INTERIM REPORT ON OPERATIONS

AT 31 MARCH 2016

CORPORATE AND CONTROL BODIES OF THE PARENT COMPANY

Board of Directors	
CHAIRMAN	Ferdinando Falco Beccalli
CEO	Roberta Neri
DIRECTORS	Maria Teresa Di Matteo
	Nicola Maione
	Alessandro Tonetti
	Stefano Siragusa (*)
	Mario Vinzia (*)

Board of Statutory Auditors	
CHAIRMAN	Franca Brusco (**)
STANDING AUDITORS	Gennaro Pappacena (**)
	Donato Pellegrino (**)
ALTERNATE AUDITORS	Maria Teresa Cuomo (**)
	Ivano Strizzolo (**)

Magistrate of the Court of Auditors responsible for control over ENAV S.p.A.	Angelo Buscema
General Manager	Massimo Bellizzi
Manager in charge of preparing the Company's accounting documents	Loredana Bottiglieri
Auditing firm	Reconta Ernst & Young S.p.A. (***)

(*) in office since 29 April 2016, date of appointment by the Shareholders' Meeting

(**) Board of Statutory Auditors appointed by the Shareholders' Meeting on 29 April 2016 for the 2016-2018 period

(***) the Shareholders' Meeting of 29 April 2016 engaged the Auditing Firm for 2016-2024

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INTERIM REPORT ON OPERATIONS

CORPORATE GOVERNANCE

This report describes the updates that took place in the initial months of 2016. For all other aspects, please refer to the Report on Operations to the Consolidated Financial Statements and the Separate Financial Statements at 31 December 2015.

ENAV is working to align its *governance* system with that of listed companies, in keeping with the rules applicable to them and the recommendations of the Corporate Governance Code. The information provided below regards the evolution of certain significant aspects of the corporate and *governance structures.*

ENAV BOARD OF DIRECTORS

ENAV has implemented a traditional *corporate governance* model, with its recently amended articles of association requiring a Board of Directors with from five to nine members and a Board of Statutory Auditors with three standing members and two alternates.

On 29 April 2016, at the time of the approval of the 2015 financial statements, the Shareholders' Meeting approved an increase in the number of Directors from five to seven. As a result, it appointed Stefano Siragusa and Mario Vinzia as the two new board members.

The Board of Directors has met 5 times in 2016.

Directors' Remuneration

The Shareholders' Meeting held on 19 September 2014 set the remuneration to be paid to the Chairman and Board Members pursuant to Article 2389, paragraph 1 of the Italian Civil Code. Subsequently, the Shareholders' Meetings held on 30 June 2015 and 29 April 2016, respectively, which increased the number of board members, confirmed the remuneration originally established for the Chairman and for the Directors pursuant to the above-mentioned regulation.

At the proposal of the Remuneration Committee and after consulting with the Board of Statutory Auditors, the Board of Directors determined the amount of remuneration pursuant to Article 2389, paragraph 3 of the Italian Civil Code of the Chairman and the CEO, taking into account applicable regulations as well as on the basis of comparisons with external companies of comparable size and complexity.

Subsequent to the Board of Directors resolutions of 2015, at the proposal of the Remuneration Committee, with respect to the remuneration to be paid to the CEO and the Chairman taking into account the expansion of their duties as a result of the on-going IPO process and in light of the relevant applicable regulations on the matter, on 29 April 2016 the Board of Directors, at the proposal of the Remuneration Committee and upon receiving the favourable opinion of the Board of Statutory Auditors, updated the remuneration of the CEO as of 10 March 2016, as a result of the resolutions passed by the Shareholders' Meeting on the same date, establishing a fixed component and a variable component linked to the achievement of objective, specific yearly targets defined, at the proposal of the Remuneration Committee, by the Board of Directors. At the same meeting, the quantification of criteria for the assignment of the long-term variable portion was postponed to a later board resolution at the proposal of the Remuneration Committee.

AUDITING FIRM

On 29 April 2016, the Shareholders' Meeting engaged a company selected by means of a dedicated request for proposals announced pursuant to Article 16 of Italian Legislative Decree 39/2010 to audit the separate financial statements of ENAV S.p.A., the consolidated financial statements of the ENAV Group, and to review the half-year condensed consolidated interim financial statements of the ENAV Group from 2016 to 2024. The engagement in question covers a total of nine years, as established by relevant regulations, considering ENAV's acquisition of the status of Entity of Public Interest as a result of the listed Bond issued in August 2015.

BOARD OF STATUTORY AUDITORS

ENAV's Board of Statutory Auditors has 3 standing members and two alternates.
Following the approval of the 2015 financial statements, the term of office of the Board of Statutory Auditors came to an end and, therefore, on 29 April 2016 the Shareholders' Meeting appointed for the 2016-2018 period, until the approval of the 2018 financial statements, Franca Brusco, Chairman, Gennaro Pappacena and Donato Pellegrino, as standing auditors, and Maria Teresa Cuomo and Ivano Strizzolo, as alternate auditors.
The control body met 6 times up to 31 March 2016.

SHAREHOLDERS' MEETING

ENAV's Shareholders' Meeting consists of the Sole Shareholder, the Ministry of Economy and Finance, which, pursuant to Article 35 of Italian Law 144/99, exercises its shareholder rights in agreement with the Ministry of Infrastructure and Transport.
In the first quarter of 2016, also in order to adopt the required resolutions in consideration of the privatisation process launched by the Ministry of Economy and Finance in October 2014, the shareholders met during 3 ordinary meetings, 2 extraordinary meetings and 1 full general meeting.
In particular, on 2 March 2016, the Extraordinary Shareholders' Meeting approved a voluntary share capital reduction pursuant to Article 2445 of the Italian Civil Code in the amount of €400 million, and the simultaneous establishment of a distributable reserve as well as the associated amendment of Article 5 of the ENAV S.p.A. Articles of Association.
Subsequently, on 10 March 2016, the Shareholders' Meeting approved the IPO plan and also adopted a text of the articles of association for the listing, which will come into force on the date of admission to trading of the shares on the MTA market and contains the necessary adjustments to ensure compliance with the rules established for listed companies, as well as the amendment of the current articles of association with the adoption of a new text effective immediately and the approval of regulations for shareholders' meetings.
Lastly, on 29 April 2016, the Shareholders' Meeting approved the 2015 financial statements, engaged the auditing firm and appointed the new Board of Statutory Auditors for 2016-2018, and also established their remuneration; in addition, in a full meeting, it expanded the Board of Directors by appointing two new members, as described above.

Market and air traffic trends

In the first quarter of 2016, air traffic control activities in Eurocontrol area countries recorded an increasing trend in en-route service units (*) compared with the same period of 2015, while traffic volumes rose by 4.8%.

En-route service units rose on the whole for the major European providers, including Spain (+8.8%), Germany (+5.8%) and Great Britain (+5.3%), while France, the country with the largest market share in terms of service units, had a slightly smaller increase of 3.8%.

In this environment of robust growth, en-route traffic in Italy was also positive, with a rise of 2.4% compared with the first quarter of 2015 in terms of service units.

Total en-route traffic service units(**)	31.03.2016	31.03.2015	Change n.	Change %
France	3.898.788	3.757.269	141.519	3,8%
Germany	2.920.630	2.760.715	159.915	5,8%
Britain	2.264.255	2.150.495	113.760	5,3%
Spain	1.937.988	1.780.918	157.070	8,8%
Italy (***)	1.587.128	1.549.499	37.629	2,4%
EUROCONTROL	**27.849.920**	**26.578.792**	**1.271.128**	**4,8%**

(*) traffic flying over Italian air space, with or without stopover.
(**) "service unit" is the unit of measurement used by Eurocontrol to calculate the value of the service provided, obtained by combining two elements: aircraft weight at take-off and distance travelled.
(***) excluding exempt traffic not reported to Eurocontrol.

En-route traffic

En-route traffic in Italy achieved positive results in the first quarter of 2016 compared with the first quarter of 2015, with an increase in service unit volumes billed. Indeed, according to traffic figures reported by Eurocontrol, the number of service units increased for our country by 2.4%. The number of assisted flights also experienced a positive trend, up 1.5% (0.3% also including the category of *Exempt flights not reported to Eurocontrol).*

En-route traffic (number of flights)	31.03.2016	31.03.2015	Change n.	Change %
Domestic	65.385	67.525	(2.140)	-3,2%
International	174.950	166.439	8.511	5,1%
Overflights services	91.040	90.272	768	0,9%
Total paying	**331.375**	**324.236**	**7.139**	**2,2%**
Military	8.574	9.065	(491)	-5,4%
Other exempt	5.126	6.661	(1.535)	-23,0%
Total exempt	**13.700**	**15.726**	**(2.026)**	**-12,9%**
Total reported by Eurocontrol	**345.075**	**339.962**	**5.113**	**1,5%**
Exempt not reported to Eurocontrol	15.627	19.684	(4.057)	-20,6%
Grand total	**360.702**	**359.646**	**1.056**	**0,3%**

Route traffic (service units)	31.03.2016	31.03.2015	Change n.	Change %
Domestic	352.474	345.208	7.266	2,1%
International	652.050	634.027	18.023	2,8%
Overflights services	547.323	535.444	11.879	2,2%
Total paying	**1.551.847**	**1.514.679**	**37.168**	**2,5%**
Military	32.738	31.648	1.090	3,4%
Other exempt	2.543	3.172	(629)	-19,8%
Total exempt	**35.281**	**34.820**	**461**	**1,3%**
Total reported by Eurocontrol	**1.587.128**	**1.549.499**	**37.629**	**2,4%**
Exempt not reported to Eurocontrol	622	780	(158)	-20,3%
Grand total	**1.587.750**	**1.550.279**	**37.471**	**2,4%**

In particular, en-route traffic included:

- international *commercial traffic,* a category of flights with departure or arrival for stopover located in the Italian territory, which in the quarter in question posted positive results in terms of service units (SU) as well as the number of assisted flights, up 2.8% and 5.1%, respectively. The lower growth in service units compared to the number of flights is primarily the result of a reduction in average distance flown (-3.5%).

  These results were achieved particularly due to the excellent performance of connections between Italy and the rest of Europe (SU +5.2%; number of flights +7.2%) which, in terms of service units, represent more than 77% of the total. Connections between Italy and Asia also performed extremely well, with service units rising by 10.2%. On the other hand, difficulties continue in traffic between Italy and Africa, which was down by 19.9% in terms of service units as a result of the *no-fly* zones located in Libyan air space and the socio-political instability impacting Northern African countries;
- commercial *overflight traffic,* a category consisting only of flights passing through domestic air space, bucked the trend recorded in the first quarter of 2015 with an improvement of 2.2% in service unit volumes; the number of flights was up as well, albeit to a lesser extent (+0.9%). For intercontinental connections, there was a significant increase in flights between European countries (SU +10.6%; number of flights +11.0%), which represent roughly 59% of the total, while connections declined between Europe and Africa (SU -4.5%; number of flights -7.4%) as well as between Europe and Asia (SU -1.7%; number of flights +0.4%);
- domestic *commercial traffic* which, compared with the same quarter of last year, registered growth in service units by 2.1% but a reduction in the number of assisted flights by 3.2%. The difference between service unit trends and the number of assisted flights was caused by an increase in the average distance flown (+5.1%) and the average weight (+3.8%) of each individual aircraft. The figure concerning average distance travelled points to the return to more frequent long-distance connections that connect destinations in the north and south of the country, which are also those less impacted by competition from high-speed trains. The frequency of these flights rose by more than 10%;
- exempt *traffic,* divided into: i) *exempt traffic reported by Eurocontrol,* which increased by 1.3% in SU and decreased by 12.9% in the number of assisted flights, the latter figure mainly due to a decrease in military activities; ii) *exempt traffic not reported to Eurocontrol,* with an insignificant effect on revenues, which decreased by 20.3% in SU and by 20.6% in the number of assisted flights.

TERMINAL TRAFFIC

Terminal traffic, which regards take-off and landing within 20 km of the runway, reported by Eurocontrol performed well in the first quarter of 2016 in terms of service units, which were up 4.6%, as well as in terms of assisted flights, which were up 2.4% compared with the first quarter of 2015. This result was caused by the increase in the paying commercial traffic component, which reached +4.8% in terms of service units and +3.1% in terms of the number of assisted flights, and a reduction in the exempt component by 10.5% in terms of service units and 12.3% in terms of the number of assisted flights.

Terminal traffic (number of flights)		31.03.2016	31.03.2015	Change n.	Change %
Domestic					
	Chg. Zone 1	13.025	12.899	126	1,0%
	Chg. Zone 2	12.328	12.719	(391)	-3,1%
	Chg. Zone 3	36.218	35.831	387	1,1%
	Total national flights	*61.571*	*61.449*	*122*	*0,2%*
International					
	Chg. Zone 1	21.275	21.303	(28)	-0,1%
	Chg. Zone 2	36.389	34.059	2.330	6,8%
	Chg. Zone 3	29.418	27.371	2.047	7,5%
	Total international flights	*87.082*	*82.733*	*4.349*	*5,3%*
Total paying		**148.653**	**144.182**	**4.471**	**3,1%**
Exempt					
	Chg. Zone 1	18	24	(6)	-25,0%
	Chg. Zone 2	326	503	(177)	-35,2%
	Chg. Zone 3	5.958	6.658	(700)	-10,5%
	Total exempt flights	6.302	7.185	(883)	-12,3%
Total reported by Eurocontrol		**154.955**	**151.367**	**3.588**	**2,4%**
Exempt not reported to Eurocontrol					
	Chg. Zone 1	-	7	(7)	-100,0%
	Chg. Zone 2	279	920	(641)	-69,7%
	Chg. Zone 3	11.678	12.376	(698)	-5,6%
Total exempt flights not communicated to Eurocontrol		*11.957*	*13.303*	*(1.346)*	*-10,1%*
Grand total		**166.912**	**164.670**	**2.242**	**1,4%**

Terminal traffic (service units)		31.03.2016	31.03.2015	Change n.	Change %
Domestic					
	Chg. Zone 1	15.616	15.528	88	0,6%
	Chg. Zone 2	14.186	14.563	(377)	-2,6%
	Chg. Zone 3	39.488	38.680	808	2,1%
	Total national uds	*69.290*	*68.771*	*519*	*0,8%*
International					
	Chg. Zone 1	32.367	31.792	575	1,8%
	Chg. Zone 2	51.067	46.669	4.398	9,4%
	Chg. Zone 3	33.101	30.010	3.091	10,3%
	Total international uds	*116.535*	*108.471*	*8.064*	*7,4%*
Total paying		**185.825**	**177.242**	**8.583**	**4,8%**
Exempt					
	Chg. Zone 1	29	29	0	0,0%
	Chg. Zone 2	117	143	(26)	-18,2%
	Chg. Zone 3	2.025	2.253	(228)	-10,1%
	Total exempt uds	*2.171*	*2.425*	*(254)*	*-10,5%*
Total reported by Eurocontrol		**187.996**	**179.667**	**8.329**	**4,6%**
Exempt not reported to Eurocontrol					
	Chg. Zone 1	0	1	(1)	-100,0%
	Chg. Zone 2	23	66	(43)	-65,2%
	Chg. Zone 3	781	807	(26)	-3,2%
Total exempt uds not communicated to Eurocontrol		*804*	*874*	*(70)*	*-8,0%*
Grand total		**188.800**	**180.541**	**8.259**	**4,6%**

As already highlighted for en-route traffic performance, the *international traffic* component is the real driver of paying commercial terminal traffic compared to other components, with an increase in service units by 7.4% attributable particularly to the results achieved by airports in the second and third charge bands, which posted improvements of 9.4% and +10.3%, respectively.

On the other hand, for the domestic component service units rose by 0.8%, reflecting negative performance in the second charge band (-2.6%), which was impacted by the steep decline in flights from stopovers in Milan to Rome and Naples.

CONSOLIDATED INCOME STATEMENT

	31.03.2016	31.03.2015	Amounts	Changes %
Revenues from operations	157.505	153.902	3.603	2,3%
Balance	11.535	6.510	5.025	77,2%
Other operating income	8.323	7.997	326	4,1%
Total revenues	**177.363**	**168.409**	**8.954**	**5,3%**
Personnel costs	(118.245)	(115.158)	(3.087)	2,7%
Other costs, net	(31.113)	(32.357)	1.244	-3,8%
Total operating costs	(149.358)	(147.515)	(1.843)	1,2%
EBITDA	**28.005**	**20.894**	**7.111**	**34,0%**
Depreciation and amortisation less investment grar	(34.027)	(33.301)	(726)	2,2%
Write-downs, impairment losses (reversals) and pr	(742)	66	(808)	-1224,2%
EBIT	**(6.764)**	**(12.341)**	**5.577**	**45,2%**
Financial income (expense)	(1.862)	2.863	(4.725)	(165,0%)
Income before income taxes	**(8.626)**	**(9.478)**	**852**	**9,0%**
Income taxes	(187)	(1.393)	1.206	86,6%
Net income for the year	**(8.813)**	**(10.871)**	**2.058**	**18,9%**

Amounts in thousands of euros

The first quarter of 2016 closed with a loss of €8.8 million, a decrease of 18.9% compared with the first quarter of 2015, as the business carried out by the Parent Company is impacted by fluctuating revenue performance throughout the year, while costs remain basically stable. Indeed, passenger traffic is seasonal, with increases in the seasons of the year when Italian and foreign passengers typically travel more. In particular, traffic flows are lowest in the first quarter of the year, unlike the summer period.

Revenues from operations rose by 2.3% in the first quarter to €157 million. This result was achieved due to the increase in route and terminal revenues, which posted increases in service units during the period of 2.4% and 4.6%, respectively, compared with the first quarter of 2015. In detail, en-route traffic was up €4.8 million as a result of the increase in service units as well as a slight increase in the charge applied, which was €80.08 compared with €78.80 in 2015. Terminal revenues rose by €3.7 million, with growth in service units in all three charge bands. In particular, in terms of service units, Rome Fiumicino Airport was up 1.4%; the second charge band came to +6.5% and the third charge band to +5.2%, also as a result of the transfer to the Parent Company's management of two military airports open to civil traffic, i.e., Brindisi and Treviso, which were not included in the figure in the first quarter of 2015.

The balance had a positive impact of €11.5 million during the quarter, represented primarily by the balances recognised in the first quarter of 2016 totalling €15.9 million, in particular regarding the third charge band terminal balance, which stood at €12.9 million. In this regard, please note that the charge applied in 2016 has not changed with respect to that of 2015 (€260.96), in compliance with the requirements established by the controlling and supervising ministries. The natural charge determined on the basis of costs estimated for 2016 would have been higher, at €358.08. Pending the identification of the instrument needed to cover the spread deriving from the difference between the natural charge and the charge applied by the Ministry of

Infrastructure and Transport and the Ministry of Economy and Finance, this amount is recognised as a balance receivable in compliance with regulations in force.

Operating costs reached €149.4 million, posting a net increase of 1.2% compared with the same period of the previous year. In particular, personnel costs rose by 2.7% as a result of fixed remuneration due to the increase in the workforce by 103 resources compared with 31 March 2015, as well as variable remuneration, which rose in the cost components for work on holidays and holidays falling on weekends, and decreased in terms of personnel costs for overtime for operations as well as for transfer indemnities due to decreased recourse to that type of cost for the low-traffic airport plan, which impacted the previous period. Other costs, net, registered a net decline of 3.8%, reaching €31 million primarily in relation to telecommunications costs thanks to the reduction achieved following the renegotiation of contracts as well as less recourse to external professional services due to cost curbing initiatives.

These values positively impacted EBITDA, generating a rise of 34% with respect to the same period of the previous year, reaching €28 million. The component of depreciation and amortisation, which presents a linear trend, and that of write-downs and provisions, resulted in a negative EBIT of -€6.7 million, which in any event improved by 45.2% compared with 31 March 2015.

The balance of financial income and expense was negative, at -€1.9 million, a reduction with respect to the previous quarter due to the review of the present value of balance receivables linked to the third band as well as higher interest expense connected with the bond issued in August 2015.

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31.03.2016	31.03.2015	Changes
Property, plant and equipment	1.066.613	1.083.836	(17.223)
Intangible assets	121.482	122.092	(610)
Investments in other companies	33.777	35.314	(1.537)
Other non-current assets and liabilities	86.855	66.709	20.146
Provision for employee benefits	(60.766)	(58.068)	(2.698)
Net fixed capital	**1.247.961**	**1.249.883**	**(1.922)**
Inventories	61.401	62.027	(626)
Trade receivables	226.630	233.547	(6.917)
Trade payables	(124.817)	(128.348)	3.531
Provisions for risks and charges	(15.235)	(14.151)	(1.084)
Other current assets and liabilities	(159.711)	(123.906)	(35.805)
Net working capital	**(11.732)**	**29.169**	**(40.901)**
Net invested capital	**1.236.229**	**1.279.052**	**(42.823)**
Funding			
Shareholders' equity	1.076.882	1.090.550	(13.668)
Net financial position	159.347	188.502	(29.155)
Total funding	**1.236.229**	**1.279.052**	**(42.823)**

Amounts in thousands of euros

The reclassified statement of financial position shows a €42.8 million decrease in net invested capital compared with the end of the previous year, reaching €1,236 million, predominantly as a result of the following factors:

- *net fixed capital*, which decreased overall by €1.9 million, resulting from contrasting trends in its various constituent components. In detail, there was an overall decline in property, plant and equipment and intangible assets linked to depreciation and amortisation for the period, which were higher than investments being made in the first quarter of 2016. The increase in other non-current assets and liabilities of €20.1 million is closely correlated with higher non-current assets relating, in particular, to the increase in balance receivables following the recognition of balances that emerged in the first quarter of 2016 and the reclassification to non-current assets of the portion of the third charge band terminal balance receivable that is expected to be recovered in the charge in more than 12 months;
- *net working capital* which stood at -€11.7 million, registering a net decrease of €40.9 million, primarily as a result of: i) lower tax receivables due to the collection of VAT for which a refund was requested in 2013 totalling €21.1 million; ii) the increase in social security payables and other liabilities for personnel provisions, primarily associated with Christmas and summer bonuses; iii) increased payables for Italian Air Force (AMI) and Italian Civil Aviation Authority (ENAC) payments on account for amounts accrued in the first quarter of 2016; iv) the reduction in trade receivables resulting from the reclassification of third charge band terminal balance receivables to non-current trade receivables following the revision of the plan for the recovery of balances in charges.

Shareholders' equity came to €1,076.8 million, with a net decrease of €13.7 million due to the loss for the period as well as the negative impact of the provision for employee benefits of €2.5 million and the reserve for the translation of financial statements in foreign currency, which had a negative impact of €2.2 million.

The net financial position came to -€159.3 million, a considerable improvement of €29.2 million since 31 December 2015, and is broken down as follows:

	31.03.2016	31.03.2015	Changes
Liquidity	205.956	174.141	31.815
Current financial debt	(35.506)	(32.788)	(2.718)
Net current financial position	**170.450**	**141.353**	**29.097**
Non-current financial receivables	768	968	(200)
Non-current debt	(330.565)	(330.823)	258
Non-current debt	**(329.797)**	**(329.855)**	**58**
Net financial position	**(159.347)**	**(188.502)**	**29.155**

Amounts in thousands of euros

The net financial position shows a €29.2 million decline in debt primarily due to higher liquidity inflows during the quarter as a result of the collection of the VAT receivable for which a refund was requested in 2013 totalling €21.1 million, National Operating Program (NOP) 2000/2006 contributions on financed investment projects amounting to €7.8 million and the collection of pre-financing on the Sesar Deployment Manager financed project, totalling €7.9 million.

BUSINESS OUTLOOK

The ENAV privatisation and listing process launched in the second half of 2015 continues.

As previously disclosed, with Prime Ministerial Decree of 16 May 2014, the Council of Ministers launched the ENAV S.p.A. privatisation process, with the State maintaining a shareholding of at least 51% in ENAV. The disposal of the shareholding, as noted in paragraph 2, "*may be carried out, possibly in multiple phases, through recourse, including jointly, to an initial public offering aimed at the general public of investors in Italy, including employees of ENAV S.p.A. and its subsidiaries and/or Italian and international institutional investors and/or direct negotiations to be carried out through competitive procedures aimed at parties that meet the requirements laid out by Regulation (EU) No. 1035/2011*". In paragraph 3, the same decree also specifies an IPO as the priority method to be used for privatisation: "*To ensure the most widespread dissemination of the shareholding body amongst the general public of investors, an initial public offering aimed at the general public of investors in Italy and Italian and international institutional investors is identified as the priority method amongst those listed in paragraph 2*".

The company, in coordination with its shareholder and with the support of the Global Coordinators and financial, legal and accounting advisors, submitted the registration document to Consob and Borsa Italiana, and on 11 May 2016 it presented the Group to market analysts in its *Analyst Presentation*.

In the coming months the company will continue with the additional activities needed for the stock exchange listing, which is currently expected to take place by the end of 2016.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AT 31 MARCH 2016

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 31 MARCH 2016

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 31 MARCH 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(amounts in euros)	**Notes**	**31.03.2016**	**31.12.2015**
Non-current assets			
Property, plant and equipment	7	1.066.612.635	1.083.835.597
Intangible assets	8	121.481.825	122.091.960
Investments in other companies	9	33.776.948	35.314.371
Non-current financial assets	10	15.489.787	15.687.285
Deferred tax assets	11	27.458.324	25.927.241
Non-current tax receivables	12	25.232.503	25.232.503
Non-current trade receivables	13	149.124.363	124.278.210
Total non-current assets		**1.439.176.385**	**1.432.367.167**
Current assets			
Inventories	14	61.400.848	62.026.701
Current trade receivables	13	226.630.377	233.547.438
Tax receivables	12	71.850.643	90.455.276
Other current assets	15	22.143.638	16.653.181
Cash and cash equivalents	16	205.956.378	174.140.802
Total current assets		**587.981.884**	**576.823.398**
Total assets		**2.027.158.269**	**2.009.190.565**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SHAREHOLDERS' EQUITY AND LIABILITIES

(amounts in euros)	Notes	31.03.2016	31.12.2015
Shareholder's equity			
Share capital	17	941.744.385	941.744.385
Reserves	17	48.150.360	53.005.301
Retained earnings/(accumulated losses)	17	95.800.269	29.717.020
Profit/(Loss) for the period	17	(8.813.397)	66.083.249
Shareholders' equity attributable to the Group	**17**	**1.076.881.617**	**1.090.549.955**
Share capital and reserves attributable to non-controlling interests		0	0
Profit/(Loss) attributable to non-controlling interests		0	0
Total shareholders' equity attributable to non-controlling interests		**0**	**0**
Total shareholders' equity	**17**	**1.076.881.617**	**1.090.549.955**
Non-current liabilities			
Provisions for risks and charges	18	6.153.707	6.338.707
Employees' leaving entitlement and other employee benefits	19	60.765.678	58.068.053
Deferred tax liabilities	11	3.999.230	4.035.358
Non-current financial liabilities	20	330.565.392	330.823.506
Non-current trade payables	21	7.139.634	6.624.583
Other non-current liabilities	22	118.542.561	112.788.221
Total non-current liabilities		**527.166.202**	**518.678.428**
Current liabilities			
Current portion of provisions for risks and charges	18	9.081.710	7.812.041
Current trade payables	21	124.816.701	128.348.504
Tax and social security payables	23	51.118.152	46.702.425
Current financial liabilities	20	35.506.397	32.787.791
Other current liabilities	22	202.587.490	184.311.421
Total current liabilities		**423.110.450**	**399.962.182**
Total liabilities		**950.276.652**	**918.640.610**
Total shareholders' equity and liabilities		**2.027.158.269**	**2.009.190.565**

CONSOLIDATED INCOME STATEMENT

(amounts in euros)	**Notes**	**31.03.2016**	**31.03.2015**
Revenues			
Revenues from operations	24	157.505.514	153.902.382
Balance	24	11.535.366	6.510.215
Other operating income	25	10.690.389	10.442.331
Total revenues		**179.731.269**	**170.854.928**
Costs			
Costs for raw materials, ancillary materials, consumables and merchandise	26	(2.473.019)	(1.471.632)
Costs for services	26	(32.943.208)	(34.236.530)
Personnel costs	27	(118.245.277)	(115.157.764)
Lease and rental costs	26	(1.420.616)	(1.271.320)
Other operating costs	26	(483.638)	(539.403)
Capitalisation of internal work	28	6.207.701	5.161.544
Total costs		**(149.358.057)**	**(147.515.105)**
Depreciation and amortisation	7 and 8	(36.394.643)	(35.746.773)
Write-downs and impairment losses (reversals)	13	348.641	66.317
Provisions	18	(1.091.234)	0
Operating income		**(6.764.024)**	**(12.340.633)**
Financial income and expense			
Financial income	29	486.788	3.825.966
Financial expense	29	(2.471.168)	(1.071.696)
Foreign exchange gains (losses)	29	122.521	108.554
Total financial income and expense		**(1.861.859)**	**2.862.824**
Income before income taxes		**(8.625.883)**	**(9.477.809)**
Taxes for the period	30	(187.514)	(1.393.635)
Profit/(Loss) for the period		**(8.813.397)**	**(10.871.444)**
attributable to the Parent Company		*(8.813.397)*	*(10.871.444)*
attributable to non-controlling interests		*0*	*0*
Basic earnings/(loss) per share	35	(0,01)	(0,01)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(amounts in euros)	**31.03.2016**	**31.03.2015**
Profit/(Loss) for the period	**(8.813.397)**	**(10.871.444)**
Items of comprehensive income which will subsequently be reclassified to profit or loss:		
- differences arising on translating foreign financial statements	(2.186.204)	4.047.680
- fair value measurement of derivative financial instruments	(200.238)	2.361.105
- tax effect of fair value measurement of derivative financial instruments	48.057	(649.304)
Total items of comprehensive income which will subsequently be reclassified to profit or loss	*(2.338.385)*	*5.759.481*
Items of comprehensive income which will not subsequently be reclassified to profit or loss:		
- actuarial gains/(losses) on employee benefits	(3.343.663)	1.190.956
- tax effect of actuarial gains/(losses) on employee benefits	827.107	(325.012)
Total items of comprehensive income which will not subsequently be reclassified to profit or loss	*(2.516.556)*	*865.944*
Total comprehensive income (loss)	**(13.668.338)**	**(4.246.019)**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

		Reserves							
	Share capital	Legal reserve	Miscellaneous reserves	Reserve for actuarial gains/(losses) on employee benefits	Cash flow hedge reserve	Total reserves	Retained earnings/(accumulated losses)	Profit/(Loss) for the period	Total shareholders' equity
Balance at 31 December 2014	**1.121.744.385**	**13.935.410**	**39.059.916**	**(9.683.334)**	**1.347.592**	**44.659.584**	**27.652.383**	**40.005.989**	**1.234.062.341**
Allocation of prior year profit (loss)	0	1.941.352	0	0	0	1.941.352	38.064.637	(40.005.989)	0
Allocation of charge stabilisation provision	0	0	0	0	0	0	0	0	0
Dividend payment	0	0	0	0	0	0	(36.000.000)	0	(36.000.000)
Share capital reduction	(180.000.000)	0	0	0	0	0	0	0	(180.000.000)
Reserve for translation differences	0	0	4.103.748	0	0	4.103.748	0	0	4.103.748
Comprehensive income recognised, of which:									
- profit/(loss) recognised directly in Shareholder's equity	0	0	0	955.403	1.345.214	2.300.617	0	0	2.300.617
- profit/(loss) for the year	0	0	0	0	0	0	0	66.083.249	66.083.249
Balance at 31 December 2015	**941.744.385**	**15.876.762**	**43.163.664**	**(8.727.931)**	**2.692.806**	**53.005.301**	**29.717.020**	**66.083.249**	**1.090.549.955**
Allocation of prior year profit (loss)	0	0	0	0	0	0	66.083.249	(66.083.249)	0
Share capital reduction	0	0	0	0	0	0	0	0	0
Reserve for translation differences	0	0	(2.186.204)	0	0	(2.186.204)	0	0	(2.186.204)
Comprehensive income recognised, of which:									
- profit/(loss) recognised directly in Shareholder's equity	0	0	0	(2.516.556)	(152.181)	(2.668.737)	0	0	(2.668.737)
- profit/(loss) for the period	0	0	0	0	0	0	0	(8.813.397)	(8.813.397)
Balance at 31 March 2016	**941.744.385**	**15.876.762**	**40.977.460**	**(11.244.487)**	**2.540.625**	**48.150.360**	**95.800.269**	**(8.813.397)**	**1.076.881.617**

CONSOLIDATED STATEMENT OF CASH FLOWS

		Notes	31.03.2016	31.03.2015
A -	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**	**16**	**174.141**	**118.253**
	Net cash flow from/(used in) operating activities			
	Profit (loss) for the period		(8.813)	(10.871)
	Depreciation and amortisation	7 and 8	36.395	35.747
	Net change in liabilities for employee benefits	19	(645)	(473)
	Changes from foreign exchange	10	26	(562)
	Losses on disposal of property, plant and equipment and impairment of property, plant and equipment and intangible assets		0	0
	Allocations to/releases of provisions for risks and charges	18	1.084	(903)
	Net change in deferred tax assets and liabilities	11	(692)	1.083
	Decrease/(increase) in inventories	14	626	211
	Decrease/(increase) in current and non-current trade receivables	13	(17.930)	743
	Decrease/(increase) in tax receivables and tax and social security payables	12 and 23	23.021	(1.539)
	Change in other current assets and liabilities	15 and 22	12.785	32.131
	Change in other non-current assets and liabilities	15 and 22	5.754	(22.656)
	Increase/(decrease) in current and non-current trade payables	21	1.263	(13.526)
B -	**TOTAL CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES**		**52.874**	**19.385**
	of which taxes paid		(323)	(67)
	of which interest paid		(38)	(11)
	Net cash flow used in investing activities			
	Investments in property, plant and equipment	7	(17.129)	(12.583)
	Investments in intangible assets	8	(1.433)	(1.442)
	Increase/(decrease) in trade payables		(4.279)	3.592
	Investments in other companies	9	0	(4.691)
C -	**TOTAL CASH FLOW USED IN INVESTING ACTIVITIES**		**(22.841)**	**(15.124)**
	Net cash flow from financing activities			
	Disbursements of medium/long-term loans		0	0
	(Repayments) of medium/long-term loans	20	0	0
	Net change in non-current financial liabilities	20	(258)	266
	Bond issue	20	0	0
	Net change in current financial liabilities	20	2.719	22.975
	(Increase)/decrease in current and non-current financial assets	10	(3)	0
	Change in share capital	17	0	0
	Payment of dividends	17	0	0
D -	**TOTAL CASH FLOW FROM FINANCING ACTIVITIES**		**2.458**	**23.241**
E -	**Total cash flow (B+C+D)**		**32.491**	**27.502**
F-	**Exchange differences on cash and cash equivalents**		**(676)**	**0**
G -	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (A+E+F)**	**15**	**205.956**	**145.755**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 31 MARCH 2016

1. General information

ENAV is a joint stock company with a sole shareholder which is wholly owned by the Ministry of Economy and Finance (MEF) which exercises its shareholder rights in agreement with the Ministry of Infrastructure and Transport (MIT), which is also the supervising ministry in charge of civil aviation. ENAV S.p.A. was established in 2001 following the conversion, under Law No. 665/1996, of the "Ente Nazionale di Assistenza al Volo (the National Agency for Flight Assistance)", a public undertaking, that was formerly known as "Azienda Autonoma di Assistenza al Volo per il Traffico Generale" (A.A.A.V.T.A.G. – Autonomous Company providing Flight Assistance for General Traffic).

ENAV provides air traffic control and management services and other essential air navigation services in Italian airspace and in the national civil airports for which it is responsible, ensuring the highest technical and system standards in flight safety and the enhancement of the technology and infrastructure of flight assistance systems. This infrastructure needs constant maintenance and continuous development to guarantee safety, punctuality and operational continuity. This is moreover clearly stated in the European Union's Single European Sky regulations that on the one hand define the structure of the air traffic management system and on the other set the technological, qualitative, economic and environmental targets that all *service providers* must meet.

The Company's registered office is at Via Salaria 716, Rome and its operating facilities are located throughout the country.

The Group handles the technical management and maintenance of air traffic control equipment and systems through its subsidiary Techno Sky S.r.l., acquired at the end of 2006, and engineering activities carried out through the SICTA Consortium.

The subsidiary ENAV Asia Pacific, a Malaysian registered company, carries out commercial activities for the ENAV Group in Asia and Oceania and provides advisory services to the Malaysian DCA, while the subsidiary ENAV North Atlantic, founded in the legal form of a limited liability company *(LLC)* and governed by the law of the State of Delaware (USA), holds the investment in Aireon LLC which will create the first global satellite surveillance system for air traffic control.

These condensed consolidated interim financial statements at 31 March 2016 were approved by the Company's Board of Directors on 19 May 2016 and have been reviewed by Reconta Ernst & Young.

2. Form and content of the condensed consolidated interim financial statements

The condensed consolidated interim financial statements at 31 March 2016 have been prepared in compliance with IAS 34 *(International Accounting Standards)* regarding interim financial reporting. IAS 34 allows financial statements to be prepared in "condensed" form, i.e., based on a minimum level of disclosure that is significantly reduced compared with what is required by IFRS *(International Financial Reporting Standards),* provided complete IFRS-compliant financial statements have been made available to the public previously. The condensed consolidated interim financial statements have been prepared in "summary" form and therefore must be read in conjunction with the Group's IFRS consolidated financial statements for the year ended 31 December 2015.

Although the Group has defined the half-year as the reference interim period for the application of IAS 34 and the preparation of the interim financial statements to which it refers, this Interim Report on Operations at 31 March 2016 has been prepared on an exceptional basis in observance of that standard in view of its inclusion in the registration document to be submitted to Consob and Borsa Italiana as part of the on-going listing process.

With regard to the main financial risks to which the Group is exposed, i.e., credit risk, liquidity risk, interest rate risk and currency risk, there have been no notable changes with respect to what is reported in the consolidated financial statements at 31 December 2015, which should therefore be referred to for further information.

With respect to the methods for the presentation of the financial statements, in the statement of financial position assets and liabilities are separated into current and non-current; the income statement has been prepared by classifying operating costs by nature; and the statement of cash flows has been prepared in accordance with the indirect method.

3. Scope and principles of consolidation

The consolidation principles adopted to prepare the condensed consolidated interim financial statements at 31 March 2016 are compliant with those adopted for the preparation of the consolidated financial statements at 31 December 2015.

There were no changes in the scope of consolidation in the first quarter of 2016.

In the first three months of 2016, there were no significant transactions or unusual events, with the exception of what is reported in the condensed consolidated interim financial statements at 31 March 2016.

Translation of financial statements of foreign companies

The exchange rates used to translate the financial statements of companies that use a reporting currency other than the euro are reported in the table below:

	31.03.2016		31.12.2015		31.03.2015	
	3-month average	Exact at 31.03	12-month average	Exact at 31.12	3-month average	Exact at 31.03
Malaysian ringgit	4,6246	4,4078	4,3315	4,6959	4,0786	3,9873
US dollar	1,1017	1,1385	1,1096	1,0887	1,1269	1,0759

4. Accounting standards

The accounting standards used to prepare the condensed consolidated interim financial statements at 31 March 2016 are compliant with those adopted for the preparation of the consolidated financial statements at 31 December 2015, which should therefore be referred to for the details.

The Group has not adopted accounting standards and interpretations the application of which is not mandatory as of 1 January 2016.

5. USE OF ESTIMATES AND MANAGEMENT'S JUDGMENTS

For a description of the use of accounting estimates, please refer to the consolidated financial statements at 31 December 2015.

In the first quarter of 2016, as regards the calculation of revenues as described in more detail in note 13, for third band terminal services the Company applied a charge lower than the charge that would have been used based on estimated costs for 2016. Pending the identification by the Ministry of Infrastructure and Transport and the Ministry of Economy and Finance of the appropriate legal instrument needed to cover the spread deriving from the difference between the natural charge and the charge applied, the Company has recognised this amount as a balance receivable in compliance with regulations in force.

In addition, certain assessment processes, particularly the more complex ones such as the determination of any impairment losses on non-current assets, are generally conducted comprehensively only when preparing the annual financial statements when all necessary information is available, unless indicators of *impairment* are identified which would require immediate impairment testing.

6. SEASONAL EFFECTS

The type of business in which the Parent Company operates is impacted by fluctuating revenues over the course of the year. Indeed, air traffic is by its very nature heavily influenced by seasonal factors. As for any activity linked to tourism, passenger traffic increases in the seasons of the year when Italian and foreign passengers typically travel more. In particular, traffic flows are lowest in the first quarter of the year.

INFORMATION ON ITEMS IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

7. PROPERTY, PLANT AND EQUIPMENT

The table below shows changes in property, plant and equipment at 31 March 2016 compared with the end of 2015.

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets in course of construction	Total
Historical cost	454.731	1.681.988	294.399	332.098	205.347	2.968.563
Accumulated depreciation	(169.231)	(1.191.474)	(232.937)	(291.085)	0	(1.884.727)
Residual value at 31.12.2015	**285.500**	**490.514**	**61.462**	**41.013**	**205.347**	**1.083.836**
Increases	37	10	4	44	17.034	17.129
Disposals - historical cost	0	0	0	(35)	0	(35)
Disposals - accumulated depreciation	0	0	0	35	0	35
Reclassifications	0	0	0	0	0	0
Impairment losses	0	0	0	0	0	0
Depreciation and amortisation	(4.266)	(23.452)	(3.743)	(2.891)	0	(34.352)
Total changes	**(4.229)**	**(23.442)**	**(3.739)**	**(2.847)**	**17.034**	**(17.223)**
Historical cost	454.768	1.681.998	294.403	332.107	222.381	2.985.657
Accumulated depreciation	(173.497)	(1.214.926)	(236.680)	(293.941)	0	(1.919.044)
Residual value at 31.03.2016	**281.271**	**467.072**	**57.723**	**38.166**	**222.381**	**1.066.613**

In the first quarter of 2016, property, plant and equipment posted a net decline of €17,223 thousand, including €34,352 thousand resulting from depreciation for the quarter (€32,980 thousand at 31 March 2015) and €17,129 thousand due to increases in this item, most of which (€17,034 thousand) relates to investment projects under way, in particular: i) the implementation of the DataLink 2000 plus system; ii) the implementation of the 4-Flight programme; iii) the progress of the Coflight project; iv) the development of the eATMS build system; v) the modernisation and implementation of radio assistance systems at several airports.

The remaining portion of the increases (€95 thousand) relates to goods purchased by subsidiaries strictly associated with the activities carried out.

Part of the investments, with a historical cost of €225,045 thousand, is financed by capital grants recognised as part of the National Operating Program (NOP) for Transport for the years 2000-2006 and 2007-2013 for initiatives at southern airports and grants assigned by the Ministry of Infrastructure and Transport for investments in military airports, in accordance with Italian Law 102/09. The capital grants recognised for these investments are accounted for as *other liabilities* and released to the income statement in line with the depreciation of the investments to which they refer. The amount attributable to the period comes to €2,367 thousand.

8. INTANGIBLE ASSETS

The table below shows changes in intangible assets at 31 March 2016 compared with the end of 2015.

	Patents and intellectual property rights	Other intangible assets	Assets under formation	Goodwill	Total
Historical cost	119.437	2.085	43.586	66.486	231.594
Accumulated amortisation	(107.418)	(2.085)	0	0	(109.503)
Residual value at 31.12.2015	**12.019**	**0**	**43.586**	**66.486**	**122.091**
Increases	13	0	1.420	0	1.433
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Impairment losses	0	0	0	0	0
Depreciation and amortisation	(2.042)	0	0	0	(2.042)
Total changes	**(2.029)**	**0**	**1.420**	**0**	**(609)**
Historical cost	119.450	2.085	45.006	66.486	233.027
Accumulated amortisation	(109.460)	(2.085)	0	0	(111.545)
Residual value at 31.03.2016	**9.990**	**0**	**45.006**	**66.486**	**121.482**

In the first quarter of 2016, intangible assets posted a net decline of €609 thousand, including €2,042 thousand resulting from amortisation for the period (€2,766 thousand at 31 March 2015) and €1,420 thousand due to increases in this item, relating to investment projects under way, in particular the update of the Tool XMG used to generate and modify local radar maps, used as backgrounds for CWPs, as well as the increase in the total number of viewable maps and software for operating systems.

Goodwill is equal to the difference between the acquisition value of the subsidiary Techno Sky S.r.l. and its net assets expressed at current values, and is representative of future economic benefits. This value, amounting to €66,486 thousand, is allocated to the Maintenance Services CGU, coinciding with the legal entity Techno Sky S.r.l.

During the quarter, no elements emerged that would indicate that the value of goodwill has undergone impairment; therefore no *impairment* testing was conducted.

9. Investments in other companies

Investments in other companies amount to €33,777 thousand, a decline of €1,537 thousand compared with 31 December 2015, entirely due to the foreign exchange difference arising on the translation into euros of the investment in Aireon LLC (USD 38,265 thousand).

Aireon LLC is unlisted, so its fair value is represented by the cost set forth in the contract, estimated based on assessments conducted at the time of acquisition.

10. Non-current financial assets

Non-current financial assets amount to €15,490 thousand (€15,687 thousand at 31 December 2015) and are broken down as follows:

	31.03.2016	31.12.2015	Change
Non-current financial assets			
Financial receivable	14.354	14.354	0
Derivative	768	968	(200)
Other	368	365	3
Total	**15.490**	**15.687**	**(197)**

The change in the first quarter of 2016 relates entirely to the fair value measurement of the derivative at 31 March 2016, a positive value of €768 thousand, which matures at the end of 2017 and therefore is classified as a non-current financial asset.

The derivative contract represents a perfectly effective hedge and is accounted for in accordance with the cash flow hedge method. Refer to note 33 for all information required under IFRS 7.

11. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets and deferred tax liabilities are reported in detail in the table below, with amounts impacting profit and loss and those impacting other items of comprehensive income (shareholders' equity) highlighted separately.

	31.12.2015		Incr./decr. through profit or loss		Incr./decr. through equity		31.03.2016	
	Temporary differences	Deferred tax assets/liabilities	Temporary differences	Deferred tax assets/liabilities	Temporary differences	Deferred tax assets/liabilities	Temporary differences	Deferred tax assets/liabilities
Deferred tax assets								
Taxed provisions	62.622	15.408	1.079	293	0	0	63.701	15.701
Inventory write-downs	9.126	2.191	381	91	0	0	9.507	2.282
Discounting of receivables	5.007	1.392	1.389	333	0	0	6.396	1.725
Tax effect of IFRS conversion	885	261	(34)	(11)	0	0	851	250
Employees' leaving entitlement discounting	622	168	0	0	3.344	827	3.966	995
Non-deductible portion of employees' leaving entitlement	1.878	465	122	32	0	0	2.000	497
Fair value derivative	5	1	0	0	0	0	5	1
Other	21.000	6.041	(128)	(34)	0	0	20.872	6.007
Total	**101.145**	**25.927**	**2.809**	**704**	**3.344**	**827**	**107.298**	**27.458**
Deferred tax liabilities								
Other	8.049	2.214	147	39	0	0	8.196	2.253
Discounting of payables	107	30	(18)	(5)	0	0	89	25
Tax effect of IFRS conversion	3.100	941	(72)	(23)	0	0	3.028	918
Fair value derivative	3.548	851	0	0	(200)	(48)	3.348	803
Total	**14.804**	**4.036**	**57**	**11**	**(200)**	**(48)**	**14.661**	**3.999**

Changes in deferred tax assets and deferred tax liabilities in the first quarter of 2016 were caused by the following factors:

- the write-down of inventories and allocations made to the provision for risks with deferred tax deductibility, net of releases for the period;
- the re-calculation of discounting on terminal balance receivables based on the new method for incorporating balances in the charge, net of transfers for the quarter of all balances recognised and the recognition of discounting on balances arising at 31 March 2016;

- the discounting of employees' leaving entitlement, which had an actuarial loss impacting shareholders' equity during the period;
- the fair value measurement of the derivative financial instrument, impacting shareholders' equity;
- the elimination of intercompany margins net of transfers for the period.

12. CURRENT AND NON-CURRENT TAX RECEIVABLES

Non-current tax receivables, unchanged with respect to 31 December 2015, amounted to €25,232 thousand and refer to the receivable for the higher IRES tax paid by the Group in 2007/2011 as a result of the failure to deduct IRAP relating to personnel and similar costs.

Current tax receivables amount to €71,851 thousand and include the receivables specified in the table below.

	31.03.2016	31.12.2015	Change
Due from the tax authorities for VAT	51.301	69.972	(18.671)
IRES receivable	39	37	2
IRAP receivable	18.762	18.762	0
Receivable for other current taxes	1.749	1.684	65
Total	**71.851**	**90.455**	**(18.604)**

There was a net decline of €18,671 thousand in the amount due from the tax authorities for VAT, totalling €51,301 thousand, due to the following changes: i) the collection of VAT for which a refund was requested in February 2013, relating to the 2012 tax period, totalling €21,101 thousand inclusive of interest; ii) the recognition of interest on the VAT receivable for which a refund was requested in relation to the first quarter of 2016, equal to €153 thousand; iii) the VAT accrued during the reference period totalling €2,277 thousand. The receivable for VAT awaiting refund relates entirely to the Parent Company and amounts to €40,132 thousand at 31 March 2016, inclusive of interest income recognised at the annual legal rate of 2%.

Other tax receivables basically remained unchanged.

13. CURRENT AND NON-CURRENT TRADE RECEIVABLES

Current trade receivables amount to €226,630 thousand and non-current trade receivables, relating entirely to balance receivables, total €149,124 thousand and changed as follows during the period.

	31.03.2016	31.12.2015	Change
Current trade receivables			
Due from Eurocontrol	166.826	169.184	(2.358)
Due from the Ministry of Economy and Finance	17.601	14.366	3.235
Due from the Ministry of Infrastructure and Transport	37.500	30.000	7.500
Due from other customers	42.305	42.840	(535)
Balance receivables	13.927	29.029	(15.102)
	278.159	**285.419**	**(7.260)**
Bad debts allowance	(51.529)	(51.872)	343
Total	**226.630**	**233.547**	**(6.917)**

	31.03.2016	31.12.2015	Change
Non-current trade receivables			
Balance receivables	149.124	124.278	24.846
Total	**149.124**	**124.278**	**24.846**

The *amount due from Eurocontrol* relates to the fees deriving from route and terminal revenues not yet collected at 31 March 2016, and part of which are not yet due, totalling €113,157 thousand (€115,564 thousand at 31 December 2015) and €53,669 thousand (€53,620 thousand at 31 December 2015), respectively, gross of the bad debts allowance. The decrease during the period was primarily caused by collections on the receivable for route fees. The amount due from Eurocontrol, net of the portion directly attributed to the bad debts allowance, comes to €124,297 thousand.

The increase of €3,235 thousand in the *amount due from the Ministry of Economy and Finance* (MEF) relates entirely to route and terminal exemptions recognised in the first quarter of 2016.

The *amount due from the Ministry of Infrastructure and Transport* increased by €7.5 million due to the accrued portion of the 2016 operating grant recognised to the Parent Company pursuant to Article 11 septies of Italian Law 248/05.

The item *due from other customers* includes the receivable accrued from management companies for services rendered by the Group and from other customers for on-going projects abroad.

The *bad debts allowance* amounts to €51,529 thousand, and posted a net reduction of €343 thousand during the quarter in light of the collection of several positions regarding en-route receivables that had been prudently written down in previous years. Changes during the first quarter are shown in the table below:

			Decreases		
	31.12.2015	Increases	utilisations	eliminations	31.03.2016
Bad debts allowance	51.872	89	(432)	0	51.529

The *Balance receivable*, entirely relating to the Parent Company, net of the effect of discounting, amounts to €163,051 thousand (€153,307 thousand at 31 December 2015), €13,927 thousand of which is classified in current trade receivables, referring to the portion that will be recovered in 2016 and therefore has been incorporated in the charge for the same year, and €149,124 thousand of which is classified in non-current trade receivables, as it will be recovered after 2016 in compliance with the recovery plans established in the performance plan.

In detail, the balance receivable includes the residual portion of route and terminal balances recognised by the Parent Company since 2011 and in subsequent years, that have not yet been recovered through charges. The €15,102 thousand decrease in the current balance receivable relates primarily to the portion of balances included in charges (€5,282 thousand) for the quarter and therefore recognised in the income statement, and the reclassification of the third band terminal balance to non-current following the review of the recovery plan.

Balances recognised in the first quarter of 2016, totalling €16,415 thousand gross of the effect of discounting, are classified as non-current trade receivables, and include €3,433 thousand in route balances and €12,982 thousand in terminal balances. In particular, route balances refer to: i) the traffic risk balance and the portion not recovered of balances recognised in previous years and incorporated in the 2016 charge in the amount of €3,284 thousand, recognised due to the decrease in actual route service units generated in the first quarter with respect to what was established in the plan for the quarter (-5.6%); ii) a weather balance of €149 thousand determined, in compliance with EU regulations, based on a cost recovery logic. The terminal balance, which totals €12,982 thousand, refers entirely to the third charge band, not included in the performance plan, and determined in accordance with a cost recovery logic. For this charge band, please recall that the charge applied in 2016 totals €260.96 and corresponds to the charge applied in 2015, which contained an amount borne by the Company for the charge stabilisation contribution. The same charge was applied this year as required by the controlling ministry and the supervising ministry, rather than the natural charge determined on the basis of costs estimated for 2016, amounting to €358.08. Pending the identification of the instrument needed to cover the spread deriving from the difference between the natural charge and the charge applied by the Ministry of Infrastructure and Transport and the Ministry of Economy and Finance, this amount is recognised as a balance receivable in compliance with regulations in force.

14. INVENTORIES

Inventories, representing mainly spare parts, amount to €61,401 thousand net of the allowance for inventory losses, and changed as follows during the period:

	31.12.2015	Increases	Decreases	31.03.2016
Fiduciary inventory	65.891	355	(556)	65.690
Direct inventory	4.519	248	(292)	4.475
Flight inspection inventory	743	0	0	743
	71.153	**603**	**(848)**	**70.908**
Allowance for inventory losses	(9.126)	(381)	0	(9.507)
Total	**62.027**	**222**	**(848)**	**61.401**

The increase of €222 thousand, net of the allowance for inventory losses, refers primarily to fiduciary inventory for the acquisition of spare parts for operating systems used in air navigation and the acquisition of spare parts for luminous visual aids. The decrease of €848 thousand gross of the allowance for inventory losses regards uses of spare parts in operating systems.

The allowance for inventory losses increased by €381 thousand due to the provision recognised for spare parts that have become obsolete in that they relate to systems that are no longer used.

15. OTHER CURRENT ASSETS

Other current assets amount to €22,144 thousand and are broken down as follows:

	31.03.2016	31.12.2015	Change
Due from public bodies for capital grants	7.401	7.401	0
Due from personnel	3.645	3.550	95
Due from other bodies for financed projects	4.105	4.155	(50)
Prepaid expenses	5.896	1.036	4.860
Sundry receivables	4.176	3.596	580
	25.223	**19.738**	**5.485**
Bad debts allowance	(3.079)	(3.085)	6
Total	**22.144**	**16.653**	**5.491**

Other current assets increased in the first quarter of 2016 by €5,491 thousand, mainly due to the recognition of prepaid expenses regarding costs associated with subsequent months, particularly the INAIL payment made in February, of which €1,757 thousand is classified under prepaid expenses in that it relates to the portion not attributable to the period, and insurance premiums for property and personnel paid in advance in January, €2,922 thousand of which relates to the second quarter.

16. CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents at 31 March 2016 are provided below:

	31.03.2016	31.12.2015	Change
Bank and post office deposits	205.871	174.091	31.780
Cash and valuables on hand	85	50	35
Total	**205.956**	**174.141**	**31.815**

Cash and cash equivalents at banks and the central treasury came to €205,871 thousand, showing a net increase of €31,780 thousand during the period, relating primarily to the Parent Company due to increases in liquidity following some collections recorded in the first quarter of 2016, such as the VAT receivable of €21,101 thousand, the remaining amount for NOP financed projects for the years 2000/2007 and the pre-financing obtained for the Sesar Deployment Manager with regard to the year 2014.

There are no restrictions on cash and cash equivalents that may limit their availability.

17. SHAREHOLDER'S EQUITY

Shareholders' equity amounts to €1,076,882 thousand at 31 March 2016 and the changes in the first quarter are reported in detail in the specific accounting statement provided after the quarterly consolidated statement of financial position and income statement.

The table below provides details of the individual items.

	31.03.2016	31.12.2015	Changes
Share capital	941.744	941.744	0
Legal reserve	15.877	15.877	0
Other reserves	36.359	36.359	0
Translation reserve	5.346	7.532	(2.186)
IAS first time adoption (FTA) reserve	(727)	(727)	0
Reserve for actuarial gains/(losses) on employee benefits	(11.244)	(8.728)	(2.516)
Cash flow hedge reserve	2.540	2.693	(153)
Retained earnings/(accumulated losses)	95.800	29.717	66.083
Profit/(Loss) for the period	(8.813)	66.083	(74.896)
Total shareholders' equity attributable to the Group	**1.076.882**	**1.090.550**	**(13.668)**
Share capital and reserves attributable to non-controlling interests	0	0	0
Profit/(Loss) attributable to non-controlling interests	0	0	0
Total shareholders' equity attributable to non-controlling interests	**0**	**0**	**0**
Total shareholders' equity	**1.076.882**	**1.090.550**	**(13.668)**

The *share capital*, fully subscribed and paid-in by the sole shareholder, the Ministry of Economy and Finance, consists of 941,744,385 ordinary shares, each of which has a nominal value of €1.

On 2 March 2016, the Extraordinary Shareholders' Meeting approved a voluntary share capital reduction pursuant to Article 2445 of the Italian Civil Code in the amount of €400 million, and the simultaneous establishment of a distributable reserve. This resolution will come into effect once 90 days have passed from the registration of the Shareholders' Meeting resolution in the Company Register, i.e., on 2 June 2016. As a result of that transaction, the share capital will amount to €541,744 thousand.

The *legal reserve* amounts to €15,877 thousand, unchanged with respect to 31 December 2015.

The *other reserves* derive from the reserve for capital grants received in 1996/2002, originally stated net of deferred tax liabilities that have been settled. As a result, this reserve has become available and was reclassified to other reserves in previous years.

The *translation reserve* consists of exchange differences arising on the translation of the financial statements of foreign subsidiaries and amounts to €5,346 thousand. The decline of €2,186 thousand is primarily attributable to the translation of the quarterly accounts of the subsidiary Enav North Atlantic. The *first time adoption (FTA) reserve* includes differences in the values of asset and liability items recorded upon first time adoption of international accounting standards.

The *reserve for actuarial gains/(losses) on employee benefits* includes the effects of actuarial changes in employees' leaving entitlement, net of the tax effect, and at 31 March 2016 has a negative balance of €11,244 thousand.

The *cash flow hedge reserve,* totalling €2,540 thousand, arises from the *fair value* measurement of derivative financial instruments, and decreased during the quarter by €153 thousand net of the tax effect.

Retained *earnings/(accumulated losses)* consists of the profit (loss) for the year ending on 31 December 2015 as well as the profit (loss) recognised by Group companies in previous years and consolidation adjustments applied in previous years.

The reconciliation between the Parent Company's shareholders' equity and the consolidated shareholders' equity is provided in the table below.

	Profit (loss) for the period	31.03.2016 Shareholders' Equity	Profit (loss) for the year	31.12.2015 Shareholders' Equity
Parent Company	(8.890)	1.108.957	49.817	1.120.005
Amortisation of consolidation difference	0	(29.721)	14.603	(29.721)
Elimination of intra-group economic effects	82	(20.595)	(785)	(20.677)
Deferred tax assets on elim. intra-group economic effects	(22)	5.927	(398)	5.949
Translation reserve	0	5.346	0	7.532
Employee benefits reserve and FTA reserve	0	(1.115)	0	(604)
Profit (loss) for the year of subsidiaries	17	8.083	2.846	8.066
Group total	**(8.813)**	**1.076.882**	**66.083**	**1.090.550**

18. PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges amount to €15,235 thousand, of which the portion classified in current liabilities totals €9,081 thousand. They changed as follows during the first quarter:

	31.12.2015	Increases	Decreases	31.03.2016
Provision for risks from personnel litigation	4.070	0	(60)	4.010
Provision for risks from other disputes	5.089	1.144	0	6.233
Provisions for other risks	4.992	0	0	4.992
Total provisions for risks and charges	**14.151**	**1.144**	**(60)**	**15.235**

The provision for risks from personnel litigation, the current portion of which comes to €2,848 thousand, decreased during the period due to the amicable settlement of certain disputes, which entailed making payments that were lower than the amounts set aside in the provisions. At 31 March 2016 the total value of legal claims relating to on-going disputes for which Group lawyers have deemed the risk of a loss to be *possible* is €1.5 million.

The provision for risks from other disputes, all of which is classified under current liabilities, increased by €1,144 thousand during the quarter, essentially in connection with the subsidiary Techno Sky.

The increase was accounted for in order to adjust the liability regarding a dispute subject to arbitration following the issue of the relative arbitration award on 6 May 2016. In particular, the liability derives from the termination of the agreement for the supply of weather systems for Palermo airport system modernisation, as a result of the lack of availability of certain materials set forth in the contract. A board of arbitrators was assigned to settle this dispute, as set forth in the contract, to define the debit and credit items relating to the situation in question. As noted above, on 6 May 2016 the board issued its award in which it ordered Techno Sky to return the consideration paid by the counterparty for the optional supply established in the agreement, adjusted for inflation plus interest at the legal rate, as well as to provide compensation for the damages suffered by the counterparty due to the delayed delivery of goods connected with specific contractual lots. The award, which also defines the financial items, is currently being analysed to decide on the actions to be taken. Pending this analysis, the provision for risks already recognised in previous years was increased by €1,043 thousand to align it with the total liability arising from the arbitration award.

At 31 March 2016, estimated costs relating to on-going disputes for which Group lawyers have deemed the risk of a loss to be *possible* amount to €1.2 million.

19. Employees' leaving entitlement and other employee benefits

Employees' leaving entitlement and other employee benefits amount to €60,766 thousand, and consist of the provision for employees' leaving indemnity governed by Article 2120 of the Italian Civil Code, which includes the estimated obligation, determined in accordance with actuarial techniques, for amounts to be paid out to ENAV Group employees upon termination of their employment.

The liability for employees' leaving entitlement and other employee benefits changed as follows during the quarter:

	31.03.2016	31.12.2015
Liability for employee benefits at the beginning of the period	**58.068**	**60.049**
Interest cost	326	1.022
Actuarial gains/(losses) on defined benefits	3.344	(1.324)
Advances, settlements and other changes	(972)	(1.679)
Liability for employee benefits at the end of the period	**60.766**	**58.068**

The utilisation of €972 thousand of the provision for employees' leaving entitlement resulted from amounts paid out to personnel leaving the group in the course of the quarter, advances disbursed to personnel who so requested and, to a small extent, the direct monthly payment of employees' leaving entitlement as a supplement to remuneration ("QU.I.R.") in compliance with what is established in the 2015 Stability Law, for personnel who exercised this option.

The difference between the previous balance on this account calculated on the basis of the previous assumptions and the balance recalculated at period end on the basis of the updated assumptions constitutes actuarial gains (losses). In the first quarter of 2016, this calculation generated actuarial losses of €3,344 thousand, compared with actuarial gains recognised at the end of 2015.

The main assumptions used for the actuarial valuation process on the provision for employees' leaving entitlement at 31 March 2016 are summarised below and compared with the values used at 31 December 2015:

	31.03.2016	31.12.2015
Discount rate	1,39%	2,03%
Inflation rate	1.50% for 2016 1.80% for 2017 1.70% for 2018 1.60% for 2019 2.00% for 2020 onwards	1.50% for 2016 1.80% for 2017 1.70% for 2018 1.60% for 2019 2.00% for 2020 onwards
Annual rate increase employees' leaving entitlement	2.625% for 2016 2.850% for 2017 2.775% for 2018 2.700% for 2019 3.00% for 2020 onwards	2.625% for 2016 2.850% for 2017 2.775% for 2018 2.700% for 2019 3.00% for 2020 onwards
Expected turnover rate	4,00%	4,00%
Expected advance disbursement rate	2,50%	2,50%

The discount rate used to determine the present value of the obligation has been determined, in line with par. 83 of IAS 19, based on the IBoxx Corporate AA 10+ Index reported at the valuation date and in proportion with the average duration of the collective subject to valuation. The inflation rate curve, due to the current economic situation, which causes particular volatility in the majority of economic indicators, has been inferred from the 2015 Economy and Finance Document issued by the MEF and from the *medium/long-term trends in the pension and social-healthcare system* document published by the State General Accounting Office. The annual rate of increase in employees' leaving entitlement is equal to 75% of inflation plus 1.5 percentage points in compliance with Article 2120 of the Italian Civil Code.

The technical and demographic assumptions used in the valuation are reported below.

	31.03.2016	31.12.2015
Death	IPS55	IPS55
Disability	INPS tables by age and sex	INPS tables by age and sex
Retirement	100% upon meeting compulsory General Insurance requirements	100% upon meeting compulsory General Insurance requirements

A sensitivity analysis is provided below on the impacts that changes in the main valuation parameters would have on the liability for employees' leaving entitlement and other employee benefits at 31 March 2016.

	Liabilities for defined employee benefits at 31.03.2016
Turnover rate + 1%	59.804
Turnover rate - 1%	60.833
Inflation rate + 0.25%	61.221
Inflation rate - 0.25%	59.376
Discount rate + 0.25%	58.822
Discount rate - 0.25%	61.814

The average financial duration of the obligation for defined benefit plans is 11.5 years.

A table is provided below of the disbursements expected in subsequent years drawn from the provision for employees' leaving entitlement.

	Expected settlements
within 1 year	3.445
from 1 to 2 years	3.680
from 2 to 3 years	2.955
from 3 to 4 years	3.328
from 4 to 5 years	3.207

20. Current and non-current financial liabilities

Current and non-current financial liabilities include: i) payables to credit institutions for medium/long-term loans with the short-term portion included under current financial liabilities inclusive of interest expense recognised on an accrual basis; ii) the bond issued by the Parent Company on 4 August 2015, with interest expense accrued up to 31 March 2016 included under current liabilities; iii) short-term credit lines used at 31 March 2016.

The values at 31 March 2016 compared with those at 31 December 2015 and the relative changes are shown below:

	31.03.2016		31.12.2015		Changes	
	current portion	*non-current portion*	*current portion*	*non-current portion*	*current portion*	*non-current portion*
Bank loans	33.228	150.565	31.374	150.823	1.854	(258)
Bond loan	2.278	180.000	1.414	180.000	864	0
Total	**35.506**	**330.565**	**32.788**	**330.823**	**2.718**	**(258)**

The table below shows the breakdown of net financial debt at 31 March 2016 compared with 31 December 2015, in accordance with the requirements of Consob Communication of 28 July 2006 and in compliance with what is established in the recommendation ESMA/2013/319 of 20 March 2013.

	31.03.2016	31.12.2015
(A) Cash	205.956	174.141
(B) Other cash equivalents	0	0
(C) Securities held for trading	0	0
(D) Liquidity (A)+(B)+(C)	**205.956**	**174.141**
(E) Current financial receivables	0	0
(F) Current financial payables	(1.277)	(219)
(G) Current portion of non-current financial debt	(34.229)	(32.569)
(H) Other current financial payables	0	0
(I) Current financial debt (F)+(G)+(H)	**(35.506)**	**(32.788)**
(J) Net current financial debt / (Liquidity) (D)+(E)+(I)	**170.450**	**141.353**
(K) Non-current bank payables	(150.565)	(150.823)
(L) Bonds issued	(180.000)	(180.000)
(M) Other non-current payables	-	0
(N) Non-current financial debt (K)+(L)+(M)	**(330.565)**	**(330.823)**
(O) Net financial position Consob (J)+(N)	**(160.115)**	**(189.470)**
(P) Current and non-current derivative instruments	768	968
(Q) ENAV Group net financial debt (O)+(P)	**(159.347)**	**(188.502)**

Bank loans at 31 March 2016 rose by a total of 1,596 thousand exclusively due to interest accrued in the first quarter of 2016, as there were no repayments made in the period in question. The portion of loans recognised under current liabilities (€31,951 thousand) includes the amounts to be repaid in subsequent months of 2016 as set forth in the amortisation plans, inclusive of the effects connected with the amortised cost. Current liabilities also include the utilisation of current account overdrafts, totalling €1,277 thousand.

At 31 March 2016, the ENAV Group has unused *committed* and *uncommitted* short-term credit lines totalling €240 million, in addition to the share of the EIB loan of €80 million contractually agreed upon but not yet used, resulting in available liquidity of €320 million. These contracts require the payment of interest under arm's length conditions and non-use fees are insignificant. The general conditions applied to the Group's credit relationships have not changed since 31 December 2015.

On 4 August 2015, the Parent Company issued a bond for a nominal value of €180 million, which is listed on the Luxembourg Stock Exchange's regulated market and has a duration of seven years and bullet repayment at maturity (4 August 2022). The bond issue establishes the payment of an annual deferred coupon at the fixed rate of 1.93% of the nominal value, with the first payment on 4 August 2016. The interest accrued during the quarter, totalling €864 thousand, was classified under current liabilities.

21. CURRENT AND NON-CURRENT TRADE PAYABLES

Current trade payables amount to €124,817 thousand (€128,348 thousand at 31 December 2015) and include the payable to suppliers of goods and services needed for Group activities (€104,951 thousand), which decreased by €10,160 thousand compared with 31 December 2015 as the net effect of higher payments and lower payables recognised during the period. This item also includes pre-financing received for European financed programmes, which rose by €8,255 thousand during the period mainly due to the collection of pre-financing for the Sesar Deployment Manager project - *Connecting Europe Facility (CEF) 2014* totalling €7,879 thousand, 50% financed, which will be subject to reporting in 2016.

Current trade payables also include the short-term portion of the payable for balances of €4,704 thousand (€6,272 thousand at 31 December 2015), which will be charged to the income statement in later months of 2016. The decrease of €1,568 thousand in the first quarter refers to the allocation to the income statement of the amount accrued during the quarter.

Overall, the payable for balances amounts to €11,844 thousand (€12,897 thousand at 31 December 2015) and refers to the following positions: i) the inflation balance recognised in 2014 and modified in 2015 by €1,829 thousand to be returned to carriers in 2016 and therefore classified under current payables; ii) the short-term balance of €2,956 thousand relating to the difference between Eurocontrol costs declared in the performance plan and the actual amount; iii) the route and terminal inflation balance recognised in 2015, amounting to €6,578 thousand; iv) the weather balance on the first terminal charge band amounting to €46 thousand; v) the balances recognised in the first quarter of 2016 regarding exclusively the first and second band terminal, equal to a total of €516 thousand, net of the discounting effect.

22. OTHER CURRENT AND NON-CURRENT LIABILITIES

Other liabilities include the items laid out in the table below, broken down into current and non-current:

	31.03.2016		31.12.2015		Changes	
	current portion	non-current portion	current portion	non-current portion	current portion	non-current portion
Amounts on account	97.238	0	80.223	0	17.015	0
Other payables	96.883	0	95.240	0	1.643	0
Grants	8.466	118.543	8.848	112.788	(382)	5.755
Total	**202.587**	**118.543**	**184.311**	**112.788**	**18.276**	**5.755**

Amounts *on account* totalled €97,238 thousand, including €87,591 thousand (€71,499 thousand at 31 December 2015) for the payable to the Italian Air Force (AMI) for the portion of collections attributable to 2015 and the first quarter of 2016 for en-route and terminal services and €9,647 thousand (€8,724 thousand at 31 December 2015) for the payable to ENAC for collections concerning the same services and for the same period.

The payable of €61,579 thousand to AMI for en-route services recognised at 31 December 2015 will be used to offset the receivable due from the Ministry of Economy and Finance (MEF) by up to the full amount, with the recognition of the remaining portion in other current liabilities after the approval of the financial statements by the Shareholders' Meeting.

Other payables posted a net increase of €1,643 thousand, primarily regarding: i) the amount due to personnel, amounting to €51,182 thousand (€42,595 thousand at 31 December 2015), up by €8,587 thousand compared with the end of 2015 due to the recognition of the payable for holidays accrued but not used, as well as for the Christmas and summer bonuses recognised on an accrual basis during the quarter; ii) the payable due to the supplementary pension fund of €4,448 thousand (€8,860 thousand at 31 December 2015), a reduction of €4,412 thousand as most payments to pension funds are made in the month subsequent to the applicable half-year, so in the first quarter of 2016 only the portion accrued for the period was recognised, while at the end of the year the entire amount is stated; iii) the decrease of €1,857 thousand due to the return of the pre-financing obtained on the ADS-B project and subsequently not authorised by the European Commission.

Grants, which include grants on NOP financed projects for networks and mobility relating to the 2000/2006 and 2007/2013 periods regarding specific investments made in southern airports, capital grants for investments in military airports pursuant to the provisions of Italian Law 102/09 and other grants for investments, primarily associated with European financing obtained under the TEN-T programme, recorded a net increase during the reference period of €5,373 thousand following the collection of the remaining amount for NOP financed projects for the 2000/2006 period totalling €7,767 thousand and the transfer to the income statement of the portion of grants attributable to the period, connected with the depreciation of the investments to which the grants refer.

23. TAX AND SOCIAL SECURITY PAYABLES

Tax and social security payables amount to €51,118 thousand and are broken down as shown in the table below.

	31.03.2016	31.12.2015	Change
Tax payables	21.379	20.917	462
Social security payables	29.739	25.785	3.954
Total	**51.118**	**46.702**	**4.416**

There was a net increase of €462 thousand in tax payables due to the reduction in payables for withholdings on employee wages, subject to payment in April, and the increase of €880 thousand in taxes for the period recognised by the subsidiary Techno Sky.

Social security payables rose by €3,954 thousand primarily due to the recognition of social security costs on the Christmas and summer bonuses for employees, recognised on an accrual basis.

INFORMATION ON ITEMS IN THE CONSOLIDATED INCOME STATEMENT

24. REVENUES FROM OPERATIONS AND FOR BALANCES

Revenues from operations and balance revenues, also relating to operations, amount to €157,505 thousand and €11,535 thousand, respectively, and rose by €3,603 thousand and €5,025 thousand, respectively.

The tables below show the details of the individual items:

	31.03.2016	31.03.2015	Changes
Route revenues	111.186	106.409	4.777
Terminal revenues	40.373	36.647	3.726
Route and terminal exemptions	3.244	3.201	43
Third party market revenues	2.702	2.645	57
Charge stabilisation supplementary contributions	0	5.000	(5.000)
Total revenues from operations	**157.505**	**153.902**	**3.603**

Route revenues came to €111,186 thousand, up compared with the same period of last year by €4,777 thousand as a result of the increase in service units during the period (+2.4%) compared with 31 March 2015 (-2.9% 31.03.2015 compared with 31.03.2014) as well as the charge applied for 2016, equal to €80.08, a slight increase compared with the charge applied in 2015 (€78.80).

Terminal revenues totalled €40,373 thousand, up by €3,726 thousand overall compared with the first quarter of last year, due to the increase in service units in the individual airports broken down by charge zones and the relative charges applied. In particular, please take note of the following: i) the increase in total service units in the first quarter of 2016 by 4.6% compared with 31 March 2015 (+0.4% 31.03.2015 compared with 31.03.2014), with positive performance in the three charge zones; particularly, the Fiumicino Airport (band 1) had an increase in assisted traffic in terms of service units by 1.4%; zone 2, represented by the Milan Malpensa, Milan Linate, Venice Tessera and Bergamo Orio al Serio airports, rose by 6.5%; and the third charge zone, which includes 38 airports, had a 5.2% increase in service units, also due to the transfer to the management of the Parent Company ENAV of two military airports open to civil traffic, i.e., Treviso and Brindisi, in the second half of 2015, which therefore were not included in the figure in the first quarter of 2015. The charges applied for the three charge bands are: €200.68 for band 1, a slight increase with respect to the previous period (€195.57 in 2015); €233.33 for band two, an increase compared with 2015, when it totalled €214.72; €260.96 for band three, the same as the charge applied in 2015 as required by the MEF and the MIT.

Revenues linked to *route and terminal exemptions* totalling €2,593 thousand (€2,488 thousand at 31 March 2015) and €651 thousand (€713 thousand at 31 March 2015), respectively, were stable on the whole compared with the first quarter of the previous year, and refer to exempt flights, primarily military.

Third party market revenues totalled €2,702 thousand and rose by a total of €57 thousand, as the net effect of the different types of services provided in the first quarter of 2016. In particular, there was an increase in revenues for flight inspection services of €682 thousand linked to services provided in Saudi Arabia and Abu Dhabi and a reduction in revenues for Air Traffic Services provided by the Parent Company, primarily regarding the Comiso airport, which experienced a decline of €577 thousand in the first quarter of 2016 pending its inclusion amongst the airports under the direct management of ENAV.

The charge stabilisation supplementary contributions, referring exclusively to the Parent Company's operations, were eliminated in 2015. The portion recognised in the first quarter of 2015 was for the direct support of the band three terminal charge.

The adjustment component for balances, also part of the Parent Company's operations, totals €11,535 thousand and is the result of the elements reported in the following table:

	31.03.2016	31.03.2015	Changes
Balance charge adjustment for the year	15.891	8.667	7.224
Discounting effect	(669)	(112)	(557)
Utilisation of balance	(3.687)	(2.045)	(1.642)
Total	**11.535**	**6.510**	**5.025**

The Balance charge adjustment for the period represents the increase in the charge deriving from actual traffic volumes and/or costs compared with the values budgeted upon determination of the charge before their adjustment to fair value resulting from the effect of discounting. This item includes the route balance for traffic risk and weather risk and the portion of balances recognised in previous years and not recovered, totalling €3,433 thousand; the third band terminal balance of €12,982 thousand and negative balances totalling €524 thousand regarding the first and second terminal charge bands. Details of these items are provided in notes 12 and 20.

The effect of discounting, equal to €669 thousand, derives from the separation of the financial component inherent in the balance mechanism, carried out by discounting the balance generated during the period in accordance with a pre-defined recovery plan.

The utilisation of the balance (€3,687 thousand) refers to the transfer to the income statement of the portion of balances recognised in previous years in compliance with what was done upon determination of the charge for 2016.

25. Other operating income

Other operating income amounts to €10,690 thousand, up €248 thousand compared with 31 March 2015. Other operating income is broken down as follows:

	31.03.2016	31.03.2015	Changes
Capital grants	2.367	2.445	(78)
Operating grants	7.500	7.500	0
European funding	343	123	220
Other revenues and income	480	374	106
Total	**10.690**	**10.442**	**248**

Capital grants regard the recognition in the income statement of part of deferred income in proportion with the depreciation charged on the assets to which the grant refers, as discussed in note 21.

Operating grants refer entirely to the amount for the quarter recognised to the Parent Company pursuant to Article 11 septies of Italian Law 248/05, in order to offset costs incurred to guarantee system safety and operational security.

European funding regards the portion attributable to the quarter of financed European projects in which the Group participates. The increase during the period relates to the Sesar Deployment Manager project.

Other revenues and income include insurance reimbursements for claims caused by third parties, the secondment of ENAV personnel to third parties and the penalties applied to suppliers for delays in complying with contractually defined timing.

The details of revenues in the first quarter of 2016 are shown below compared with those for the first quarter of 2015, broken down by geographical area.

Revenues	31.03.2016	% of revenues	31.03.2015	% of revenues
Italy	177.969	99,0%	169.598	99,3%
EU	576	0,3%	604	0,4%
Non-EU	1.186	0,7%	653	0,4%
Total revenues	**179.731**		**170.855**	

26. COSTS FOR GOODS, FOR SERVICES, LEASES AND RENTALS AND OTHER OPERATING COSTS

Costs for goods, services, leases and rentals and other operating costs total €37,321 thousand, and are basically in line with the figures reported at 31 March 2015. The details of the above-mentioned costs and changes during the period are reported in the table below:

	31.03.2016	31.03.2015	Changes
Purchases of goods	2.473	1.472	1.001
Costs for services:			
Maintenance expenses	5.114	4.272	842
Costs for Eurocontrol contributions	10.424	9.698	726
Costs for utilities and telecommunications	8.648	10.576	(1.928)
Insurance premiums	1.795	1.774	21
Cleaning and security	1.310	1.462	(152)
Other personnel costs	2.274	2.162	112
Professional services	1.557	2.674	(1.117)
Other costs for services	1.821	1.618	203
Total costs for services	**32.943**	**34.236**	**(1.293)**
Lease and rental costs	1.421	1.271	150
Other operating costs	484	539	(55)
Total	**37.321**	**37.518**	**(197)**

Costs for purchases of goods include costs incurred for the acquisition of spare parts for air traffic control systems and devices and the relative change in inventories, amounting to €638 thousand (€376 thousand at 31 March 2015), as well as the acquisition of the materials needed for airport site renovation and modernisation activities. The increase during the period was primarily the result of increased purchases made by the subsidiary in the first quarter of 2016.

Costs for services posted a net decrease of €1,293 thousand during the period, with different trends for different expense types. In detail, they included: i) an increase in maintenance costs relating to the activities carried out by Techno Sky at the various airport sites and for the Rome Area Control Center; ii) a decrease in costs for utilities and telecommunications of €1,928 thousand, primarily regarding the reduction in costs for operational data connections (E-net network) following the 25% price reduction applied by the supplier, the effects of which began being recognised in June 2015; iii) a reduction in costs for professional services by €1,117 thousand following a careful cost analysis, which entailed a reduction in services assigned to external professionals.

27. Personnel costs

Personnel costs amount to €118,245 thousand, up €3,087 thousand compared with the first quarter of 2015, as shown in the table below:

	31.03.2016	31.03.2015	Changes
Wages and salaries, of which:			
fixed remuneration	68.447	67.775	672
variable remuneration	15.734	14.167	1.567
Total wages and salaries	**84.181**	**81.942**	**2.239**
Social security contributions	27.762	27.373	389
Employees' leaving entitlement	4.756	4.587	169
Other costs	1.546	1.256	290
Total personnel costs	**118.245**	**115.158**	**3.087**

The item wages and salaries rose by a total of €2,239 thousand, of which €672 thousand relating to fixed remuneration attributable to natural increases in remuneration as well as the increase in staff by 103 resources at 31 March 2016 compared with the first quarter of 2015. Variable remuneration recorded a net increase of €1,567 thousand, with different performance in the individual items comprising it, including: i) an increase in accessory indemnities by €499 thousand following the transfer to variable remuneration as of December 2015 of certain indemnities governed by Article 41 of the National Collective Labour Agreement previously included in fixed remuneration; ii) a reduction in indemnities for transfers as a result of the lower recourse to that type of cost for the low-traffic volume airport project, which instead impacted the previous period; iii) increased costs for work on holidays and holidays falling on weekends compared with 31 March 2015, primarily linked to the Easter holiday, which fell in March rather than April as it did in 2015; iv) a reduction in overtime for operations due to the limitation of that cost type as well as the lower unit cost of hours worked in low-traffic volume airports.

Social security contributions increased by €389 thousand due to the higher tax base and other costs rose by €290 thousand, primarily as a result of voluntary redundancy costs for employees who left the company in 2016.

The table below shows the Group's workforce broken down by professional category:

	31.03.2016	31.03.2015	Change
Executives	70	79	(9)
Middle managers	412	405	7
White-collar workers	3.840	3.735	105
Closing balance	**4.322**	**4.219**	**103**

28. Capitalisation of internal work

Capitalisation of internal work totals €6,208 thousand (€5,162 thousand at 31 March 2015), an increase of €1,046 thousand compared with the previous period primarily due to the internal completion of investment projects, relating in particular to system renovations at the Alghero airport tower, bringing airport meteorological systems into line with ICAO amendment 74, work for the installation of a new electrical substation at the Catania airport and evolutionary maintenance on software for air traffic control systems.

29. Financial income and expense

The balance of this item is -€1,862 thousand, comprising financial income of €487 thousand, financial expense of €2,471 thousand and exchange gains of €122 thousand.

Financial income is broken down as follows:

	31.03.2016	31.03.2015	Changes
Financial income from balance discounting	0	2.976	(2.976)
Financial income from non-current financial assets	0	0	0
Interest income on VAT receivable awaiting refund	153	156	(3)
Other interest income	334	694	(360)
Total financial income	**487**	**3.826**	**(3.339)**

Financial income decreased by a total of €3,339 thousand, mainly due to the elimination of income from balance discounting in the first quarter of 2016, which in 2015 had generated a positive effect following the adjustment of the present value of the correlated receivables recognised due to the amendment of balance recovery plans, in compliance with what was presented in the 2015-2019 performance plan. In the first quarter of 2016, there was financial expense from balance discounting due to the change made regarding the recovery of the third band terminal balance.

Other interest income declined by €360 thousand, due mainly to the reduction in interest rates applied on cash and cash equivalents.

Financial expense amounts to €2,471 thousand and is broken down in detail in the table below:

	31.03.2016	31.03.2015	Changes
Interest expense on bank loans	542	839	(297)
Interest expense on bond loan	864	0	864
Interest expense on employee benefits	326	220	106
Interest expense on balance discounting	738	0	738
Other interest expense	1	13	(12)
Total financial expense	**2.471**	**1.072**	**1.399**

The net increase of €1,399 thousand arose mainly as a result of the change in the present value of balance receivables through the extension of the recovery period, as noted above, and the recognition on an accrual basis of interest expense on the bond issued in August 2015, as well as lower interest expense on bank loans, primarily due to the lower debt with respect to 31 March 2015 and the reduction in interest rates.

30. Income taxes

Income taxes amount to €187 thousand and are broken down as shown in the table below:

	31.03.2016	31.03.2015	Changes
IRES	811	260	551
IRAP	69	50	19
Total current taxes	**880**	**310**	**570**
Deferred tax assets	(704)	927	(1.631)
Deferred tax liabilities	11	157	(146)
Total current and deferred taxes	**187**	**1.394**	**(1.207)**

For additional details on deferred tax assets and liabilities, please refer to note 11.

OHER INFORMATION

31. SEGMENT REPORTING

For operating purposes, the ENAV Group is organised into strategic units identified based on the nature of the services rendered and, for management monitoring purposes, it has two operating segments subject to reporting, which are described below:

- *Flight assistance services*: this operating segment coincides with the legal entity of the Parent Company ENAV, whose core business is providing air traffic control and management services and other essential air navigation services in Italian airspace and in the national civil airports for which it is responsible, ensuring the highest technical and system standards in flight safety and the enhancement of the technology and infrastructure of flight assistance systems;
- *Maintenance services*: this operating segment coincides with the subsidiary Techno Sky S.r.l., whose core business is the technical management and maintenance of air traffic control equipment and systems. Like the country's other logistics infrastructure, *air infrastructure* needs constant maintenance and continuous development to guarantee safety, punctuality and operational continuity. This is moreover clearly stated in the European Union's Single European Sky regulations that on the one hand define the future structure of the air traffic management system and on the other set the technological, qualitative, economic and environmental targets that all *service providers* must meet.

The column *Other segments* includes the Group's remaining activities that are not categorised in the two segments mentioned above and subject to monitoring.

No operating segment has been aggregated to create the operating segments subject to reporting indicated below for 31 March 2016 and 31 March 2015.

31 March 2016

(amounts in thousands of euros)	Flight assistance services	Maintenance services	Other segments	Consolidation adjustments / reclassifications	Enav Group
Revenues from third parties	178.627	425	679	0	179.731
Intra-segment revenues	278	21.036	611	(21.925)	0
Total revenues	**178.905**	**21.461**	**1.290**	**(21.925)**	**179.731**
Personnel costs	(102.442)	(15.226)	(577)	0	(118.245)
Other costs, net	(47.503)	(4.693)	(310)	21.393	(31.113)
Total operating costs	**(149.945)**	**(19.919)**	**(887)**	**21.393**	**(149.358)**
Depreciation and amortisation	(36.800)	(202)	(7)	614	(36.395)
Write-downs and provisions	301	(1.043)	0	0	(742)
EBIT	**(7.539)**	**297**	**396**	**82**	**(6.764)**
Financial income/(expense)	(1.723)	(136)	(4)	1	(1.862)
Profit/(Loss) before taxes	**(9.262)**	**161**	**392**	**83**	**(8.626)**
Taxes	372	(537)	0	(22)	(187)
Profit/(Loss) for the period	**(8.890)**	**(376)**	**392**	**61**	**(8.813)**
Total assets	**2.044.228**	**82.157**	**53.009**	**(152.236)**	**2.027.158**
Total liabilities	**935.272**	**72.948**	**2.579**	**(60.522)**	**950.277**
Total net financial position	**(174.811)**	**1.248**	**14.216**	**0**	**(159.347)**

31 March 2015

(amounts in thousands of euros)	Flight assistance services	Maintenance services	Other segments	Consolidation adjustments / reclassifications	Enav Group
Revenues from third parties	170.376	172	307	0	170.855
Intra-segment revenues	244	19.107	598	(19.949)	0
Total revenues	**170.620**	**19.279**	**905**	**(19.949)**	**170.855**
Personnel costs	(99.663)	(14.887)	(608)	0	(115.158)
Other costs, net	(47.874)	(3.542)	(326)	19.385	(32.357)
Total operating costs	**(147.537)**	**(18.429)**	**(934)**	**19.385**	**(147.515)**
Depreciation and amortisation	(36.020)	(236)	(6)	516	(35.746)
Write-downs and provisions	66	0	0	0	66
EBIT	**(12.871)**	**614**	**(35)**	**(48)**	**(12.340)**
Financial income/(expense)	2.948	(75)	(10)	0	2.863
Profit/(Loss) before taxes	**(9.923)**	**539**	**(45)**	**(48)**	**(9.477)**
Taxes	(1.129)	(272)	(8)	15	(1.394)
Profit/(Loss) for the period	**(11.052)**	**267**	**(53)**	**(33)**	**(10.871)**
Total assets	**2.054.453**	**92.162**	**40.074**	**(177.713)**	**2.008.976**
Total liabilities	**779.499**	**84.175**	**2.949**	**(87.463)**	**779.160**
Total net financial position	**(101.171)**	**1.690**	**(1.683)**	**0**	**(101.164)**

32. Related parties

Related parties have been identified pursuant to the provisions of IAS 24.

Related parties external to the ENAV Group are the controlling and supervising ministries, i.e., the Ministry of Economy and Finance (MEF) and the Ministry of Infrastructure and Transport (MIT), in addition to the entities subject to the control of the Ministry of Economy and Finance.

The component of financial position and income statement balances at 31 March 2016 and 31 March 2015 associated with related entities external to the Group is reported below.

	Balance at 31/03/2016							
Name	Trade receivables and other current assets	Cash and cash equivalents	Financial payables	Trade payables and other current liabilities	Revenues and other operating income	Costs for goods and services and other operating costs	Capitalised costs	Financial expense
External related parties								
Ministry of Economy and Finance	17.601	416	0	112.471	3.235	0	0	0
Ministry of Infrastructure and Transport	44.901	0	0	0	9.572	0	0	0
Enel Group	0	0	0	63	0	2	0	0
Finmeccanica Group	6.453	0	0	26.816	55	937	0	0
Poste Italiane Group	0	0	8.318	14	0	37	0	52
Other external related parties	41	0	0	76	14	112	0	0

	Balance at 31.03.2015							
Name	Trade receivables and other current assets	Cash and cash equivalents	Financial payables	Trade payables and other current liabilities	Revenues and other operating income	Costs for goods and services and other operating costs	Capitalised costs	Financial expense
External related parties								
Ministry of Economy and Finance	17.403	419	0	63.709	3.191	0	0	0
Ministry of Infrastructure and Transport	47.934	0	0	0	9.697	0	0	0
Enel Group	0	0	0	61	0	0	0	0
Finmeccanica Group	6.079	0	0	20.392	0	945	0	0
Poste Italiane Group	0	0	10.090	41	0	31	0	110
Other external related parties	0	0	0	62	14	74	0	0

The nature of the main relations shown above with external related entities is summarised below and also described in detail in the individual financial statement items in the notes:

- relations with the MEF for the provision of flight assistance services relating to exempt flights charged to the Ministry of Economy and Finance and payables for the portion attributable to the Italian Air Force of collections on route charges that are used to offset the receivable due from the MEF;
- relations with the MIT for system safety services contributed by the Ministry pursuant to the provisions of Italian Law 248/05, in addition to financing for investments in southern airports recognised by the Networks and Mobility NOP management authority;
- relations with the Finmeccanica Group, mainly for activities linked to Parent Company investments, the acquisition of spare parts for systems and equipment for air traffic control and maintenance;
- relations with the Poste Italiane Group, relating basically to the financing with Medio Credito Centrale.

Related parties also refer to executives with strategic responsibilities in office at 31 March 2016. Executives with strategic responsibilities include the Parent Company's directors and top-level managers identified by the ENAV top management. Their remuneration, gross of pension and social security costs and contributions, is shown in the table below:

Description	**31.03.2016**	**31.03.2015**
Remuneration paid over the short/medium term	516	485
Post-employment benefits	31	31
Other benefits paid over the long term	0	0
Total	**547**	**516**

The Parent Company participates in the Prevaer pension fund. The Prevaer Fund is the national supplementary pension fund for non-executive personnel working in the Air Transport and similar sectors. As reported in Article 14 of the Prevaer Fund's Articles of Association, with respect to the Fund's corporate bodies, consisting of: the Delegated Shareholders' Meeting; the Board of Directors; the Chairman and the Vice Chairman; the Board of Statutory Auditors, shareholder representation is based on equal participation by the workers' representative and the representative of the participating businesses. The Fund's Board of Directors passes resolutions on, inter alia: the general criteria for risk sharing as regards investments and equity shareholdings as well as on investment policies; the selection of asset managers and the identification of the custodian bank.

33. DERIVATIVES

To neutralise the risks deriving from fluctuating exchange rates for the acquisition in USD of shares in the company Aireon, on 20 December 2013 the Parent Company entered into four derivative contracts associated with the four tranches planned for the acquisition of the equity investment, for a total share of 12.5%. At 31 December 2015, three foreign currency acquisition transactions had been carried out of the four original transactions.

At 31 March 2016, the *fair value* of the last forward currency purchase agreement, equal to a positive amount of roughly €768 thousand, was estimated by the Group based on standard valuation algorithms and market listings/contributions provided by a leading public information provider. In accordance with IFRS 13, the recalculated *mark to market* was adjusted to also take into account the effect of *non–performance risk (CVA)*, i.e., the risk that one of the parties will not meet its contractual commitments due to a possible default and, from the accounting perspective, the *fair value* was recognised in non-current financial assets with maturity in 2017, with a matching entry in a shareholders' equity reserve.

Indeed, pursuant to IFRS 13, the *fair value* of a derivative must incorporate the risk that one or both counterparties may not meet their obligations (*Credit Risk Adjustment*). In detail, from the financial perspective, the Credit Value Adjustment (CVA) is the expected value of the loss deriving from the default of the counterparty, if the derivative has a positive *fair value*. On the other hand, the Debt Value Adjustment (DVA) represents the value of the expected loss on default of the Company if the fair value is negative.

The contractual characteristics and the relative fair value at the date of 31 March 2016, as set forth in Bank communications, are listed below:

Counterparty	Type of transaction	Contract date	Start date	End date	Notional (thousands of USD)	Forward exchange rate	Forward amount (thousands of euros)	MtM (thousands of euros)
BNL	Buy USD Flex	20.12.2013	14.02.2014	27.12.2017	6.122	1,3630	4.492	778
Total					**6.122**		**4.492**	**778**

The *fair value* data at 31 March 2016, adjusted to take into consideration the Credit Value Adjustment, are provided below:

Counterparty	Type of transaction	Notional (thousands of USD)	Forward amount (thousands of euros)	MtM	Credit Value Adjustment (CVA)	MtM bank with CVA (thousands of euros)
BNL	Buy USD Flex	6.122	4.492	773	(5)	768
Total		**6.122**	**4.492**	**773**	**(5)**	**768**

It was not possible to identify an active market for this instrument. Therefore, the *fair value* was determined using a methodology consistent with level 2 of the *fair value* hierarchy defined by IFRS 7 and IFRS 13. Indeed, although listings on an active market are not available for the instruments (level 1), it was possible to find data observable directly or indirectly on the market, on which the assessments could be based.
Due to the substantial features of the derivative subject to analysis, it is classified as a hedging instrument.

34. Assets and liabilities by maturity

	< 1 year	Between 2 and 5 years	> 5 years	Total
Non-current financial assets	0	3.863	11.627	15.490
Deferred tax assets	0	27.458	0	27.458
Non-current tax receivables	0	25.232	0	25.232
Non-current trade receivables	0	149.124	0	149.124
Total	**0**	**205.677**	**11.627**	**217.304**
Financial liabilities	35.506	70.853	259.712	366.071
Deferred tax liabilities	0	3.999	0	3.999
Other non-current liabilities	0	17.031	101.512	118.543
Non-current trade payables	0	7.140	0	7.140
Total	**35.506**	**99.023**	**361.224**	**495.753**

Non-current financial assets with maturity in more than 5 years relate to the receivable due from the company from which the Techno Sky business unit was acquired, and represent the employees' leaving entitlement that it is presumed will still be held by the company in the reference period.
Financial liabilities maturing in more than 5 years refer to bank loans and the bond loan. Other non-current liabilities maturing in more than 5 years refer to the share of capital grants in proportion with the depreciation of the investment projects to which they refer.

35. Basic earnings/(loss) per share

The basic earnings/(loss) per share is reported at the end of the income statement and is calculated by dividing the profit/(loss) for the period attributable to the Parent Company's shareholder by the weighted average number of ordinary shares outstanding during the year.
The table below summarises the calculation of the basic earnings/(loss) per share.

	31.03.2016	31.03.2015
Profit/(loss) attributable to shareholder of the Parent Company	(8.813.397)	(10.871.444)
Weighted average number of ordinary shares	941.744.385	1.121.744.385
Basic earnings/(loss) per share	(0,01)	(0,01)

On 2 March 2016, the Extraordinary Shareholders' Meeting approved a voluntary share capital reduction pursuant to Article 2445 of the Italian Civil Code through the allocation to a distributable reserve of €400 million. This reduction will become effective after the 90 days established by law from the date of registration of the shareholders' meeting resolution in the company register, and therefore on 2 June 2016.

36. EVENTS AFTER THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS REPORTING DATE

On 19 April 2016, Commission Implementing Decision (EU) 2016/599 of 15 April 2016 was published in the Official Journal of the European Union, which approved the 2015-2019 performance plan relating to Italy's economic *performance*.

The Parent Company's Shareholders' Meeting was held on 29 April 2016. It approved ENAV's separate and consolidated financial statements at 31 December 2015, allocating 5% of the profit for the year to the legal reserve (€2,491 thousand) and the remaining part (€47,327 thousand) to dividends in favour of the Shareholder, the Ministry of Economy and Finance, to be paid within 30 days of the resolution.

REVIEW REPORT OF THE INDEPENDENT AUDITORS