First Half 2016 Results

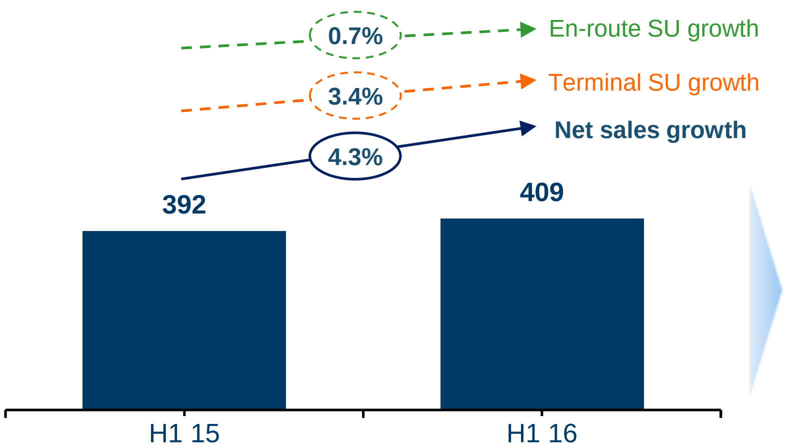
27th September 2016

Key Financial Highlights H1 2016

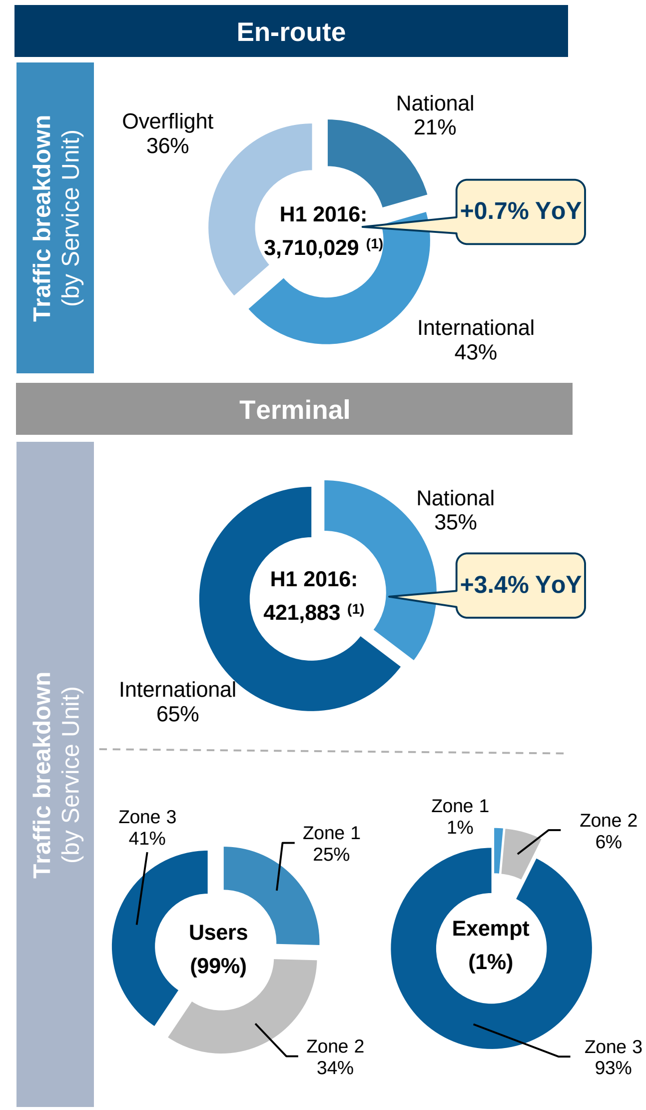
- **Net Revenue up 4.3%** YoY to €409 million driven by:
  - **En-route** Revenue up 2.1% YoY to €266 million
  - **Terminal Revenue up 9.1%** YoY to €92 million
  - Increase in **Balance** Revenue to **€21 million**
  - N**on-regulated revenue**, up 45.8% YoY
- H1 2016 **EBITDA increased** by **14.0%** exceeding €103 million, with a **margin of 25.3%**
- **Net profit of €22 million, up 41.1%** over same period of previous year
- **Net debt / LTM EBITDA of 0.9x,** comfortable with current debt structure
- Capex of €44 million in H1 2016
- **Successfully completed IPO in July**

Key Operational Highlights H1 2016

- **En-route** service units **grow 0.7%** YoY mainly driven by:
  - Strong performance in International flights, up 2.6% YoY
  - Solid trend in National flights, growing 0.8% YoY
  - Partially offset by weak performance in Overflights
- Strong performance in **Terminal traffic** service units, **up 3.2%** YoY, as a result of:
  - Growth in International traffic, up 5.9% YoY, in particular in TZ2 and TZ3 (+7%)
  - Solid performance in TZ1 for both National and International traffic (+2% and +3% respectively)
  - Marginal decrease in National traffic on TZ2 and TZ3



Volume Risk Protection Mechanism Stablizes Revenues

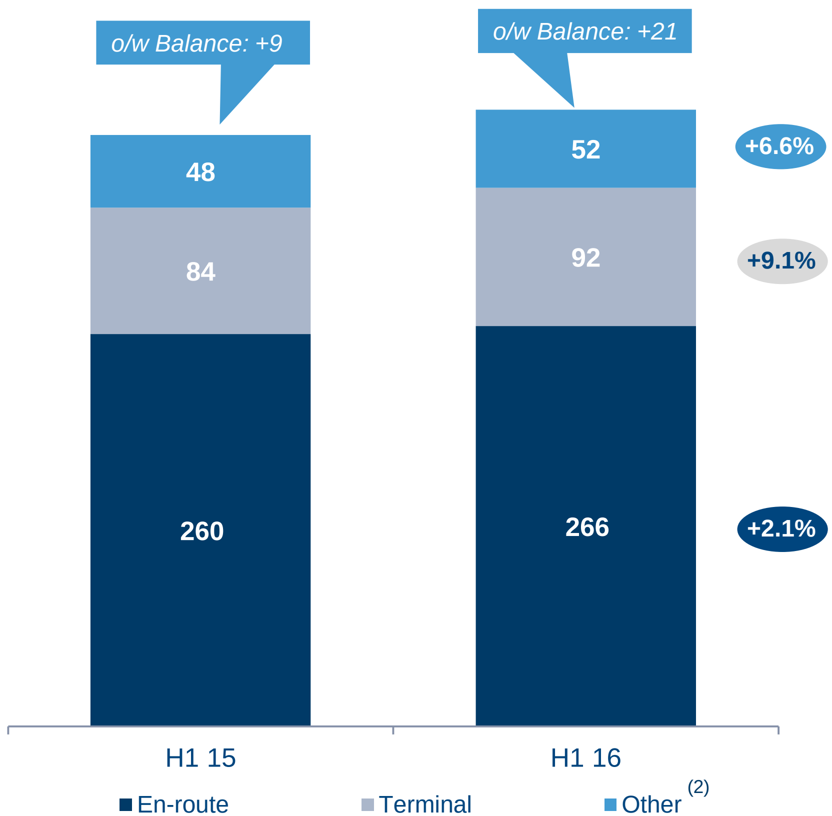


- Best in class performance in avg. mins of en-route delay per flight confirmed in H1 2016
- Strong traffic performance recorded in July and August
- Ryanair recent announcement on capacity increase in Italy

Source: Data related to ENAV Group H1 2016.
(1) Excluding exempt/Military flights (for H1 16 en-route 74,636 SU's, terminal 4,538 SU's)

Net Sales Performance

Net sales(1) breakdown (€m)



Comments

- Net sales increase driven by solid performance in operating activities and increase in balance revenues as well as growth in non-regulated activities
- En route revenue grows 2.1% driven by an increase in traffic coupled with marginal increase in tariff applied vs H1 2015
- Strong growth in terminal revenue, up 9.1%, as a combined result of growth in traffic and marginal increase in terminal tariff applied to TZ1 and TZ2 vs previous year
- Non-regulated revenue increases by 45.8% driven by strong commercial performance in H1 16 with increase in revenues from projects in Middle-east and Malaysia
- Increase in balance revenue vs previous year mainly due to:
  - En-route balance for approx. €12m
  - Terminal balance for approx. €18m, mainly related to TZ3 to compensate effect of elimination of tariff stabilization fund no longer available in 2016
  - Balance reversal for a negative amount of approx. - €7m
- Stable opex contributions for Safety and Security (under law 248/05) of €15m

(1) Sales net of capex contribution (€4.9m in H1 16, €4.9m in H1 15)
(2) Other includes balance, tariff stabilization funds, non regulated activities, opex contributions, exemptions and other income

Developing Non-regulated Business Opportunity

Non-regulated services

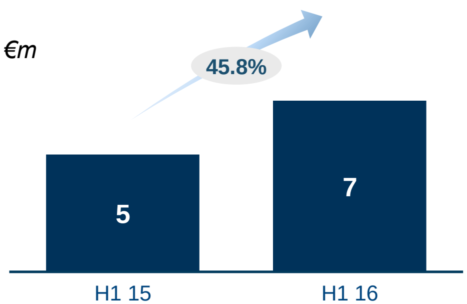
- **Supporting services, are also offered to other Air Navigation Service Providers (ANSPs) on a commercial basis**, forming an independent source of revenues and not being regulated
- ENAV leverages its experience and reputation for promoting development projects worldwide, pursuing further opportunities for growth
- The commercial development function, also through Techno Sky and ENAV Asia Pacific, are responsible for managing the non-regulated business

Aeronautical Information | **Airspace Design** | **Flight Inspection**

Meteorogical Services | **"The Academy"** | **Maintenance**

R&D | **Aeronautical Operational Information System**

Non-Regulated Revenue (1)



- Significant growth in non-regulated business from :
  - Flight inspection services provided in Saudi Arabia and UAE
  - Portion of multi-year contract with Malaysian Ministry of Transportation for air traffic control center
  - Partially offset by reduction of revenues from ATS provided to Comiso airport before it transitions to ENAV management

ENAV continues to leverage on its technical capabilities to provide non-regulated services to third parties

Note: (1) Includes service upgrades carried out in the Comiso, Crotone and Cuneo airports.

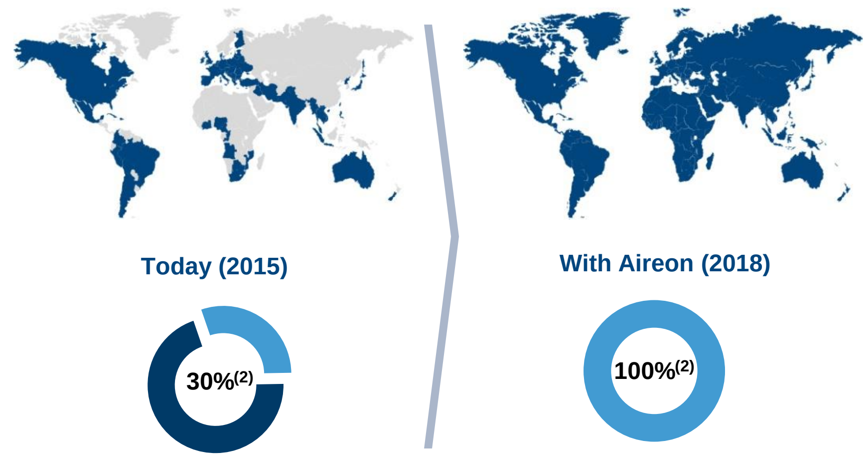
Technologies Providing Further Growth Potential

Investments in new technologies put ENAV at the forefront of innovation in ATC

Satellite Technology

Aireon

- Company of the Iridium Group, **ENAV owns a 12.5% stake**[1] held through ENAV North Atlantic
- Set to develop the **first global air traffic satellite surveillance system by 2018**
- Prevents air traffic blind spots and allows an **extensive control of all the global routes.** Increases air traffic volumes, route optimisation and exceptional levels of flight safety and efficiency
- Aireon's space-based ADS-B system will enable airlines and other aviation industry stakeholders to **precisely track the position of aircraft, anywhere in the world, in real-time**
- Allows emerging countries to align with international standards through low cost infrastructure
- Total investment of USD 61 million for 12.5% stake; final tranches of **USD 16.8 million due in 2016** and USD 6 million in 2017

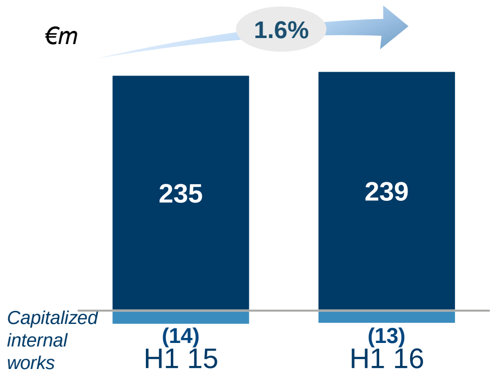


(1) Total stake in Aireon upon completion of the investment in 2017. Current stake equal to 5.41%. (2) Nominal coverage.

Enhancing Cash Flow Generation through Cost Efficiency

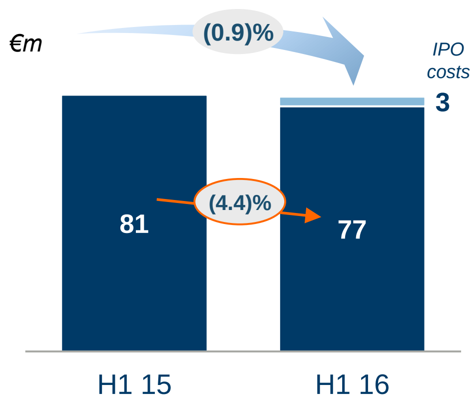
ENAV on track

Personnel Costs



- Marginal increase in Personnel Costs, up 1.6% YoY, mainly as a result of:
  - Increase in headcount vs H1 2015 mostly related to low traffic volume airports project which foresees new operational staff training on the job with experienced controllers
  - Costs related to voluntary redundancy plan
  - Contract renewal discussions scheduled to begin in 4Q 16
  - Lower capitalized internal works as a result of different phasing of TechnoSky activities

Other Operating Costs

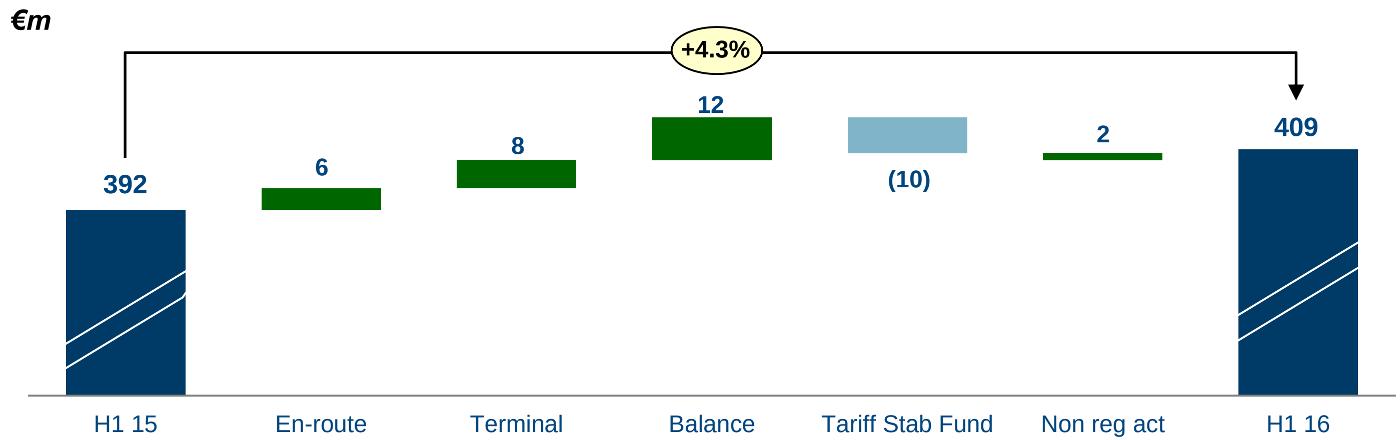


- Efficiency plan delivering solid results with an underlying reduction, excluding IPO related opex of €3m, of 4.4% YoY
- Reduction in utilities and telecommunication expenses of approximately €3m vs previous year
- Lower maintenance costs as a result of rescheduling of certain TechnoSky activities on airports to H2 16

Financial Results Overview

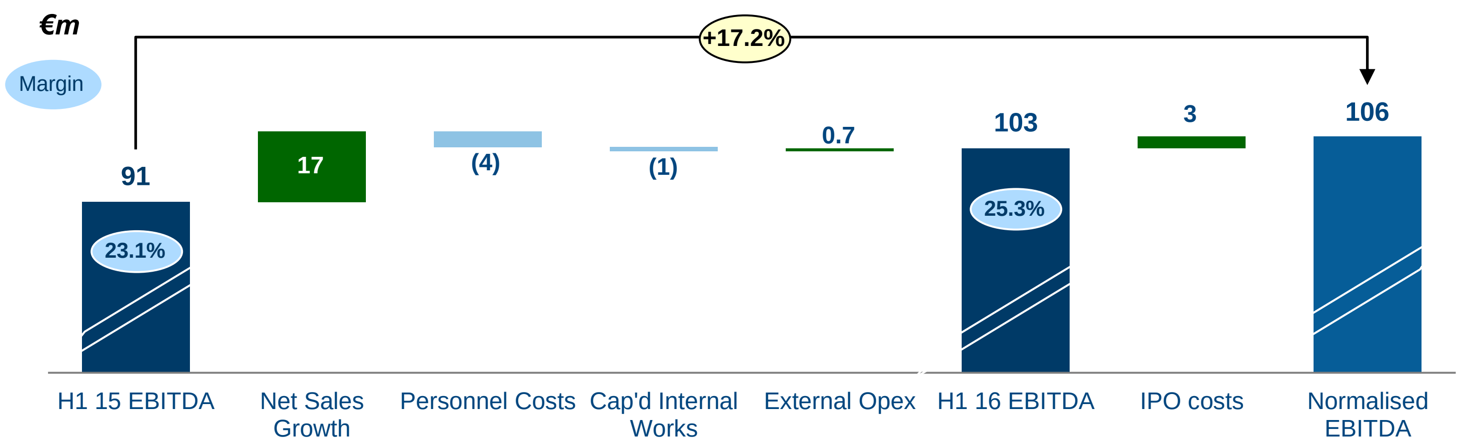
Net Revenue and EBITDA Bridge

Net Sales



- Net sales growth of 4.3% YoY mainly driven by traffic increases in terminal and en-route
- Balance revenue increases by €12m YoY
- Tariff stabilization fund recorded in H1 15 no longer available in 2016

EBITDA



- EBITDA increases 14.0% on a reported basis to €103 mln driven by top line growth
- EBITDA margin improves by more than 2 p.p. YoY to 25.3%
- On an underlying basis, excluding IPO costs for €2.8 mln, EBITDA increases 17.2% to a normalised level of €106 mln

ENAV P&L

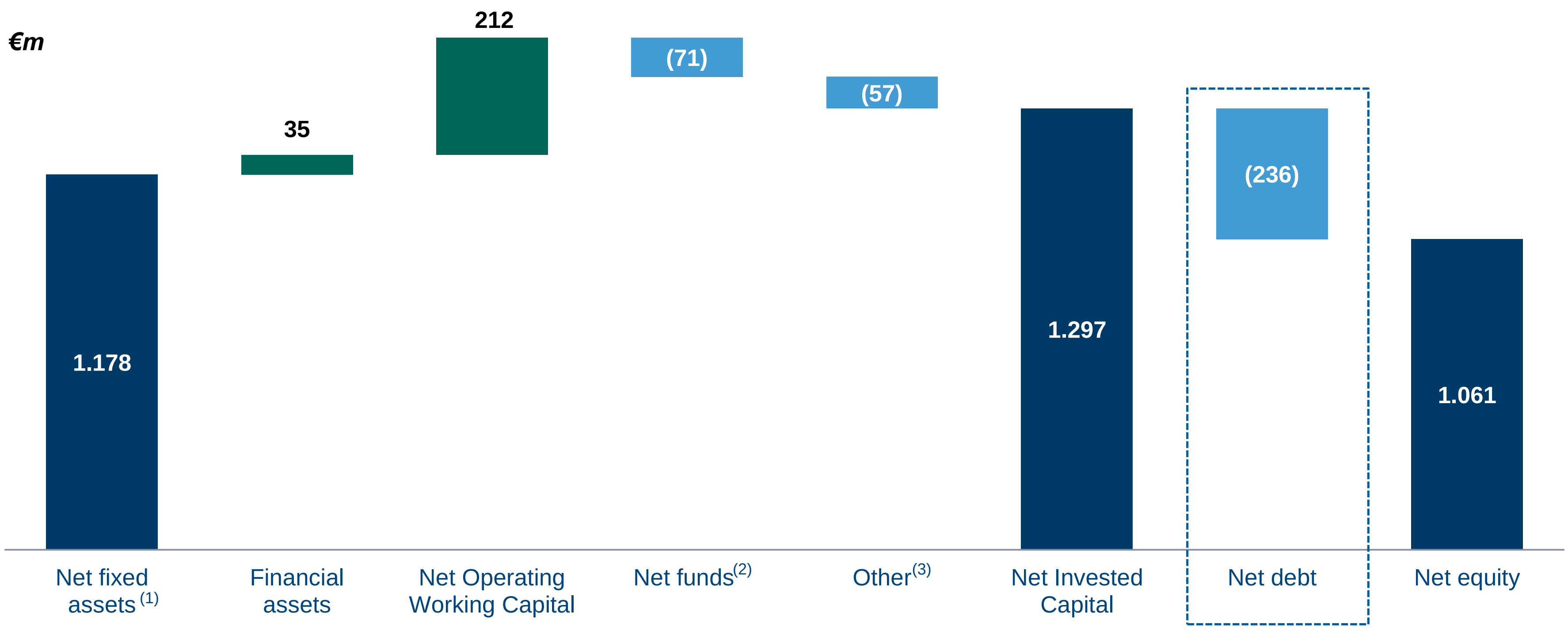
€m	H1 2016	H1 2015	Difference	Difference (%)
Revenue from operations	370.496	365.608	4.888	2,3%
Balance revenue	21.457	9.172	12.285	n.m.
Other operating income	16.996	17.354	(358)	-2,1%
Total revenue	**408.949**	**392.134**	**16.815**	**4,3%**
Personnel costs	(238.770)	(235.009)	(3.761)	1,6%
Capitalized costs	13.145	14.177	(1.032)	-7,3%
Other net operating costs	(79.922)	(80.638)	716	-0,9%
Total operating costs	**(305.547)**	**(301.470)**	**(4.077)**	**1,4%**
EBITDA	**103.402**	**90.664**	**12.738**	**14,0%**
EBITDA margin	***25,3%***	***23,1%***		
D&A	(68.559)	(67.693)	(866)	1,3%
Provisions and writedowns	(217)	(4.755)	4.538	(95,4%)
EBIT	**34.626**	**18.216**	**16.410**	**90,1%**
Financial income (expenses)	(2.094)	3.110	(5.204)	n.m.
Profit before income taxes	**32.532**	**21.326**	**11.206**	**52,5%**
Income taxes	(10.337)	(5.601)	(4.736)	84,6%
Net income	**22.195**	**15.725**	**6.470**	**41,1%**

- Provisions and write-downs in H1 2015 mainly related to bad debt for credits outstanding for services towards an airport in previous years
- Financial expenses in H1 16 increase YoY reflects interest on bond issued in August 2015 partly offset by lower interest on bank loans as a result of reduction of outstanding amounts and lower interest rate applied; H1 15 Financial income mainly driven by balance actualization
- Income taxes increase YoY as a result of higher taxable income driven by solid performance on a stable tax rate

Capitalisation

Capital Structure H1 2016 (€m)

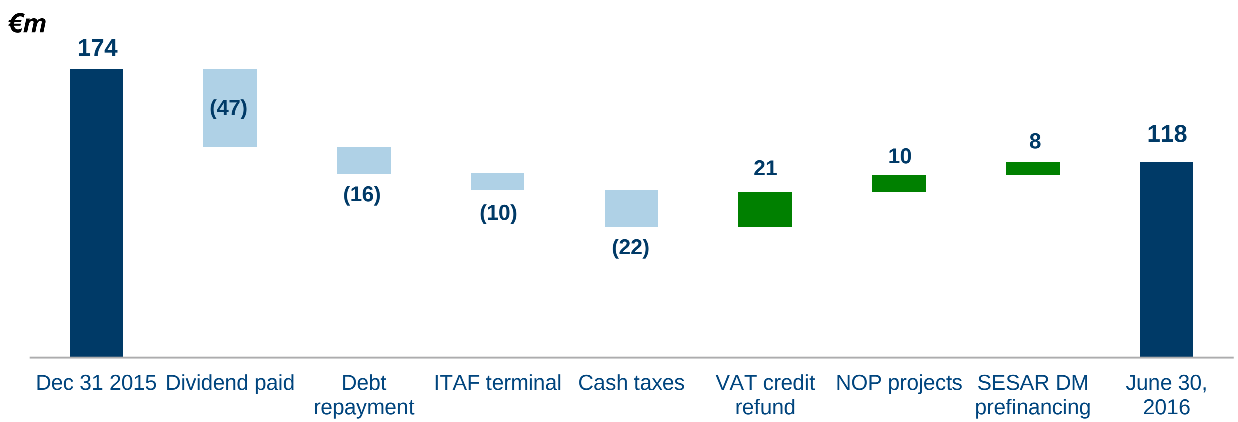
- **Solid capital structure** and financial metrics providing strong financial and operating flexibility
- Net debt of €236m net debt as of June 30, 2016 mainly funded by the bond issued in August 2015, due in 2022, as well as European Investments Bank and Unicredit facilities



(1) Net fixed assets include tangible and intangible assets
(2) Net funds include employee benefits and provision for risks
(3) Other includes other current and non-current assets and liabilities

Financial Debt Overview

	Maturity		Total debt outstanding (€m)
	Current (<1 year)	Non-current	
Total Debt	40	315	355
Cash & Equivalents			(118)
Net Debt			236
Net Debt / LTM H1 16 EBITDA			0.9x



Cash balance as of June 30, 2016 mainly reflects:

- Payment of 2015 dividend
- Debt amortization
- Tax payments
- Payment of terminal revenues to Italian Air Force in relation to services provided
- Cash-in of VAT credit
- Funds received as part of national operating program (NOP) financed projects
- Funding obtained in relation to 2014 annual quota of SESAR Deployment Manager project (consortium selected by EC to synchronize and coordinate modernization of ATM in Europe)

Delivering on Our Equity Story

ENAV Equity Story	Strategic Pillars to Create Value	Target
1 Leading European aviation infrastructure player providing mission critical services without time limit ✓	1 *Enhance cash flow generation through cost reduction and Capex normalization*	**Attractive Return to Shareholders**
2 Exposed to long term growth trends of global aviation market ✓	2 *Leverage on expected traffic growth and expand non regulated activities*	**Dividend Policy**
3 Resilient business model with volume risk protection and diversified customer base ✓	3 *Strengthen an active role of ENAV in the international air transport ecosystem*	• €95m dividends in 2017 (based on 2016 results); and
4 Supportive pan-European regulatory framework providing long-term visibility and room for upside ✓		• no less than 80% of the Equity FCF(2) for the following years
5 High cash conversion with further upside potential ✓		

Note: (1) Equity FCF calculated as net income + D&A gross of capex contribution – normalized capex.
(2) Normalized free cash flow defined as net income plus depreciation and amortization (gross of operating subsidies and equipment grants) less normalized investments (excl. financial investments) gross of equipment grants.

Q&A

Appendix

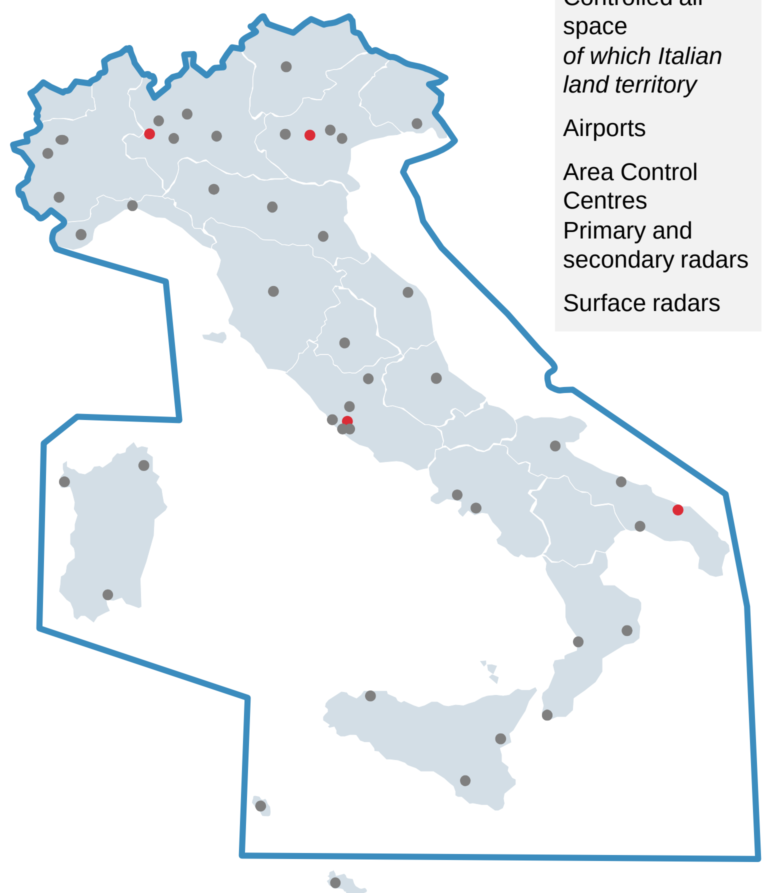
ENAV at a Glance

Leading Air Traffic Control Service Provider

- **Sole provider** of air traffic control and navigation services in Italy
- **Critical Italian aviation asset entrusted** by national **law without time limit**
- One of the **top 5 largest** air traffic control providers in Europe
- **Top performer** in terms of **quality of service**
- **Pan-European** regulatory framework, supervised by Italian authorities
- **5-year regulatory period** providing visibility on main tariff components (2015 – 2019)
- **Volume traffic** and **inflation protection mechanism** providing revenue stability
- 53.4% owned by Italian Ministry of Economy and Finance; **only ANSP** worldwide **listed** on a stock exchange

Proprietary Infrastructure Covers the Entire Italian Space

Operating Data	
Controlled air space	**751,742 Km^2**
of which Italian land territory	***302,071 Km^2***
Airports	**43(1)**
Area Control Centres	**4**
Primary and secondary radars	**62**
Surface radars	**10**



Source: ENAV, Eurocontrol.
Note: Data related to ENAV Group FY 2015. (1) Excluding Comiso airport.

Summary Overview of Services Provided

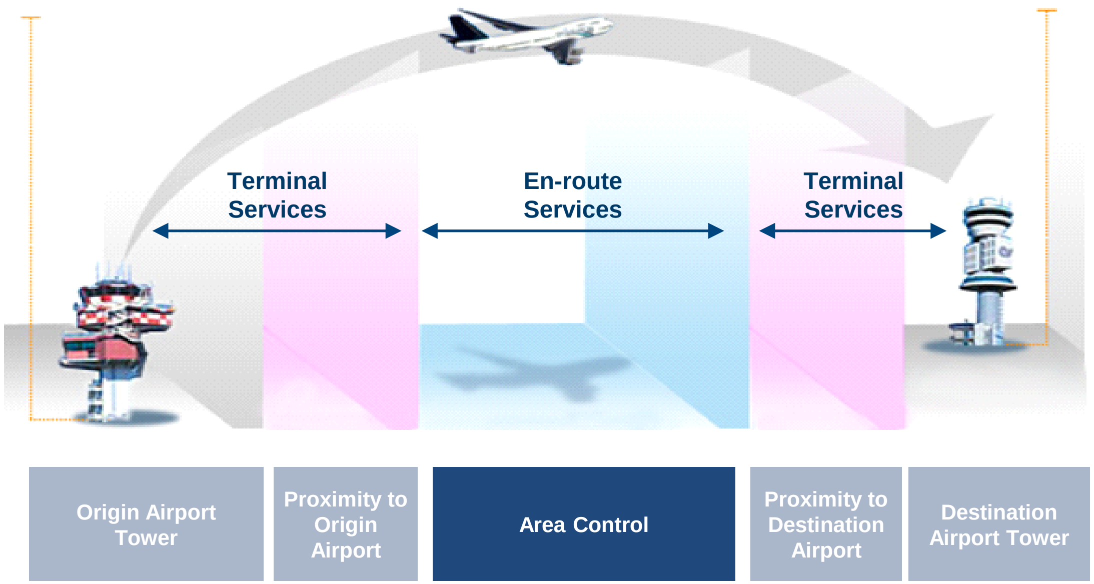
Business Mix

Regulated Activities

(99% of 2015 Revenues)

Services Provided	*% of reg. revenues*
"En-route" services: handling of air traffic crossing Italian airspace offered from **4 Area Control Centres**, cruise phase with or without stop on airports	~74%
"Terminal" services: assistance during the phases of approach, takeoff and landing from **43[1] Airports** located throughout Italy	~26%

Illustrative Representation



Fully regulated support activities including aeronautical and meteorological information provision, airspace design, staff training and maintenance of ATC equipment

Non-regulated Activities[2]

(1% of 2015 Revenues)

- **Variety of consulting services provided by ENAV to other Air Navigation Service Providers (ANSPs) on a commercial basis**
- **ENAV's experience** and **reputation** offers further opportunities for growth of consulting services globally
- Examples of projects implemented globally include **Kuala Lumpur** and **Dubai** airports

Note: (1) Excluding Comiso airport. (2) Calculated as revenues from third parties (€11m) over total ENAV revenues, net of capex contribution (€850m).

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