffic volumes, Bologna airport remained open and operational throughout the quarter, as it was included in the list of Airports indicated by the interministerial decree no. 112 of 12 March 2020 (Ministry of Infrastructure in consultation with the Ministry of Health).



The reduction in volumes in the first quarter of 2020 affected both legacy and low-cost carriers equally. In the first two months of 2020, on the other hand, there was a very positive performance for low-cost traffic compared to the same period in 2019.

With regard to cargo traffic, in the first quarter of 2020 the traffic amounted to approximately 10.6 million kg, down 15.7% compared to the same period of 2019, mainly due to a general contraction in business that reduced the movement of goods by air. On the other hand, only a slight slowdown was recorded for surface cargo handling compared to 2019.

### **Operating performance**

Consolidated revenues in the quarter amount to 20.8 million euros, down 24.3% compared to the 27.5 million euros of the previous year, as a result of the reduction in traffic due to the measures put in place to tackle the health emergency linked to the spread of Covid-19.

In detail, revenues from aeronautical services amount to 9.9 million euros, down 26.1% due to the contraction in traffic and tariff updates. Revenues from non-aviation services, on the other hand, amount to 8 million euros, down 18% due to the impact of the reduction in traffic on all components of the category.

Operating costs during the period are down 13.2% on the first three months of 2019, due to the reduction in traffic and the efficiency measures implemented to reduce the impact of the drop in volumes on profitability, with, however, limited benefits in March.

### **Profitability**

The first quarter of 2020 shows a contraction in EBITDA of 49.7% compared to the same period of 2019, from €8.3 million to €4.2 million, due to a slowdown in revenues and greater strictness in costs, also taking into account the high fixed cost structure that distinguishes airport operators.

Depreciation and amortization increased by 5% in line with the progress of the amortization and depreciation plan and the Group's new investments, while provisions rose by 19%, primarily due to higher provisions to the allowance for doubtful accounts, also considering the current crisis.

The decrease in overall costs, equal to 10.3%, against a 24.3% reduction in revenues, leads to a decrease in the Operating Result (EBIT) of 83%, from 5.3 million Euros in the first three months of 2019 to approximately 900 thousand Euros as at March 31 2020.

The Result before taxes in the first quarter of 2020 amounted to 892 thousand Euros compared to 5 million Euros in the first quarter of 2019, showing a decrease of 82.2%.

As a result of the drop in the pre-tax result, income taxes decreased to 273 thousand Euros compared to 1.5 million Euros in the first quarter of 2019. The net result for the period, entirely attributable to the Group, amounted to 619 thousand Euros compared to 3.5 million Euros in the first quarter of 2019.

### **Balance Sheet and Investments**

The Group's Net Financial Position at March 31 2020 was positive and equal to Euro 9.6 million, down compared to Euro 10.5 million at December 31 2019 (Euro -0.8 million) and up compared to Euro 5.4 million at March 31 2019 (Euro +4.2 million).



The increase compared to the first quarter of 2019 is due to the collection of financial assets that were classified as non-current financial assets as at 31 March 2019 as temporary uses of liquidity maturing beyond the following twelve months. The negative change compared to 31 December 2019 is due to the reduction in cash and cash equivalents due to the reduction in receipts as a result of the drop in turnover.

At March 31, 2020 the consolidated and Group Shareholders' Equity amounted to Euro 178.8 million.

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

In April only one connection to Rome Fiumicino was operated by Alitalia, which was daily in the first half of the month and every other day in the second half of the month, with a consequent reduction in traffic of about 99.8% compared with April 2019.

Overall the traffic of the first 4 months of 2020 was equal to 1,396,034 passengers, with a reduction of about 49% compared to 2019.

#### **Foreseeable evolution of the management**

Uncertainty regarding the duration of the current health emergency and its future developments make it difficult to predict traffic trends and the Group's economic and financial situation in the coming months, with the Group's economic and financial results expected to deteriorate further in the second quarter of 2020, taking into account the substantial absence of flights in April and May and a flight schedule still in progress for the month of June.

On the cost front, the Group has immediately launched measures to reduce external costs, thanks to the analysis of existing contracts, the start of renegotiations with good faith and equity with suppliers and the termination of non-strategic or non-necessary supplies at times of sharp falling air traffic demand. Spending control activities will continue throughout 2020 and will produce effects mainly from the second quarter of the year.

Also on personnel costs, the actions implemented will have effects mainly from April, as recourse to the extraordinary redundancy fund was modest in March both because it was obtained towards the end of the month and because other labour cost mitigation measures were used in the first place (blockage of overtime, enjoyment of holidays in arrears, etc.).

On the financial side, the Group is currently reviewing the timing of investments that are not urgent and the Parent Company is working to obtain access to credit lines and bank loans, with a view to adequately funding the Group's financial needs, also in the light of the publication of the Government Decree of 9 April 2020.

With the intent of supporting the capital solidity and limiting the economic-financial impacts deriving from the Covid-19 health emergency, the Parent Company Shareholders' Meeting of 30 April 2020, in addition to approving the 2019 Financial Statements, approved the non-distribution of dividends to shareholders and the allocation of the profit for the year 2019 entirely in reserve.

Despite the mitigation actions described above and considering the difficulties in estimating the impact on the economic and financial results of an event whose duration is unknown, the Group believes that this impact will be significant, especially with reference to the first half of the current year.



The Consolidated Interim Report as of March 31 2020 is available in the Investor Relations section of the Company's website [www.bologna-airport.it](http://www.bologna-airport.it) and at the authorized storage mechanism 1Info ([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.*

\* \* \*

**Aeroporto Guglielmo Marconi di Bologna**, 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 fourth 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 information:** [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 31.03.2020	at 31.12.2019
Concession rights	177,297	176,184
Other intangible assets	2,222	2,276
<b><i>Intangible assets</i></b>	<b>179,519</b>	<b>178,460</b>
Land, real estate, plant and equipment	14,435	14,951
Investment property	4,732	4,732
<b><i>Tangible assets</i></b>	<b>19,167</b>	<b>19,683</b>
Shareholdings	44	44
Other non-current assets	12,595	12,586
Deferred tax assets	6,276	6,190
Other non-current assets	991	994
<b><i>Other non-current assets</i></b>	<b>19,906</b>	<b>19,814</b>
<b><i>NON-CURRENT ASSETS</i></b>	<b>218,592</b>	<b>217,957</b>
Inventories	641	622
Trade receivables	12,341	15,464
Other current assets	6,469	5,203
Current financial assets	501	501
Cash and cash equivalents	26,817	29,253
<b><i>CURRENT ASSETS</i></b>	<b>46,769</b>	<b>51,043</b>
<b>TOTAL ASSETS</b>	<b>265,361</b>	<b>269,000</b>



## Statement of Consolidated Financial Position – Liabilities

<i>In thousands of Euros</i>	at 31.03.2020	at 31.12.2019
Share capital	90,314	90,314
Reserves	87,862	67,009
Year-end results	619	20,852
<b>GROUP SHAREHOLDERS' EQUITY</b>	<b>178,795</b>	<b>178,175</b>
<b>MINORITY INTERESTS</b>	<b>0</b>	<b>0</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>178,795</b>	<b>178,175</b>
TFR [Severance] and other personnel provisions	4,241	4,257
Deferred tax liabilities	2,573	2,558
Airport infrastructure provision	9,777	9,524
Provisions for risks and expenses	1,391	1,390
Current financial liabilities	12,840	13,080
Other non-current liabilities	0	136
<b>NON-CURRENT LIABILITIES</b>	<b>30,822</b>	<b>30,945</b>
Trade payables	15,408	18,537
Other liabilities	31,450	31,112
Airport infrastructure provision	4,040	4,040
Provisions for risks and charges	20	18
Current financial liabilities	4,826	6,173
<b>CURRENT LIABILITIES</b>	<b>55,744</b>	<b>59,880</b>
<b>TOTAL LIABILITIES</b>	<b>86,566</b>	<b>90,825</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>265,361</b>	<b>269,000</b>



## Consolidated Income Statement

<i>In thousands of Euros</i>	At 31.03.2020	At 31.03.2019
Revenues from aeronautical services	9,906	13,400
Revenues from non-aeronautical services	8,029	9,794
Revenues from construction services	2,757	4,104
Other operating revenues and proceeds	119	191
<b>Revenues</b>	<b>20,811</b>	<b>27,489</b>
Consumables and goods	(508)	(425)
Costs for services	(4,730)	(5,013)
Costs for construction services	(2,625)	(3,908)
Leases, rentals and other costs	(1,418)	(1,885)
Other operating expenses	(794)	(765)
Personnel costs	(6,537)	(7,145)
<b>Costs</b>	<b>(16,612)</b>	<b>(19,141)</b>
Amortisation of concession rights	(1,643)	(1,500)
Amortisation of other intangible assets	(302)	(273)
Amortisation of tangible assets	(648)	(697)
<b>Depreciation and impairment</b>	<b>(2,593)</b>	<b>(2,470)</b>
Provision for doubtful accounts	(225)	(25)
Airport infrastructure provision	(478)	(475)
Provisions for other risks and charges	(4)	(94)
<b>Provisions for risks and charges</b>	<b>(707)</b>	<b>(594)</b>
<b>Total Costs</b>	<b>(19,912)</b>	<b>(22,205)</b>
<b>Operating results</b>	<b>899</b>	<b>5,284</b>
Financial income	94	39
Financial expenses	(101)	(299)
<b>Result before taxes</b>	<b>892</b>	<b>5,024</b>
Taxes for the period	(273)	(1,477)
<b>Profit (losses) for the period</b>	<b>619</b>	<b>3,547</b>
Minority profits (losses)	0	0
<b>Group profits (losses)</b>	<b>619</b>	<b>3,547</b>
<b>Profits (losses) basic per share (Euro)</b>	<b>0.02</b>	<b>0.10</b>
<b>Profits (losses) diluted per share (Euro)</b>	<b>0.02</b>	<b>0.10</b>

## Consolidated Net Financial Position

	In thousands of Euros	at 31.03.2020	at 31.12.2019	at 31.03.2019	Variation 31.03.2020 31.12.2019	Variation 31.03.2020 31.03.2019
A	Cash	24	26	25	(2)	(1)
B	Cash equivalents	26,793	29,227	28,538	(2,434)	(1,745)
C	Securities held for trading	0	0	0	0	0
<b>D</b>	<b>Liquidity (A) + (B) + (C)</b>	<b>26,817</b>	<b>29,253</b>	<b>28,563</b>	<b>(2,436)</b>	<b>(1,746)</b>
<b>E</b>	<b>Current financial receivables</b>	<b>501</b>	<b>501</b>	<b>75</b>	<b>0</b>	<b>426</b>
F	Current bank debt	(115)	(28)	(144)	(87)	29
G	Current portion of non-current debt	(3,194)	(3,059)	(4,434)	(135)	1,240
H	Other current financial debt	(1,517)	(3,086)	(2,323)	1,569	806
<b>I</b>	<b>Current financial debt</b>	<b>(4,826)</b>	<b>(6,173)</b>	<b>(6,901)</b>	<b>1,347</b>	<b>2,075</b>
<b>J</b>	<b>Net current financial position</b>	<b>22,492</b>	<b>23,581</b>	<b>21,737</b>	<b>(1,089)</b>	<b>755</b>
K	Non-current bank debt	(11,518)	(11,643)	(14,567)	125	3,049
L	Bonds issued	0	0	0	0	0
M	Other non-current liabilities	(1,322)	(1,437)	(1,742)	115	420
<b>N</b>	<b>Non-current financial debt</b>	<b>(12,840)</b>	<b>(13,080)</b>	<b>(16,309)</b>	<b>240</b>	<b>3,469</b>
<b>O</b>	<b>Net financial position</b>	<b>9,652</b>	<b>10,501</b>	<b>5,428</b>	<b>(849)</b>	<b>4,224</b>





## Cash Flow Statement

In thousands of Euros	at 31.03.2020	at 31.03.2019	Variation
Cash flow generated / (absorbed) from operating activities before changes in working capital	4,120	8,185	(4,065)
Cash flow generated / (absorbed) from net operating activities	639	3,361	(2,722)
Cash flow generated / (absorbed) from investing activities	(3,018)	9,660	(12,678)
Cash flow generated / (absorbed) from financing activities	(57)	(220)	163
Final cash change	(2,436)	12,801	(15,237)
Liquid assets at beginning of period	29,253	15,762	13,491
Final cash change	(2,436)	12,801	(15,237)
Liquid assets at end of period	26,817	28,563	(1,746)