



**Interim Financial Report  
at 31 March 2019**

**ENAV Group**

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## ENAV Group in figures

<b>Performance</b>	<b>First quarter 2019</b>	<b>First quarter 2018</b>	<b>Change</b>	<b>%</b>
Total revenues	178,474	175,508	2,966	1.7%
EBITDA	30,946	29,976	970	3.2%
EBITDA margin	17.3%	17.1%	0.2%	
EBIT	(1,621)	(1,746)	125	-7.2%
EBIT margin	-0.9%	-1.0%	0.1%	
Profit (loss) for the period pertaining to the Group	(3,553)	(4,390)	837	-19.1%

*Thousands of euros*

<b>Financial position</b>	<b>31.03.2019</b>	<b>31.12.2018</b>	<b>Change</b>	<b>%</b>
Net capital employed	1,090,499	1,139,517	(49,018)	-4.3%
Shareholders' equity pertaining to shareholders of the Group	1,133,366	1,137,559	(4,193)	-0.4%
Shareholders' equity pertaining to non-controlling interests	6,600	0	6,600	n.a.
Net financial position	49,467	(1,958)	51,425	n.a.

*Thousands of euros*

<b>Other indicators</b>	<b>First quarter 2019</b>	<b>First quarter 2018</b>	<b>Change</b>	<b>%</b>
En-route service units	1,816,670	1,691,343	125,327	7.4%
Terminal service units Charging Zone 1	50,264	47,413	2,851	6.0%
Terminal service units Charging Zone 2	74,829	70,208	4,621	6.6%
Terminal service units Charging Zone 3	83,927	79,766	4,161	5.2%
Free cash flow (thousands of euros)	54,786	34,886	19,900	57.0%
Headcount at end of period	4,112	4,236	(124)	-2.9%

## Introduction

The ENAV Group Interim Financial Report at 31 March 2019 has been prepared on a voluntary basis in compliance with the provisions of Article 82-ter of the Issuers' Regulation, adopted with Consob Resolution no. 11971 of 14 May 1999 as amended, to ensure consistent financial disclosure to the market and investors, in line with the practice of the major listed companies that publish quarterly reports.

This document reports and discusses the reclassified consolidated income statement and the statement of financial position, the statement of changes in net financial position and the statement of cash flows of the ENAV Group at 31 March 2018, with comparative figures for the corresponding period of the previous year for the income statement and cash flow statement and at 31 December 2018 for the statement of financial position. The figures are reported in thousands of euros.

Unless otherwise stated, the consolidated financial statements have been prepared in accordance with the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and the associated interpretations (IFRIC and SIC), endorsed by the European Commission in accordance with Regulation (EC) no. 1606/2002, that were in effect at the end of the period, with the exception of IFRS 16.

As from 1 January 2019, the new accounting standard IFRS 16 Leases took effect. The new standard sets out a single model for recognising leases, eliminating the distinction between operating and finance leases. At first-time adoption, the ENAV Group elected to recognize the impact of the retrospective restatement of values in Shareholders' equity at 1 January 2019 without restating the comparative figures for previous years. The effect of initial application at 1 January 2019 led to the recognition of right-of-use assets of €10.02 million, the recognition of lease liabilities of €10.13 million and a negative impact on retained earnings (loss carryforward) of €0.11 million. Note 6 *New accounting standards, interpretations and amendments adopted by the Group*, in the section *Impact of the future application of IFRS 16*, in the consolidated financial statements at 31 December 2018 contains further information regarding the effects of the adoption of the new standard. On 1 January 2019, other standards also took effect whose adoption did not have an impact. The Interim Financial Report at 31 March 2019 has not been prepared in accordance with IAS 34, and has not been audited by the audit firm.

The publication of this Interim Financial Report was authorised by the Board of Directors on 15 May 2019. The consolidation principles used to prepare the Interim Financial Report at 31 March 2019 are consistent with those used to prepare the consolidated financial statements at 31 December 2018, approved on 11 March 2019 and available on the website [www.enav.it](http://www.enav.it) at the following address: <https://www.enav.it/sites/public/en/InvestorRelations/Financial-Statements-and-Reports.html>.

The scope of consolidation at 31 March 2019 is the same as that at 31 December 2018. On 28 February 2019, a capital increase was carried out for D-Flight S.p.A., which was formed in November 2018 by the Parent Company and consolidated on a line-by-line basis in the consolidated financial statements at 31 December 2018, with the entry as shareholders of the industrial partners Leonardo S.p.A., Telespazio and IDS-Ingegneria dei Sistemi with an investment of €6.6 million. As a result, the Parent Company now holds 60% of D-Flight, with Leonardo, Telespazio and IDS-Ingegneria dei Sistemi holding the remaining 40% through the specifically formed company UTM Systems & Services S.r.l..

## Market and air traffic developments

Air traffic control activities in the countries of the Eurocontrol area posted a significant increase in traffic flows in terms of en-route service units(\*) in the first quarter of 2019, with Italy registering an increase of +7.4% (+7.6% the first quarter of 2018 compared with the first quarter of 2017), while the overall performance of the countries participating in Eurocontrol showed a gain of 4.7%, a deceleration compared with the increase in the first quarter of 2018 (+6.2%).

The major European providers registered a generalised increase in en-route service units, albeit at a lower level than Italy, which posted the best performance, followed by Spain with +6.8%, Great Britain with +4.3%, Germany with +3.7% and France with +3.4%.

Total en-route traffic service units (**)	First quarter 2019	First quarter 2018	no.	Change %
France	4,410,274	4,266,300	143,974	3.4%
Germany	3,298,375	3,179,600	118,775	3.7%
Great Britain	2,662,108	2,551,639	110,469	4.3%
Spain	2,354,827	2,203,920	150,907	6.8%
Italy (***)	1,816,671	1,691,344	125,327	7.4%
<b>EUROCONTROL</b>	<b>32,420,614</b>	<b>30,964,132</b>	<b>1,456,482</b>	<b>4.7%</b>

(\*) overflight traffic in Italian airspace, with or without layover.

(\*\*) "service unit" is the unit of measurement used within Eurocontrol to determine the value of services rendered. It is a combination of two elements: the weight of the aircraft at departure and the distance travelled.

(\*\*\*) excluding exempt traffic not reported to Eurocontrol.

### En-route traffic

En-route traffic in Italy in the first quarter of 2019 registered an increase of 7.4% in the number of service units notified by Eurocontrol (the same value if the residual category *Exempt not reported to Eurocontrol* is included) and one of 5.2% in the number of flights handled (+5.6% including the residual category *Exempt not reported to Eurocontrol*).

The factors contributing to the rise in traffic flows in national airspace included the Parent Company's implementation of the Free route project (an innovation that allows all aircraft flying at an altitude of more than 9,000 metres, regardless of whether they land or take off at Italian airports, to cross national airspace with a direct route, which allows carriers in transit through Italian airspace to plan shorter trajectories without constraints, saving fuel and running costs, while still ensuring the highest levels of safety), which mainly benefits overflight traffic, as well as the increase in international air traffic connecting with European and non-European countries and a revival of interest in domestic routes, especially those connecting the North and South of the country, which are exposed to less competition from high-speed rail. More generally, the volume of air traffic to and from areas of strategic importance for overflight traffic in Italian airspace

performed well, with gains in north-western Europe (Spain, Germany, France and Great Britain) and the Mediterranean basin (Turkey, Malta, Egypt and Israel). And this increase in service units was achieved despite the incomplete reopening of Libyan airspace.

En-route traffic (number of flights)	First quarter 2019	First quarter 2018	Change	
			no.	%
Domestic	63,613	59,498	4,115	6.9%
International	196,974	188,827	8,147	4.3%
Overflight	105,810	99,209	6,601	6.7%
<b>Paying total</b>	<b>366,397</b>	<b>347,534</b>	<b>18,863</b>	<b>5.4%</b>
Military	7,407	7,836	(429)	-5.5%
Other exempt	3,587	3,395	192	5.7%
<b>Total exempt</b>	<b>10,994</b>	<b>11,231</b>	<b>(237)</b>	<b>-2.1%</b>
<b>Total reported by Eurocontrol</b>	<b>377,391</b>	<b>358,765</b>	<b>18,626</b>	<b>5.2%</b>
Exempt not reported to Eurocontrol	4,221	2,760	1,461	52.9%
<b>Total</b>	<b>381,612</b>	<b>361,525</b>	<b>20,087</b>	<b>5.6%</b>

En-route traffic (service units)	First quarter 2019	First quarter 2018	Change	
			no.	%
Domestic	387,880	353,838	34,042	9.6%
International	744,222	705,256	38,966	5.5%
Overflight	651,271	599,307	51,964	8.7%
<b>Paying total</b>	<b>1,783,373</b>	<b>1,658,401</b>	<b>124,972</b>	<b>7.5%</b>
Military	30,461	30,616	(155)	-0.5%
Other exempt	2,836	2,326	510	21.9%
<b>Total exempt</b>	<b>33,297</b>	<b>32,942</b>	<b>355</b>	<b>1.1%</b>
<b>Total reported by Eurocontrol</b>	<b>1,816,670</b>	<b>1,691,343</b>	<b>125,327</b>	<b>7.4%</b>
Exempt not reported to Eurocontrol	398	206	192	93.2%
<b>Total</b>	<b>1,817,068</b>	<b>1,691,549</b>	<b>125,519</b>	<b>7.4%</b>

More specifically, the composition of en-route traffic was characterised by:

- *international commercial traffic*, a category of flights departing or arriving at an airport in Italy, which in the first quarter of 2019 recorded gains both in terms of service units (+5.5%) and the number of assisted flights (+4.3%).

The expansion of international traffic, both in terms of service units and number of flights, was generated by an increase in medium-distance flights (between 350 – 700 km in national airspace), which rose by 5.5% in terms of service units, as well as shorter flights (<350 Km in national airspace), with an increase of 4.9% in service units.

With regard to flight routes by continent, the strong performance of connections between Italy and the rest of Europe (+4.1% in SUs), representing about 76% of total international traffic service units, was confirmed during the quarter, with growth on short-to-intermediate routes. There was an increase in connections between Italy and Asia (+7.7% in SUs), representing about 12% of total international service

units, as was the growth in connections between Italy and Africa (+16.2% in SUs), representing about 7% of international service units, with a surge in traffic to Egypt. Connections between Italy and the American continent also revived (+8.1% in SUs);

- *commercial overflight traffic*, a category that includes flights that only cross through national airspace, recorded a significant increase in service units (+8.7%) and the number of assisted flights (+6.7%) in the first quarter of 2019. This was due to increases in the intermediate segment (between 400 and 800 km in national airspace), which posted an increase of 19.3%.

A general analysis of departure/destination areas shows that connections between European countries performed well (+8.3% in SUs and +6.1% in number of flights), representing about 45% of the total overflight traffic service units, as did Europe-Africa connections (+4.7% in SUs and +5.3% in flights), representing about 28% of total service units. Europe-Asia connections also expanded (+19.2% in SUs and +12.9% in flights);

- *domestic commercial traffic* posted an increase of 9.6% in service units in the first quarter of 2019, as well as a rise in the number of assisted flights (+6.9%). These figures reveal a revival of airline operations on domestic routes, with an increase in longer distance traffic (>700 Km in national airspace) connecting Italy's North and South, with an increase of 13.8% service units and one of 12.3% in the number of assisted flights. In this regard, the growth in traffic volumes at Milan's two airports towards the main southern destinations is a case in point.
- *exempt traffic* is divided into: i) *exempt traffic reported by Eurocontrol*, which increased by 1.1% in terms of service units and decreased by 2.1% in terms of the number of assisted flights. The latter figure was mainly due to the decline in military activity of the Eurocontrol member states; and ii) *exempt traffic not reported to Eurocontrol*, which accounts for only a residual proportion of revenues, posted an increase of 93.2% in service units and one of 52.9% in the number of assisted flights.

With regard to the traffic of carriers operating in domestic airspace, the first quarter of 2019 was characterised by growth in air traffic volumes involving both the traditional carriers and the low-cost airlines. Among the major companies operating in Italian national airspace, Ryanair posted an increase of 6.2% in service units and Easyjet one of 12.1%, with the two companies ranked first and third in terms of the number of service units generated. Significant results were also achieved by Vueling (+7.4% in SUs) and Wizz Air (+0.7% in SUs). Compared with the past, there were more traditional companies among the leading fifteen airlines by volumes generated. These included the increase in the operations of Turkish Airlines (+12.8% in SUs), Qatar Airways (+18.3% in SUs) and Emirates (+23.4% in SUs). Other companies posting gains included Lufthansa (+1.6% in SUs) and Air France (+5.3% in SUs). Alitalia also posted a recovery, increase its service units by +4.8% and the number of flights by +5.1%. Air Italy was another strong performer in the quarter, registering a jump of 60.5% in service units and 35.9% in number of assisted flights.



## Terminal traffic

In the first quarter of 2019, terminal traffic reported by Eurocontrol, which includes departures and arrivals within 20 km of the runway, grew by 5.9% in terms of service units and 5.1% in terms of the number of assisted flights.

Terminal traffic (number of flights)		First quarter 2019	First quarter 2018	Change	
				no.	%
<b>Domestic</b>					
	Chg. Zone 1	12,088	11,228	860	7.7%
	Chg. Zone 2	13,840	12,456	1,384	11.1%
	Chg. Zone 3	35,693	34,143	1,550	4.5%
	<b>Total domestic flights</b>	<b>61,621</b>	<b>57,827</b>	<b>3,794</b>	<b>6.6%</b>
<b>International</b>					
	Chg. Zone 1	22,145	21,181	964	4.6%
	Chg. Zone 2	40,885	39,523	1,362	3.4%
	Chg. Zone 3	34,900	33,335	1,565	4.7%
	<b>Total international flights</b>	<b>97,930</b>	<b>94,039</b>	<b>3,891</b>	<b>4.1%</b>
	<b>Paying total</b>	<b>159,551</b>	<b>151,866</b>	<b>7,685</b>	<b>5.1%</b>
<b>Exempt</b>					
	Chg. Zone 1	18	39	(21)	-53.8%
	Chg. Zone 2	198	219	(21)	-9.6%
	Chg. Zone 3	4,355	4,732	(377)	-8.0%
	<b>Total exempt flights</b>	<b>4,571</b>	<b>4,990</b>	<b>(419)</b>	<b>-8.4%</b>
	<b>Total reported by Eurocontrol</b>	<b>164,122</b>	<b>156,856</b>	<b>7,266</b>	<b>4.6%</b>
<b>Exempt not reported to Eurocontrol</b>					
	Chg. Zone 1	0	0	0	n.a.
	Chg. Zone 2	83	78	5	6.4%
	Chg. Zone 3	2,491	1,679	812	48.4%
	<b>Total exempt flights not reported to Eurocontrol</b>	<b>2,574</b>	<b>1,757</b>	<b>817</b>	<b>46.5%</b>
<b>Total by Charging Zone</b>					
	Chg. Zone 1	34,251	32,448	1,803	5.6%
	Chg. Zone 2	55,006	52,276	2,730	5.2%
	Chg. Zone 3	77,439	73,889	3,550	4.8%
	<b>Total</b>	<b>166,696</b>	<b>158,613</b>	<b>8,083</b>	<b>5.1%</b>

Terminal traffic (service units)		First quarter 2019	First quarter 2018	Change	
				no.	%
Domestic					
	Chg. Zone 1	15,164	13,990	1,174	8.4%
	Chg. Zone 2	16,843	14,879	1,964	13.2%
	Chg. Zone 3	41,786	39,384	2,402	6.1%
	<b>Total domestic SUs</b>	<b>73,793</b>	<b>68,253</b>	<b>5,540</b>	<b>8.1%</b>
International					
	Chg. Zone 1	35,065	33,307	1,758	5.3%
	Chg. Zone 2	57,895	55,227	2,668	4.8%
	Chg. Zone 3	40,344	38,241	2,103	5.5%
	<b>Total international SUs</b>	<b>133,304</b>	<b>126,775</b>	<b>6,529</b>	<b>5.2%</b>
<b>Paying total</b>		<b>207,097</b>	<b>195,028</b>	<b>12,069</b>	<b>6.2%</b>
Exempt					
	Chg. Zone 1	35	116	(81)	-69.8%
	Chg. Zone 2	84	94	(10)	-10.6%
	Chg. Zone 3	1,604	2,007	(403)	-20.1%
	<b>Total exempt SUs</b>	<b>1,723</b>	<b>2,217</b>	<b>(494)</b>	<b>-22.3%</b>
<b>Total reported by Eurocontrol</b>		<b>208,820</b>	<b>197,245</b>	<b>11,575</b>	<b>5.9%</b>
Exempt not reported to Eurocontrol					
	Chg. Zone 1	0	0	0	0.0%
	Chg. Zone 2	7	8	(1)	-12.5%
	Chg. Zone 3	193	134	59	44.0%
<b>Total exempt SUs not reported to Eurocontrol</b>		<b>200</b>	<b>142</b>	<b>58</b>	<b>40.8%</b>
<b>Total by Charging Zone</b>					
	Chg. Zone 1	50,264	47,413	2,851	6.0%
	Chg. Zone 2	74,829	70,208	4,621	6.6%
	Chg. Zone 3	83,927	79,766	4,161	5.2%
<b>Total</b>		<b>209,020</b>	<b>197,387</b>	<b>11,633</b>	<b>5.9%</b>

Overall, the performance for the first quarter of 2019 compared with the same period of the previous year shows general growth for all three charging zones, both in terms of service units and number of assisted flights. In particular:

- *Charging Zone 1*, represented by Rome Fiumicino airport, posted an increase of 6% in terms of service units and 5.6% in the number of assisted flights in the period. This airport is especially impacted by Alitalia operations, which accounted for about 43% of the service units generated in the period. It was boosted by the increase in Alitalia activity, with an increase of 6% in service units and 6.1% in assisted flights;
- *Charging Zone 2*, represented by the airports of Milan Malpensa, Milan Linate, Venice Tessera and Bergamo Orio al Serio, posted an increase in both service units (+6.6%) and assisted flights (+5.2%) in the first quarter of 2019, thanks above all to the performance of the airports of Milan Malpensa (+10.6% in SUs; +10.2% in flights) and Venice Tessera (+9.4% in SUs; +6.4% in flights). This zone was less affected by the activity of Alitalia, which represents only 13% of service units.
- *Charging Zone 3* registered gains in both service units (+5.2%) and number of assisted flights (+4.8%). These results reflect the good performance of the main airports present in this charging zone, including the airports of Bologna (+8.1% in SUs), Catania (+6.7% in SUs), Palermo (+8.1% in SUs), Verona (+7.3% in SUs), Cagliari (+12.8% in SUs), Bari (+17.8% in SUs), Turin (+3.9% in SUs) and Naples (+3.8% in SUs).

Developments in Alitalia operations differed from those registered in the other two charging zones, with a slight increase in service units (+0.1%) and a decrease in the number of assisted flights (-1.4%), reflecting the airline's lesser interest in connections with the airports in this zone. The impact was still relatively small, considering that Alitalia's operations account for about 16% of service units in this charging zone. As for the various traffic components, as already noted for en-route traffic, *international traffic* and *domestic traffic* both posted gains, with a sharp recovery in the first quarter of 2019 in domestic traffic, which saw registered increases in service units (+8.1%) and assisted flights (6.6%).

## Seasonal effects

The type of business in which the Parent Company operates is affected by uneven developments in revenues over the year. The trends in air traffic are by nature closely tied to seasonal factors. As with any tourism-related activity, passenger traffic also fluctuates in the seasons of the year in which Italian and foreign passenger trips are normally concentrated.

Specifically, developments in revenues, which are linked to the performance of air traffic, are not uniform throughout the year and tend to peak in the summer months. As a result the interim performance of the Group does not contribute uniformly to performance and financial position for the year as a whole.

## Performance and financial position of the ENAV Group

### Definition of alternative performance measures

In addition to the financial data required by the International Financial Reporting Standards and in line with Consob notice no. 0092543 of 3 December 2015, which incorporates the Guidelines (no. 2015/1415) issued on 5 October 2015 by the European Securities and Markets Authority (ESMA), the ENAV Group uses a number of measures derived from the IFRS data to provide management with an additional metric for evaluating the performance achieved by the Parent Company and its subsidiaries, as well as ensuring greater comparability, reliability and understanding of financial information.

The following alternative performance measures are used:

- **EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation):** an indicator of profit before the effects of financial operations and taxation, as well as depreciation, amortisation and writedowns of property, plant and equipment and intangible assets and receivables and provisions, adjusted for investment grants directly related to the depreciating and amortising investments to which they refer;
- **EBITDA margin:** EBITDA expressed as a percentage of total revenues and adjusted for investment grants as specified above;
- **EBIT (Earnings Before Interest and Tax):** EBITDA less depreciation and amortisation adjusted for investment grants and writedowns of property, plant and equipment and intangible assets and receivables and provisions;
- **EBIT margin:** EBIT expressed as a percentage of total revenues less investment grants as specified above;
- **Net non-current assets:** a financial measure represented by the fixed capital employed in operations. It includes property, plant and equipment, intangible assets, investments in other entities, non-current trade receivables and payables, and other non-current assets and liabilities;
- **Net working capital:** capital employed in operations comprising inventory, trade receivables and other non-financial current assets, net of trade payables and other current liabilities excluding those of a financial nature, plus assets held for disposal net of related liabilities;
- **Gross capital employed:** the sum of net non-current assets and net working capital;
- **Net capital employed:** the sum of gross capital employed, less employee benefit provisions, the provision for risks and charges and deferred tax assets net of deferred tax liabilities;
- **Net financial position:** the sum of the current and non-current financial liabilities, current and non-current financial receivables net of non-current financial liabilities in respect of the fair value of derivative financial instruments and cash and cash equivalents;
- **Free cash flow:** the sum of the cash flow generated or absorbed by operating activities and the cash flow generated or absorbed by investing activities.

The reclassified consolidated income statement, statement of financial position and cash flow statement, the consolidated statement of net financial debt and the main performance and financial indicators used by management to monitor operating performance are shown below.

## Reclassified consolidated income statement

The ENAV Group closed the first quarter of 2019 with a loss pertaining to the Group of €3.5 million, a decrease of 19.1% on the loss of €4.4 million euros registered in the first quarter of 2018, thanks to the good performance of both en-route and terminal traffic, which generated an increase of 3.6% in revenues in the first quarter of 2019 compared with the same period of 2018. This result stands out all the more considering that historically the first quarter is affected most by the seasonal nature of the business of the Parent Company, which registers significantly larger traffic volumes and therefore higher revenues in the summer months, while costs are generally linear throughout the year. The performance, together with a reduction in Group costs, helped offset the higher personnel costs resulting from the contract renewal at the Parent Company and the transfer of Techno Sky personnel from the national collective bargaining agreement for engineering workers to that for air transport workers with effect from 1 January 2019.

	First quarter 2019	First quarter 2018	Change	
			Amount	%
Revenues from operations	176,264	170,918	5,346	3.1%
Balance	(6,672)	(3,971)	(2,701)	68.0%
Other operating income	8,882	8,561	321	3.7%
<b>Total revenues</b>	<b>178,474</b>	<b>175,508</b>	<b>2,966</b>	<b>1.7%</b>
Personnel costs	(121,288)	(118,137)	(3,151)	2.7%
Capitalised costs	6,635	6,877	(242)	-3.5%
Other operating expenses	(32,875)	(34,272)	1,397	-4.1%
<b>Total operating costs</b>	<b>(147,528)</b>	<b>(145,532)</b>	<b>(1,996)</b>	<b>1.4%</b>
<b>EBITDA</b>	<b>30,946</b>	<b>29,976</b>	<b>970</b>	<b>3.2%</b>
<b>EBITDA margin</b>	<b>17.3%</b>	<b>17.1%</b>	<b>0.2%</b>	
Depreciation and amortisation net of investment grants	(32,569)	(31,725)	(844)	2.7%
Writedowns, impairment (reversal of impairment) and provisions	2	3	(1)	-33.3%
<b>EBIT</b>	<b>(1,621)</b>	<b>(1,746)</b>	<b>125</b>	<b>-7.2%</b>
<b>EBIT margin</b>	<b>-0.9%</b>	<b>-1.0%</b>	<b>0.1%</b>	
Financial income/(expense)	(1,255)	(1,302)	47	-3.6%
<b>Income before taxes</b>	<b>(2,876)</b>	<b>(3,048)</b>	<b>172</b>	<b>-5.6%</b>
Income taxes for the period	(687)	(1,342)	655	-48.8%
<b>Profit (loss) for the period</b>	<b>(3,563)</b>	<b>(4,390)</b>	<b>827</b>	<b>-18.8%</b>
<b>Profit (loss) pertaining to the Group</b>	<b>(3,553)</b>	<b>(4,390)</b>	<b>837</b>	<b>-19.1%</b>
<b>Profit (loss) pertaining to non-controlling interests</b>	<b>(10)</b>	<b>0</b>	<b>(10)</b>	<b>n.a.</b>

Thousands of euros

## Analysis of revenues

Revenues from operations amounted to €176.3 million, an increase of 3.1% compared with the same period of the previous year, of which revenues from the core business amounting to €173.9 million (+3.6% on the first quarter of 2018) and €2.4 million from the Group's operations on the non-regulated market, down €0.7 million on the first quarter of 2018.

<i>(thousands of euros)</i>	First quarter 2019	First quarter 2018	Change	%
En-route revenues	124,080	120,543	3,537	2.9%
Terminal revenues	46,891	44,171	2,720	6.2%
En-route and terminal exemptions	2,894	3,066	(172)	-5.6%
Revenues from non-regulated market	2,399	3,138	(739)	-23.6%
<b>Total revenues from operations</b>	<b>176,264</b>	<b>170,918</b>	<b>5,346</b>	<b>3.1%</b>

*En-route revenues* amounted to €124.1 million, an increase of 2.9% compared with the year-earlier period, reflecting an increase in service units generated in the quarter. The rise, which involved all three types of traffic, came to 7.4% (+7.6% in the first quarter of 2018 compared with first quarter of 2017), offsetting the reduction in the en-route charge of 2.5% applied in 2019 (€77.96 in 2019, as against €79.98 in 2018), a reduction that amounted to 4% if only the charge excluding balances is considered.

*Commercial terminal revenues* amounted to €46.9 million, an increase of 6.2% on the first quarter of 2018, reflecting the growth in service units generated by the individual airports broken down by charging zone, with an overall increase of 5.9% (+5.2% in the first quarter of 2018 compared with first quarter of 2017), offsetting the reduction in the terminal charges applied in the second and third charging zones.

In particular, *Charging Zone 1*, represented by Rome Fiumicino airport, posted an increase in assisted air traffic, expressed in service units, of 6% compared with the first quarter of 2018 (+3.4% in the first quarter of 2018 compared with first quarter of 2017), with growth in both domestic and international traffic. The terminal charge applied in 2019 was €190.69, an increase of 1.81% compared with the charge in 2018, which amounted to €187.30. *Charging Zone 2*, represented by the airports of Milan Malpensa, Milan Linate, Venice Tessera and Bergamo Orio al Serio, posted an increase in assisted air traffic, expressed in service units, of 6.6%, on the first quarter of 2018 (4.5% in the first quarter of 2018 compared with first quarter of 2017), with growth coming mainly in domestic traffic, offsetting the reduction of 2.71% in the terminal charge for 2019 to €197.56 (€203.06 in 2018). *Charging Zone 3*, which comprises 40 medium- and low-traffic airports recorded an increase in assisted air traffic, expressed in service units, of 5.2% on the first quarter of 2018 (+6.3% in the first quarter of 2018 compared with first quarter of 2017), with growth in both the domestic and international segments, offsetting the reduction of 0.37% in the terminal charge to €318.98 (€320.18 in 2018).

Revenues for en-route and terminal charge exemptions amounted to €2.9 million, down 5.6% on the first quarter of 2018, mainly reflecting a decline in services units generated on traffic exempt from terminal charges.

Revenues from the non-regulated market amounted to €2.4 million, a decrease of 23.6% compared with the year-earlier period, mainly due to a decrease in activity on the construction of the control tower of the Mitiga airport in Libya and the completion of the restructuring of the airspace in the United Arab Emirates. Revenues from the non-regulated market also include those for national and international radio-assistance control services of €0.6 million, training activities of €0.3 million and aeronautical consulting services, mainly on the international market, of €1.5 million.

The *adjustment component for balances*, a part of revenues from the operations of the Parent Company, was a negative €6.7 million and breaks down as follows:

<i>(thousands of euros)</i>	First quarter 2019	First quarter 2018	Change	%
Charge adjustments for balances for the period	3,533	6,103	(2,570)	-42.1%
Discounting effect	(58)	(96)	38	-39.6%
Use of balances	(10,147)	(9,978)	(169)	1.7%
<b>Total</b>	<b>(6,672)</b>	<b>(3,971)</b>	<b>(2,701)</b>	<b>68.0%</b>

Charge adjustments for balances for the period amounted to €3.5 million, a decrease of €2.6 million on the first quarter of 2018, mainly in respect of en-route balances of a negative €0.8 million in the period (a positive €1.2 million in the first quarter of 2018) as a result of recognition of the negative traffic balance deriving from the increase in service units generated in the first quarter of 2019 over the forecast service units in the performance plan, with a divergence of +2.38%. This exceeded the +/-2% range of variation that is borne by service providers, giving rise to the restitution of a traffic balance to carriers. Terminal balances in the first and second charging zones were also negative, having generated greater services units than forecast in the performance plan. For Charging Zone 1, the divergence was equal to +1.42%, while for Charging Zone 2 it came to +11.79%. The terminal balance for the third charging zone, determined on a cost-recovery basis, was a positive €5.9 million, an increase of €0.3 million on the first quarter of 2018, reflecting revenues recognised in the quarter and costs incurred.

The use of balances of €10.1 million regards the incorporation in charges, and thus in profit or loss, of the portion of en-route and terminal balances recognised in previous years in an amount broadly in line with that in 2018.

Other operating expenses amounted to €8.9 million, an increase of 3.7% on the first quarter of 2018, mainly reflecting the recognition in profit or loss of costs for financed projects that were completed during the period. The item mainly include the operating grant paid to the Parent Company pursuant to Article 11-septies of Law 248/05 to offset the costs incurred to guarantee the safety of its plant and operational safety in the accrued amount for the period of €7.5 million.

## Developments in costs

	First quarter 2019	First quarter 2018	Change	
			Amount	%
Personnel costs	(121,288)	(118,137)	(3,151)	2.7%
Capitalised costs	6,635	6,877	(242)	-3.5%
Other operating expenses	(32,875)	(34,272)	1,397	-4.1%
<b>Total operating expenses</b>	<b>(147,528)</b>	<b>(145,532)</b>	<b>(1,996)</b>	<b>1.4%</b>

Thousands of euros

Operating expenses increased by 1.4% compared with the year-earlier period to a total of €147.5 million, with diversified developments in the underlying components. Personnel costs increased by 2.7%, other operating expenses declined by 4.1% and capitalised costs fell by 3.5% as a result of the decrease in investment projects undertaken internally by the subsidiary Techno Sky.

	First quarter 2019	First quarter 2018	Change	%
Wages and salaries, of which:				
Fixed remuneration	69,435	69,049	386	0.6%
Variable remuneration	16,375	15,122	1,253	8.3%
<b>Total wages and salaries</b>	<b>85,810</b>	<b>84,171</b>	<b>1,639</b>	<b>1.9%</b>
Social security contributions	28,289	27,378	911	3.3%
Employee severance pay	4,883	4,769	114	2.4%
Other costs	2,306	1,819	487	26.8%
<b>Total personnel costs</b>	<b>121,288</b>	<b>118,137</b>	<b>3,151</b>	<b>2.7%</b>

Thousands of euros

Personnel costs increased by 2.7% on the first quarter of 2018 to €121.3 million, reflecting the effects of the contractual renewal of the Parent Company and the harmonisation of the collective bargaining agreement for engineering workers at the Techno Sky subsidiary with the collective bargaining agreement for the air transport sector with effect from 1 January 2019. More specifically, fixed remuneration registered a net increase of 0.6% as a result of the higher costs associated with the contractual renewal of the Parent Company and those of Techno Sky, partly offset by the reduction of the Group's workforce by 124 in effective terms and 113 on average compared with the year-earlier period. This gave the Group a total of 4,112 employees at the end of the first quarter of 2019 (4,236 at the end of the first quarter of 2018). Variable remuneration increased by 8.3% overall, mainly due to unused holiday entitlement as a result of a reduction in the use of holiday time and the increase in holiday entitlement accruing during the period as from 1 January 2019 for holidays falling on non-business days as the Epiphany holiday fell on a non-working day for non-shift personnel and for ancillary indemnities that reflect the effects of the contract renewal. This increase was partly offset by a decrease in the performance bonus for employees of Techno Sky as a result of the new method for calculating that bonus in the new contract, and the slight reduction in overtime for air traffic



controllers (-1.8%) despite the increase in the volume of air traffic. Social security contributions increased by 3.3% to €28.3 million in the absence, among other factors, of the contribution relief available in the first quarter of 2018. Other personnel costs rose by 26.8%, mainly due to termination incentives paid in the period totalling €1.2 million (€0.6 million in the first quarter of 2018), involving 11 employees.

*Other operating expenses* amounted to €32.9 million, down 4.1%, compared with the year-earlier period. They break down as follows.

	First quarter 2019	First quarter 2018	Change	%
Costs for the purchase of goods	1,779	1,421	358	25.2%
<b>Costs for services:</b>				
Maintenance costs	4,780	5,028	(248)	-4.9%
Costs for Eurocontrol fees	9,525	9,609	(84)	-0.9%
Costs for utilities and telecommunications	7,712	8,504	(792)	-9.3%
Costs for insurance	645	622	23	3.7%
Cleaning and security	1,135	1,131	4	0.4%
Other personnel-related costs	2,358	2,372	(14)	-0.6%
Professional services	1,767	1,834	(67)	-3.7%
Other costs for services	2,100	1,911	189	9.9%
<b>Total costs for services</b>	<b>30,022</b>	<b>31,011</b>	<b>(989)</b>	<b>-3.2%</b>
Costs for leases and rentals	475	1,270	(795)	-62.6%
Other operating expenses	599	570	29	5.1%
<b>Total costs for services</b>	<b>32,875</b>	<b>34,272</b>	<b>(1,397)</b>	<b>-4.1%</b>

*Thousands of euros*

An analysis of the individual items shows a broad decline in the various cost items: i) maintenance costs declined by 4.9% in connection with orders performed by the subsidiary Techno Sky, reflecting a decline in activity performed on investing operations for the Parent Company; ii) costs for utilities and telecommunications contracted by 9.3%, mainly for the data connections of the E-NET network as a result of the decommissioning of older circuits and a discount from the supplier; iii) a decrease of 3.7% in costs for professional services, reflecting a decline in recourse to external professionals. These decreases were partly offset by a rise of €0.4 million in costs for the purchase of goods in relation to the purchase of spare parts for air traffic control plant and equipment and for writedowns during the period. The reduction of €0.8 million in costs for leases and rentals mainly reflects the application of IFRS 16, which eliminates the recognition of payments in respect of leases and auto rentals, which have been classified as right-of-use assets under net non-current assets, which are then reflected in profit or loss through depreciation.

## Margins

These developments gave rise to an increase of 3.2% in EBITDA, to €30.9 million, compared with the first quarter of 2018 and an EBITDA margin of 17.3%, an increase of 0.2% on the figure for the corresponding period of the previous year.

Depreciation and amortisation net of investment grants increased by €0.8 million, reflecting both a decrease in investment grants and an increase in depreciation and amortisation, which include the charges for rights of use in accordance with IFRS 16. This had an impact on EBIT, which was a negative €1.6 million, an improvement of 7.2% compared with the year-earlier period. The EBIT margin for the first quarter of 2019 was -0.9%, an improvement of 0.1 points compared with the year-earlier period, when it was -1.0%.

The adoption of IFRS 16 improved EBITDA by €0.5 million by eliminating lease payments for right-of-use assets, entirely offset by the recognition of depreciation charges on right-of-use assets corresponding to the discounted value of those payments, which impacted the determination of EBIT.

## Financial operations

Financial income and expense show net expense of €1.2 million, broadly in line with the figure for the first quarter of 2018.

	First quarter 2019	First quarter 2018	Change	%
Financial income from receivables and securities recognised under non-current assets	77	0	77	n.a.
Financial income from discounting of balances	0	236	(236)	-100%
Financial income from current financial assets	7	10	(3)	-30.0%
Other interest income	313	210	103	49.0%
<b>Total financial income</b>	<b>397</b>	<b>456</b>	<b>(59)</b>	<b>-12.9%</b>

	First quarter 2019	First quarter 2018	Change	%
Interest expense on bank loans	609	670	(61)	-9.1%
Interest expense on bonds	857	857	0	0.0%
Interest expense on employee benefits	185	161	24	14.9%
Financial expense on derivatives at fair value	10	20	(10)	-50.0%
Financial expense on discounting of balances	74	0	74	n.a.
Other interest expense	38	0	38	n.a.
<b>Total financial expense</b>	<b>1,773</b>	<b>1,708</b>	<b>65</b>	<b>3.8%</b>
Exchange rate gains/(losses)	121	(50)	171	-342.0%
<b>Total financial income/(expense)</b>	<b>(1,255)</b>	<b>(1,302)</b>	<b>47</b>	<b>-3.6%</b>

Thousands of euros

The decrease of 12.9% in *financial income* is mainly due to the absence of financial income from the discounting of balances, which in the first quarter of 2019 showed net expense of €74 thousand. The deterioration was partly offset by financial income in respect of receivables and securities recognised under non-current asset and interest income on the VAT credit for which reimbursement has been requested.

Financial expense increased by 3.8%, reflecting the impact of the discounting of balances and financial expense accrued on liabilities associated with right-of-use assets.

### Performance for the period

Income taxes for the period were a negative €0.7 million, down €0.6 million on the first quarter of 2018, mainly reflecting the deterioration in performance at Techno Sky and the positive effect of deferred taxation. As a result of the foregoing, the net loss pertaining to the Group was €3.5 million, an improvement of 19.1% compared with the year-earlier period, when the loss was €4.4 million. The share of the loss pertaining to non-controlling interests, which took a stake in D-Flight at the end of February 2019, amounted to €10 thousand.

### Reclassified consolidated statement of financial position

	31.03.2019	31.12.2018	Change
Property, plant and equipment	978,420	1,000,063	(21,643)
Right-of-use assets	9,437	0	9,437
Intangible assets	122,795	122,368	427
Investments in other entities	61,457	60,306	1,151
Non-current trade receivables and payables	(8,205)	(16,394)	8,189
Other non-current assets and liabilities	(111,854)	(113,258)	1,404
<b>Net non-current assets</b>	<b>1,052,050</b>	<b>1,053,085</b>	<b>(1,035)</b>
Inventories	60,913	61,001	(88)
Trade receivables	258,403	268,076	(9,673)
Trade payables	(124,884)	(126,122)	1,238
Other current assets and liabilities	(113,517)	(74,714)	(38,803)
Assets held for sale net of related liabilities	1,428	1,458	(30)
<b>Net working capital</b>	<b>82,343</b>	<b>129,699</b>	<b>(47,356)</b>
<b>Gross capital employed</b>	<b>1,134,393</b>	<b>1,182,784</b>	<b>(48,391)</b>
Employee benefit provisions	(53,706)	(52,280)	(1,426)
Provisions for risks and charges	(2,707)	(2,707)	0
Deferred tax assets net of liabilities	12,519	11,720	799
<b>Net capital employed</b>	<b>1,090,499</b>	<b>1,139,517</b>	<b>(49,018)</b>
Shareholders' equity pertaining to shareholders of the Group	1,133,366	1,137,559	(4,193)
Shareholders' equity pertaining to non-controlling interests	6,600	0	6,600
<b>Shareholders' equity</b>	<b>1,139,966</b>	<b>1,137,559</b>	<b>2,407</b>
Net financial position	(49,467)	1,958	(51,425)
<b>Funding of net capital employed</b>	<b>1,090,499</b>	<b>1,139,517</b>	<b>(49,018)</b>

*in thousands of euros*

*Net capital employed* amounted to €1,090 million, a decrease of €49 million compared with 31 December 2018, as a result of the changes in the following items.

#### **Net non-current assets**

*Net non-current assets* amounted to €1,052 million, down €1 million compared with 31 December 2018, due to: i) a decrease of €21.6 million in property, plant and equipment as a result of the recognition of greater depreciation than investments under construction during the period; ii) the recognition of the right-of-use asset, in accordance with IFRS 16 (in force as from 1 January 2019), in the amount of €9.4 million; iii) an increase in the value of investments in other entities of €1.1 million, accounted for entirely by the change in the dollar/euro exchange rate; iv) the change in non-current trade receivables and payables, equal to the net effect of the recognition of receivables for balances in the first quarter of 2019 and the decline in payables for balances attributable to the reclassification to current liabilities of the portion that will be recognised in profit or loss in 2020.

#### **Net working capital**

*Net working capital* amounted to €82.3 million, down €47.4 million on 31 December 2018. The main changes regarded: i) a net decrease of €9.7 million in trade receivables, comprising €9.4 million for the receivable from Eurocontrol as a result of the decrease in turnover in February and March 2019 compared with the last two months of 2018 and of the increase in collections during the period; a decrease of €10.5 million in receivables for balances due to the reversal to profit or loss of the share pertaining to the first quarter of 2019 and incorporated in charges for the same period; the grant to guarantee the safety of its plant and operational safety accruing at 31 March 2019 in the amount of €7.5 million; an increase of €2.9 million in the receivable in respect of the Ministry for the Economy and Finance for exemptions on en-route and terminal traffic accrued in the quarter; and ii) the change in other current assets and liabilities, which resulted in a net increase in liabilities of €38.8 million, reflecting the reduction in other assets of €5.6 million, mainly attributable to the collection of the accrued funding under Project 4 Flight Brindisi Area Control Center financed through the NOP 2014-2020 and to the increase in other liabilities attributable to greater liabilities in respect of the Italian Air Force and ENAC in the total amount of €18.2 million for the accrued portion of collections of en-route and terminal receivables in the period; the liability in respect of personnel for accrued provisions of €9.9 million; and an increase in prepaid expense of €2 million, mainly attributable to insurance premiums paid in January but pertaining to the subsequent quarter.

## Net capital employed

In determining *net capital employed*, the employee benefit provisions had a negative impact of €53.7 million, with the increase of €1.4 million reflecting the actuarial loss recognized at 31 March 2019. Provisions for risks and charges amounted to a negative €2.7 million, unchanged during the first quarter, while net deferred tax assets were a positive €12.5 million.

## Shareholders' equity

Shareholders' equity totalled €1,140 million, a net increase of €2.4 million on 31 December 2018. The rise reflects €6.6 million from the capital increase with share premium of D-Flight on 28 February 2019, subscribed by the industrial partners Leonardo S.p.A., Telespazio S.p.A. and IDS Ingegneria dei Sistemi S.p.A. through the specifically formed company UTM System & Services S.r.l.. Following the capital increase, the Parent Company held 60% of D-Flight S.p.A., with the remaining 40% held by UTM System & Services S.r.l.. Shareholders' equity pertaining to shareholders of the Group decreased by €4.2 million, mainly attributable to the loss pertaining to the Group of €3.5 million recognised at 31 March 2019, the negative impact of €1.9 million on the reserve for actuarial gains/losses net of deferred taxation and the positive impact of €1.2 million from the reserve for the translation into euros of the financial statements of foreign subsidiaries.

## Net financial position

The net financial position was a positive €49.5 million, an improvement of €51.4 million on 31 December 2018, as shown in the following table.

	31.03.2019	31.12.2018	Change
Cash and cash equivalents	378,766	316,311	62,455
Current financial receivables	9,007	9,007	0
Current financial debt	(16,364)	(14,924)	(1,440)
Current financial debt for leases under IFRS 16	(2,447)	0	(2,447)
<b>Net current financial position</b>	<b>368,962</b>	<b>310,394</b>	<b>58,568</b>
Non-current financial receivables	24,944	24,901	43
Non-current financial debt	(337,253)	(337,253)	0
Non-current financial debt for leases under IFRS 16	(7,186)	0	(7,186)
<b>Non-current financial debt</b>	<b>(319,495)</b>	<b>(312,352)</b>	<b>(7,143)</b>
<b>Net financial position</b>	<b>49,467</b>	<b>(1,958)</b>	<b>51,425</b>

*in thousands of euros*

The improvement of €51.4 million in the net financial position was due to developments in collections and payments connected with ordinary operations, which generated a positive cash flow, as well as the collection of grants for projects funded under the NOP 2014 – 2020 in the amount of €8.2 million and liquidity of €6.6

million contributed by D-Flight. The financial position was adversely impact by the financial debt generated by the application of the new IFRS 16 in the total amount of €9.6 million.

## Structure of the consolidated net financial position

<i>(thousands of euros)</i>	<b>31.03.2019</b>	<b>31.12.2018</b>
(A) Cash	378,766	316,311
(B) Cash equivalents	0	0
(C) Securities held for trading	0	0
<b>(D) Liquidity (A)+(B)+(C)</b>	<b>378,766</b>	<b>316,311</b>
<b>(E) Current financial receivables</b>	<b>9,007</b>	<b>9,001</b>
(F) Current financial payables	0	0
(G) Current portion of non-current financial debt	(16,364)	(14,924)
(H) Other current financial debt	(2,447)	0
<b>(I) Current financial debt (F)+(G)+(H)</b>	<b>(9,804)</b>	<b>(14,924)</b>
<b>(J) Net current financial debt/Liquidity (D)+(E)+(I)</b>	<b>368,962</b>	<b>310,388</b>
(K) Non-current bank debt	(157,253)	(157,253)
(L) Bonds issued	(180,000)	(180,000)
(M) Other non-current financial debt	(7,186)	0
<b>(N) Non-current financial debt (K)+(L)+(M)</b>	<b>(344,439)</b>	<b>(337,253)</b>
<b>(O) Net financial position - Consob (J)+(N)</b>	<b>24,523</b>	<b>(26,865)</b>
(P) Current and non-current derivatives	0	6
(Q) Non-current financial receivables	24,944	24,901
<b>(R) Net financial position - ENAV Group (O)+(P)+(Q)</b>	<b>49,467</b>	<b>(1,958)</b>

## Consolidated statement of cash flows

<i>(thousands of euros)</i>	<b>31.03.2019</b>	<b>31.03.2018</b>	<b>Change</b>
Cash flow generated/(absorbed) by operating activities	71,689	53,876	17,813
Cash flow generated/(absorbed) by investing activities	(16,903)	(18,990)	2,087
Cash flow generated/(absorbed) by financing activities	7,645	(14)	7,659
<b>Cash flow for the period</b>	<b>62,431</b>	<b>34,872</b>	<b>27,559</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>317,716</b>	<b>264,275</b>	<b>53,441</b>
Exchange rate differences on opening cash and cash equivalents	25	(78)	103
<b>Cash and cash equivalents at end of the period (*)</b>	<b>380,172</b>	<b>299,069</b>	<b>81,103</b>
<b>Free cash flow</b>	<b>54,786</b>	<b>34,886</b>	<b>19,900</b>

(\*) Cash and cash equivalents at the start and end of the period include €1,406 thousand of liquidity held by the Sicta Consortium in liquidation (€1,618 thousand at 31 March 2018).

### **Cash flows from operating activities**

Cash flows from operating activities generated at 31 March 2019 amounted to €71.7 million, an increase of €17.8 million on the same period of 2018. This flow was the result of a reduction in current trade receivables, due to the increase in collections of receivables from airlines and a decrease in the recognition of receivables for balances in the period compared with 31 March 2018, as well as a decrease in current assets for the period due to the collection of accrued receivables from public entities for projects funded under NOP 2014-2020 in the amount of €8.2 million. Another factor was the elimination of the prepaid expenses for workman's compensation insurance (INAIL) following the postponement of the deadline for payment of premiums for 2018-2019 from February to May 2019, in accordance with the provisions of Article 1, paragraph 1125, of Law 145/2018. In the corresponding period of 2018 they had been paid in February. Current liabilities increased by €2.1 million compared with 31 March 2018, due to the increase in the liability in respect of the Italian Air Force and ENAC for the accrued portion of en-route and terminal collections recognised in the quarter and for the provision for personnel costs recognised on an accrual basis. The change in the first quarter of 2018 was smaller following the payment in January 2018 of the supplementary pension liability accrued in the second half of 2017, which was then paid on a half-yearly basis, but, starting from 2018, is now paid on a monthly basis. This flow was also affected by the change in current and non-current trade payables which at 31 March 2019 showed a decrease of €3.5 million, mainly due to an increase in payments to suppliers, while in the same period of the previous year it decreased by €7.6 million, primarily reflecting the liability connected with prefinancing on funded projects received in the first quarter of 2018.

### **Cash flows from investing activities**

Cash flows from investing activities at 31 March 2019 showed an outflow of €16.9 million, entirely attributable to investment activities for the period. The decrease of €2.1 million in cash absorbed, compared with the year-earlier period, reflected a decrease of €3.9 million in capital expenditure in the period, partly offset by an increase of €1.8 million in payments to suppliers in respect of investment projects.

### **Cash flows from financing activities**

Cash flows from financing activities generated cash of €7.6 million, mainly reflecting the payment of capital with share premium from the industrial partnership of Leonardo S.p.A., Telespazio S.p.A. and IDS – Ingegneria dei Sistemi S.p.A. for their 40% stake in D-Flight. At 31 March 2018, the aggregate included the payment of the first tranche of the shareholder loan from ENAV North Atlantic to Aireon in the amount of €1.5 million, which was repaid in full in 2018.

**Free cash flow** amounted to €54.8 million thanks to cash flow generated by operating activities, which completely funded the cash absorbed by investing activities.



## **Declaration of the Financial Reporting Officer on the financial statements pursuant to Article 154-bis, paragraph 2, of Legislative Decree 58/1998**

The officer responsible for the preparation of ENAV's financial reports, Loredana Bottiglieri, hereby certifies, pursuant to Article 154-bis, paragraph 2, of Legislative Decree 58/1998 (Consolidated Law on Financial Intermediation), that the accounting information contained in the Interim Financial Report at 31 March 2019 corresponds with that contained in the accounting documentation, books and records.

Rome, 15 May 2019

[signed] Loredana Bottiglieri

## Legal information and contacts

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