

PRESS RELEASE

ENAV BoD: results for the first nine months of 2024 approved

All-time record air traffic over Italy driven by international flights

- **En-route and terminal traffic** up 10.8% and 10.7%, respectively, in terms of service units¹ compared to the first nine months of 2023;
- **Consolidated revenue** of 770.5 million euro, up 4.1% compared to the first nine months of 2023;
- **Consolidated EBITDA** of 222.8 million euro, up 1.3% compared to the first nine months of 2023, with an EBITDA margin of 28.9%;
- **Consolidated net profit** at 89.6 million euro, up 3.8% compared to the first nine months of 2023;
- **Free cash flow** at 130.6 million euro, with a significant improvement compared to the first nine months of 2023 (96.6 million euro).

Rome, 14 November 2024 - The Board of Directors of ENAV S.p.A., held today under the chair of Alessandra Bruni, approved the Interim Report on Operations at 30 September 2024. The first nine months of 2024 were impacted by continued robust growth in air traffic, reaching the highest level ever achieved. Italy is confirmed as the best performer among the major European countries, with a 10.8% increase in en-route service units in comparison with the same period of the last year, compared to the average growth of 7.0% in France, Germany, Great Britain and Spain.

Chief Executive Officer Pasqualino Monti said: *"In Italy, air traffic volume has exceeded forecasts and for the full year we expect a double-digit growth over 2023. The Group is solid and the excellent results today approved are in line with our year-end targets.*

The new organizational model, which aims to separate competences and activities between core business and the non-regulated market, will accelerate the digital transition to enhance the airspace management, also promoting drone development, and strengthening the Company's presence in international markets. We are developing new products and services, which are currently being implemented and which will upgrade our commercial offer."

En-route traffic, expressed in service units, showed a growth of 10.8% in the first nine months of 2024, compared to the same period in 2023. Domestic air traffic (arrivals and departures at Italian airports) is substantially stable (+0.8%) compared to 2023, while international traffic service units (arrivals or departures from a foreign airport) grew by 16.2%. Overflight traffic (flights crossing Italian airspace without stopover) increased by 10.5%.

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)	9M 2024	9M 2023	no.	Changes %
Domestic	1,417,534	1,406,731	10,803	0.8%
International	3,617,962	3,114,839	503,123	16.2%
Overflight	3,951,847	3,576,016	375,831	10.5%
Paying total	8,987,343	8,097,586	889,757	11.0%
Military	82,517	85,556	(3,039)	-3.6%
Other exempt	10,199	10,959	(760)	-6.9%
Total exempt	92,716	96,515	(3,799)	-3.9%
Total reported by Eurocontrol	9,080,059	8,194,101	885,958	10.8%
Exempt not reported to Eurocontrol	2,771	2,728	43	1.6%
Overall total	9,082,830	8,196,829	886,001	10.8%

Terminal traffic² in the nine months of 2024 grew by 10.7%, in terms of service units, compared to the corresponding period of 2023. The increase in traffic volumes was spread throughout Italy. Charging zone 1, referring entirely to Rome Fiumicino airport, increased by 24.5% compared to the same period in 2023. Charging zone 2, represented by the airports of Milan Malpensa, Milan Linate, Venice Tessera and Bergamo Orio al Serio, recorded an 8.1% increase in service units in the first nine months of 2024. Finally, charging zone 3, which includes all other national airports, recorded a 6.7% increase in service units.

Terminal traffic (service units)	9M 2024	9M 2023	no.	Changes %
Domestic				
Chg. Zone 1	42,665	35,704	6,961	19.5%
Chg. Zone 2	61,324	62,420	(1,096)	-1.8%
Chg. Zone 3	166,844	161,442	5,402	3.3%
Total domestic SUs	270,833	259,566	11,267	4.3%
International				
Chg. Zone 1	146,807	116,451	30,356	26.1%
Chg. Zone 2	215,638	193,875	21,763	11.2%
Chg. Zone 3	205,094	186,456	18,638	10.0%
Total international SUs	567,539	496,782	70,757	14.2%
Paying total	838,372	756,348	82,024	10.8%
Exempt				
Chg. Zone 1	117	127	(10)	-7.9%
Chg. Zone 2	329	299	30	10.0%
Chg. Zone 3	5,417	5,542	(125)	-2.3%
Total exempt SUs	5,863	5,968	(105)	-1.8%
Total reported by Eurocontrol	844,235	762,316	81,919	10.7%
Exempt not reported to Eurocontrol				
Chg. Zone 1	0	0	0	n.a.
Chg. Zone 2	15	15	0	0.0%
Chg. Zone 3	672	693	(21)	-3.0%
Tot. exempt SUs not reported to Eurocontrol	687	708	(21)	-3.0%
Totals per chg Zone				
Chg. Zone 1	189,589	152,282	37,307	24.5%
Chg. Zone 2	277,306	256,609	20,697	8.1%
Chg. Zone 3	378,027	354,133	23,894	6.7%
Overall total	844,922	763,024	81,898	10.7%

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 nine months of 2024 accounted for 770.5 million euro, up 4.1% compared to the corresponding period of the previous year and include the negative **balance**³ component of 59.5 million euro.

Revenues from operations stood at 803.9 million euro, up 6.2% compared to the first nine months of 2023, mainly due to the positive performance of the core business.

Revenues from the non-regulated market, amounting to 25.8 million euro, decreased by 3.2% compared to the figure for the corresponding period of the previous year, mainly due to a different distribution of revenues over the current year compared to 2023. In the last part of the year, the revenue targets on the non-regulated market for 2024 will be met, confirming the target announced to the financial community last March.

Total operating costs for the first nine months of 2024 amounted to 547.6 million euro, with an increase of 5.3% compared to the corresponding period of 2023. The increase was mainly due to a higher impact of personnel costs (+4.1%), which reflected both the salary increase related to the 2% revaluation, in line with the agreements signed in November 2022, which resulted in two steps, one from September 2023 and the other from July 2024, and the higher headcount at Group level, especially operational and technical staff. The variable component of remuneration also increased due to the higher traffic volumes managed.

Consolidated EBITDA stood at 222.8 million euro for the first nine months of the year, up 1.3% (+2.9 million euro) compared to the same period of 2023 with an EBITDA margin of 28.9%.

Consolidated Operating Result (EBIT) amounted to 139.5 million euro, up 5.9% compared to the first nine months of 2023 (131.7 million euro), with an EBIT margin of 18.1%.

EBIT is impacted by amortisation, net of grants, for 82.4 million euro, down compared to the corresponding period of the previous year (-2.8%), and by the write-off of receivables, which had a negative impact of 0.9 million euro, net of the release of the risk provision for the settlement of some disputes, with an improvement of 2.5 million euro compared to 9M 2023.

Financial income and expenses stood at a negative 7.2 million euro, slightly improving by 0.5 million euro compared to the corresponding period of the previous year, due to the higher interest income accrued on bank accounts and the financial component relating to the balance actualization, offsetting the higher interest expense on bank debt.

Taxes for the period accounted for 42.6 million euro, with an increase of about 5 million euro compared to the corresponding period of 2023, due to the higher tax base and the deferred taxes dynamics.

Consolidated net profit stood at 89.6 million euro, up 3.8% compared to the same period of 2023.

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.



Net financial debt as at 30 September 2024 accounted for 331.8 million euro, with an increase of 9.5 million euro compared to 31 December 2023, mainly due to the higher non-current trade payables related to the balances recognised in the period, partially offset by the positive operating performance.

It should be noted that, as at 30 September 2024, the Group had undrawn short-term credit lines totalling 199 million euro, of which committed lines of 150 million euro and uncommitted lines of 49 million euro. In addition, the Group has a loan commitment of residual 80 million euro relating to the loan contract signed by the Parent Company with the EIB in October 2023 for an original amount of 160 million euro.

2024 OUTLOOK

In view of the traffic volumes expected in the last quarter, which support the Group's solid performance, the traffic estimates for the current year are revised upwards (+10.8% en-route service units compared to 2023); 2024 Outlook on total revenues, non-regulated market revenues, EBITDA and capex remain unchanged.

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

	9M 2024	9M 2023	Values	Changes %
Revenues from operations	803,851	756,753	47,098	6.2%
Balance	(59,497)	(44,618)	(14,879)	33.3%
Other operating income	26,104	28,026	(1,922)	-6.9%
Total revenues	770,458	740,161	30,297	4.1%
Personnel costs	(447,551)	(429,992)	(17,559)	4.1%
Capitalised costs for internal work	17,986	23,980	(5,994)	-25.0%
Other operating expenses	(118,065)	(114,187)	(3,878)	3.4%
Total operating costs	(547,630)	(520,199)	(27,431)	5.3%
EBITDA	222,828	219,962	2,866	1.3%
EBITDA margin	28.9%	29.7%	-0.8%	
Net amortisation of investment grants	(82,412)	(84,765)	2,353	-2.8%
Writedowns, impairment (reversal of impairment) and provisions	(933)	(3,451)	2,518	-73.0%
EBIT	139,483	131,746	7,737	5.9%
EBIT margin	18.1%	17.8%	0.3%	
Financial income/(expense)	(7,230)	(7,773)	543	-7.0%
Income before taxes	132,253	123,973	8,280	6.7%
Taxes for the period	(42,626)	(37,629)	(4,997)	13.3%
Consolidated profit/(loss) for the period	89,627	86,344	3,283	3.8%
Profit/(loss) for the period attributable to the Group	89,703	86,813	2,890	3.3%
Profit/(loss) for the period attributable to non-controlling interests	(76)	(469)	393	-83.8%

(thousands of euros)

RECLASSIFIED CONSOLIDATED BALANCE SHEET STRUCTURE

	at 30.09.2024	at 31.12.2023	Changes	
Property, plant and equipment	787,056	817,974	(30,918)	-3.8%
Right-of-use assets	4,977	4,862	115	2.4%
Intangible assets	184,645	190,296	(5,651)	-3.0%
Investments in other entities	39,493	46,682	(7,189)	-15.4%
Non-current trade receivables	409,188	526,841	(117,653)	-22.3%
Other non-current assets and liabilities	(135,611)	(140,472)	4,861	-3.5%
Net non-current assets	1,289,748	1,446,183	(156,435)	-10.8%
Inventories	60,843	61,770	(927)	-1.5%
Trade receivables	526,910	391,303	135,607	34.7%
Trade payables	(127,111)	(195,715)	68,604	-35.1%
Other current assets and liabilities	(216,391)	(138,406)	(77,985)	56.3%
Net working capital	244,251	118,952	125,299	n.a.
Gross capital employed	1,533,999	1,565,135	(31,136)	-2.0%
Employee benefit provisions	(37,963)	(39,429)	1,466	-3.7%
Provisions for risks and charges	(12,361)	(13,607)	1,246	-9.2%
Deferred tax assets/(liabilities)	26,937	28,907	(1,970)	-6.8%
Net capital employed	1,510,612	1,541,006	(30,394)	-2.0%
Equity attributable to shareholders of the Parent	1,177,805	1,217,605	(39,800)	-3.3%
Non-controlling interests	1,052	1,128	(76)	-6.7%
Shareholders' equity	1,178,857	1,218,733	(39,876)	-3.3%
Net financial debt	331,755	322,273	9,482	2.9%
Total funding	1,510,612	1,541,006	(30,394)	-2.0%

(thousands of euros)

RECLASSIFIED CASH FLOW STATEMENT

	9M 2024	9M 2023	Changes
Cash flow generated/(absorbed) by operating activities	187,730	140,910	46,820
Cash flow generated/(absorbed) by investing activities	(57,151)	(44,295)	(12,856)
Cash flow generated/(absorbed) by financing activities	(54,184)	(56,316)	2,132
Net cash flow for the period	76,395	40,299	36,096
Cash and cash equivalents - opening balance	224,876	267,732	(42,856)
Exchange rate differences on cash	(33)	23	(56)
Cash and cash equivalents - closing balance	301,238	308,054	(6,816)
Free cash flow	130,579	96,615	33,964

(thousands of euros)

The Financial Reporting Officer, Loredana Bottiglieri, declares, pursuant to art. 154-bis, paragraph 2, of Legislative Decree 58/1998 Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

ENAV informs that the Interim Financial Report at 30 September 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, and on the website of the “Info” authorized storage system www.info.it in accordance with the applicable legislation.

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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