



PRESS RELEASE

ENAV BOARD OF DIRECTORS: FIRST HALF 2024 RESULT APPROVED

Over a million flights managed

- **En-route and terminal traffic** up 10.9% and 11.5%, respectively, in terms of service units¹ YoY;
- **Total revenues** at €461.3 million, up 5.7% YoY;
- **Consolidated EBITDA** of €99.9 million, up 5.5% YoY with an EBITDA margin of 21.6%;
- **Consolidated Net Profit** of €23.0 million euro, up 25.3% YoY;
- **Free cash flow** at €28.3 million, with a clear improvement compared to the first half of 2023 (€-3.2 million).

Rome, 05 August 2024 - The Board of Directors of ENAV S.p.A., in their meeting held today under the chairmanship of Alessandra Bruni, approved the First-Half Financial Report as at 30 June 2024. In the first half of the year record traffic volumes were recorded. ENAV managed more than one million flights in the national airspace. Italy is the best performer among the major European nations, with a 10.9% increase in service units YoY, compared to the average growth of 7.4% in France, Germany, Great Britain and Spain.

The Chief Executive Officer Pasqualino Monti said: *"Traffic volumes increased with a strong progression in the first half of the year, with peaks of over 20% compared to last year. An unexpected number of flights far exceeded the most optimistic forecasts. Italy is confirmed as the country with the highest growth rate among the major European states. From a financial point of view, the Group is generating a significant volume of revenue with excellent margins. We have accelerated investments to enhance our technological infrastructure, which is crucial in the continuous improvement of air traffic management operational performance. Last March, almost two years ahead of European regulation, we were the first air navigation service provider in Europe to introduce the free route procedure from an altitude of 6,500 metres, expecting in 2024 a reduction of flight-time and fuel savings of around 90 mln kg. We are progressing with the implementation of the technical operational plan to better support the sector with increasingly efficient and flexible services."*

En-route traffic in Italy, in terms of service units, increased by 10.9% in the first half of 2024, compared to the same period last year. In particular, international air traffic (arrival at or departure from a foreign airport) showed an increase in service units of 17.9% compared to the first half of 2023. Overflight air traffic (flights crossing Italian airspace without a stopover) grew by 10.2%, while domestic air traffic (flights arriving and departing on Italian territory) remained substantially stable.

¹ a conventional weighted measurement unit which takes into account the aircraft certified take-off weight and, in case of en-route traffic, the distance travelled in the Italian airspace

En-route traffic (service units)	1st Half 2024	1st Half 2023	no.	Change %
Domestic	873,252	878,212	(4,960)	-0.6%
International	2,106,126	1,785,641	320,485	17.9%
Overflight	2,189,573	1,987,246	202,327	10.2%
Paying total	5,168,951	4,651,099	517,852	11.1%
Military	57,240	59,225	(1,985)	-3.4%
Other exempt	7,097	6,831	266	3.9%
Total exempt	64,337	66,056	(1,719)	-2.6%
Total reported by Eurocontrol	5,233,288	4,717,155	516,133	10.9%
Exempt not reported to Eurocontrol	1,522	1,328	194	14.6%
Overall total	5,234,810	4,718,483	516,327	10.9%

Terminal traffic², in the first half of 2024, showed an increase of 11.5% in terms of service units compared to the same period of last year. This was primarily due to the good performance of international flights, up 15.9% YoY.

Terminal traffic (service units)	1st Half 2024	1st Half 2023	no.	Change %
Domestic				
Chg. Zone 1	26,793	22,390	4,403	19.7%
Chg. Zone 2	38,781	39,811	(1,030)	-2.6%
Chg. Zone 3	100,167	97,648	2,519	2.6%
Total domestic SUs	165,741	159,849	5,892	3.7%
International				
Chg. Zone 1	89,726	69,192	20,534	29.7%
Chg. Zone 2	135,889	120,972	14,917	12.3%
Chg. Zone 3	116,383	104,903	11,480	10.9%
Total international SUs	341,998	295,067	46,931	15.9%
Paying total	507,739	454,916	52,823	11.6%
Exempt				
Chg. Zone 1	75	77	(2)	-2.6%
Chg. Zone 2	213	201	12	6.0%
Chg. Zone 3	3,746	3,665	81	2.2%
Total exempt SUs	4,034	3,943	91	2.3%
Total reported by Eurocontrol	511,773	458,859	52,914	11.5%
Exempt not reported to Eurocontrol				
Chg. Zone 1	0	0	0	n.a.
Chg. Zone 2	10	9	1	11.1%
Chg. Zone 3	431	411	20	4.9%
Total exempt SUs not reported to Eurocontrol	441	420	21	5.0%
Total by Charging Zone				
Chg. Zone 1	116,594	91,659	24,935	27.2%
Chg. Zone 2	174,893	160,993	13,900	8.6%
Chg. Zone 3	220,727	206,627	14,100	6.8%
Overall total	512,214	459,279	52,935	11.5%

² The take-off and landing activities within a radius of about 20 km from the airport runway.

ECONOMIC-FINANCIAL PERFORMANCE

Total consolidated revenues in the first half of 2024 amounted to €461.3 million and increased by 5.7% compared to the same period last year. The increase in revenues is linked to the increased air traffic managed and fully compensates the **balance**³ component, which was negative by €25.3 million and basically in line with the comparison period.

Revenues from operations stood at €469.1 million, up 6.0% compared to the first half of 2023, mainly due to the positive performance of the core business.

Non-regulated market revenues of €15.2 million reflected a slight decrease of €2.8 million, mainly due to a different distribution of revenues over the current year compared to 2023. In the second part of the year, the revenue targets on the non-regulated market for 2024 will be met leveraging on a series of commercial opportunities and orders with positive impacts in the second half of the year as well as in the coming years, confirming the target presented to the financial community last March.

Operating expenses amounted to €361.4 million, up 5.7% compared to the first half of 2023, mainly due to the higher volumes of traffic managed and the related impact on personnel costs, which increased by approximately €17 million. This increase is mainly attributable to the €5.3 million increase in fixed remuneration, mainly due to the effects of: i) the higher Group headcount by an average of 60 units; ii) the inflationary recovery provided for in the Labour Contract, through the November 2022 agreement, which provides for the recognition from 1 September 2023 of a +2% per annum on employee remuneration, and the increase in variable remuneration by €6.7 million due to the hourly flexibility allowance recognised to operating personnel, not present in the comparison period, and the increase in operating overtime, linked to the higher volumes of traffic managed.

Other operating costs amounted to about €78 million, up 3.3%, mainly due to higher spare parts to support operating plants and higher professional services related to sales orders, partially offset by lower utility costs.

These values resulted in **EBITDA** of €99.9 million, up 5.5% compared to the first half 2023, with an EBITDA margin of 21.6%.

EBIT was €42.7 million, up €9.7 million compared to the same period in 2023.

Financial income and expenses showed a negative amount of €4.5 million, with an improvement of €2.1 million compared to the first half of 2023, due to higher financial income accrued on deposits and the discounting of receivables for balance, which partially offset the higher impact of interest expenses related to interest rate trend.

Taxes for the period accounted for €15.2 million, with an increase of €7.2 million compared to the first half of 2023, due to the higher income before taxes and the dynamics linked to deferred taxes.

The ENAV Group ended the first half of 2024 with a **net profit** of €23.0 million, up 25.3% compared to the same period in 2023.

Net financial debt at 30 June 2024 stood at €424 million, up by €101.7 million compared to the figure recorded at 31 December 2023, essentially due to the payment of the dividend of €124.4 million in May 2024, partially offset by the cash flow generation from ordinary operations, which benefited from higher cash ins from core business compared to the same period in 2023. It should be noted that

³ The mechanism that allows ENAV to partially recover from or return to carriers the amounts resulting from the difference between the planned air traffic and the actual traffic, as well as the recovery of costs and traffic for services provided to Zone 3 airports - fewer than 70,000 movements per year.

a first €80 million tranche of the EIB loan, signed in October 2023 for a total of €160 million, was disbursed in April 2024.

OUTLOOK 2024

In view of the results achieved in the first half-year, the outlook for 2024 already known by the financial market is confirmed.

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

	1st Half 2024	1st Half 2023	Amount	Change
				%
Revenues from operations	469,094	442,668	26,426	6.0%
Balances	(25,261)	(24,141)	(1,120)	4.6%
Other operating income	17,487	18,054	(567)	-3.1%
Total revenues	461,320	436,581	24,739	5.7%
Personnel costs	(296,541)	(279,586)	(16,955)	6.1%
Capitalised costs	13,091	13,197	(106)	-0.8%
Other operating expenses	(77,998)	(75,488)	(2,510)	3.3%
Total operating costs	(361,448)	(341,877)	(19,571)	5.7%
EBITDA	99,872	94,704	5,168	5.5%
EBITDA margin	21.6%	21.7%	-0.1%	
Net amortisation of investment grants	(57,233)	(58,115)	882	-1.5%
Writedowns, impairment (reversal of impairment) and provisions	108	(3,574)	3,682	n.a.
EBIT	42,747	33,015	9,732	29.5%
EBIT margin	9.3%	7.6%	1.7%	
Financial income/(expense)	(4,483)	(6,595)	2,112	-32.0%
Income before taxes	38,264	26,420	11,844	44.8%
Income taxes for the period	(15,251)	(8,053)	(7,198)	89.4%
Consolidated profit/(loss) for the period	23,013	18,367	4,646	25.3%
Profit/(loss) for the period pertaining to shareholders of the Parent Company	23,177	18,690	4,487	24.0%
Profit/(loss) for the period pertaining to non-controlling interests	(164)	(323)	159	-49.2%

(thousands of euros)

RECLASSIFIED CONSOLIDATED BALANCE SHEET STRUCTURE

	at 30.06.2024	at 31.12.2023	Amount	Change %
Property, plant and equipment	794,209	817,974	(23,765)	-2.9%
Right-of-use assets	3,981	4,862	(881)	-18.1%
Intangible assets	186,981	190,296	(3,315)	-1.7%
Investments in other entities	49,303	46,682	2,621	5.6%
Non-current trade receivables	502,332	526,841	(24,509)	-4.7%
Other non-current assets and liabilities	(136,694)	(140,472)	3,778	-2.7%
Net non-current assets	1,400,112	1,446,183	(46,071)	-3.2%
Inventories	62,204	63,005	(801)	-1.3%
Trade receivables	428,625	391,303	37,322	9.5%
Trade payables	(141,015)	(195,715)	54,700	-27.9%
Other current assets and liabilities	(181,270)	(139,641)	(41,629)	29.8%
Net working capital	168,544	118,952	49,592	41.7%
Gross capital employed	1,568,656	1,565,135	3,521	0.2%
Employee benefit provisions	(37,235)	(39,429)	2,194	-5.6%
Provisions for risks and charges	(12,372)	(13,607)	1,235	-9.1%
Deferred tax assets net of liabilities	26,130	28,907	(2,777)	-9.6%
Net capital employed	1,545,179	1,541,006	4,173	0.3%
Shareholders' equity pertaining to Parent Company shareholders	1,120,210	1,217,605	(97,395)	-8.0%
Shareholders' equity pertaining to non-controlling interests	964	1,128	(164)	-14.5%
Shareholders' equity	1,121,174	1,218,733	(97,559)	-8.0%
Net financial debt	424,005	322,273	101,732	31.6%
Total funding	1,545,179	1,541,006	4,173	0.3%

(thousands of euros)

CONSOLIDATED CASH FLOW STATEMENT

	1st Half 2024	1st Half 2023	Changes
Cash flow generated/(absorbed) by operating activities	66,803	29,470	37,333
Cash flow generated/(absorbed) by investing activities	(38,477)	(32,697)	(5,780)
Cash flow generated/(absorbed) by financing activities	(53,766)	6,021	(59,787)
Net cash flow for the period	(25,440)	2,794	(28,234)
Cash and cash equivalents at the beginning of the year	224,876	267,732	(42,856)
Exchange rate differences on cash	82	(63)	145
Cash and cash equivalents at the end of the period	199,518	270,463	(70,945)
Free cash flow	28,326	(3,227)	31,553

(thousands of euros)

The manager responsible for preparing the company's financial reports, Loredana Bottiglieri, declares, pursuant to paragraph 2 of Art. 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release matches the documentary results and accounting books and entries.

ENAV informs that the Half-year Financial Report at 30 June 2024, as per art. 154-ter, par. 2, of leg. Decree no. 58 of 24 February 1998 – and the independent auditor's report – will be available for public consultation at the company's registered office, via Salaria 716, Rome, on the company's website www.enav.it, an

Alternative performance indicators

- **EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization):** 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, as reported in the financial statements and 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, adjusted for investment grants as specified above;
- **EBIT (Earnings Before Interest and Taxes):** EBITDA less depreciation and amortisation adjusted for investment grants and writedowns of property, plant and equipment, intangible fixed assets, 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 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;
- **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/liabilities;
- **Net financial debt:** the sum of the current and non-current financial liabilities, current financial receivables and non-current trade payables, and cash and cash equivalents. Net financial debt is determined in accordance with the provisions of Guideline no. 39 issued by ESMA and in line with Warning Notice no. 5/21 issued by CONSOB on 29 April 2021;
- **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.

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