

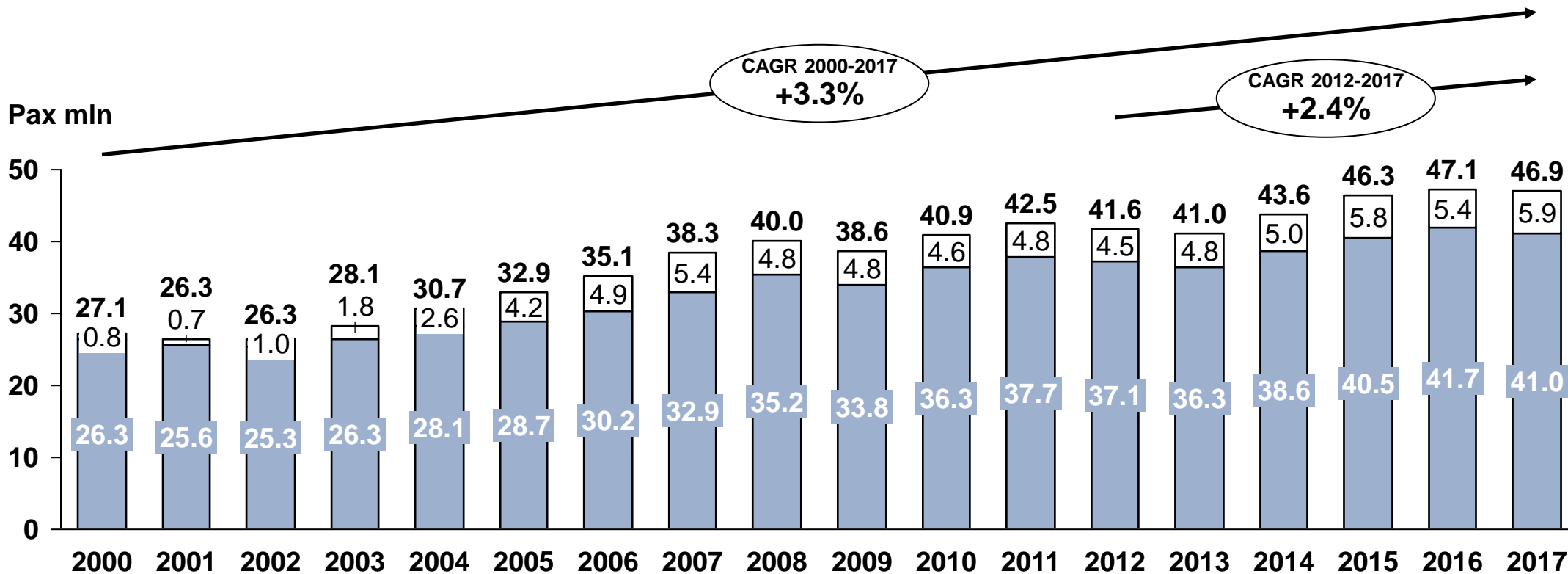
2019 Charges: Proposal

Update on traffic trend

August 2018

Airport system: traffic performance

Historical data (2000-2017)



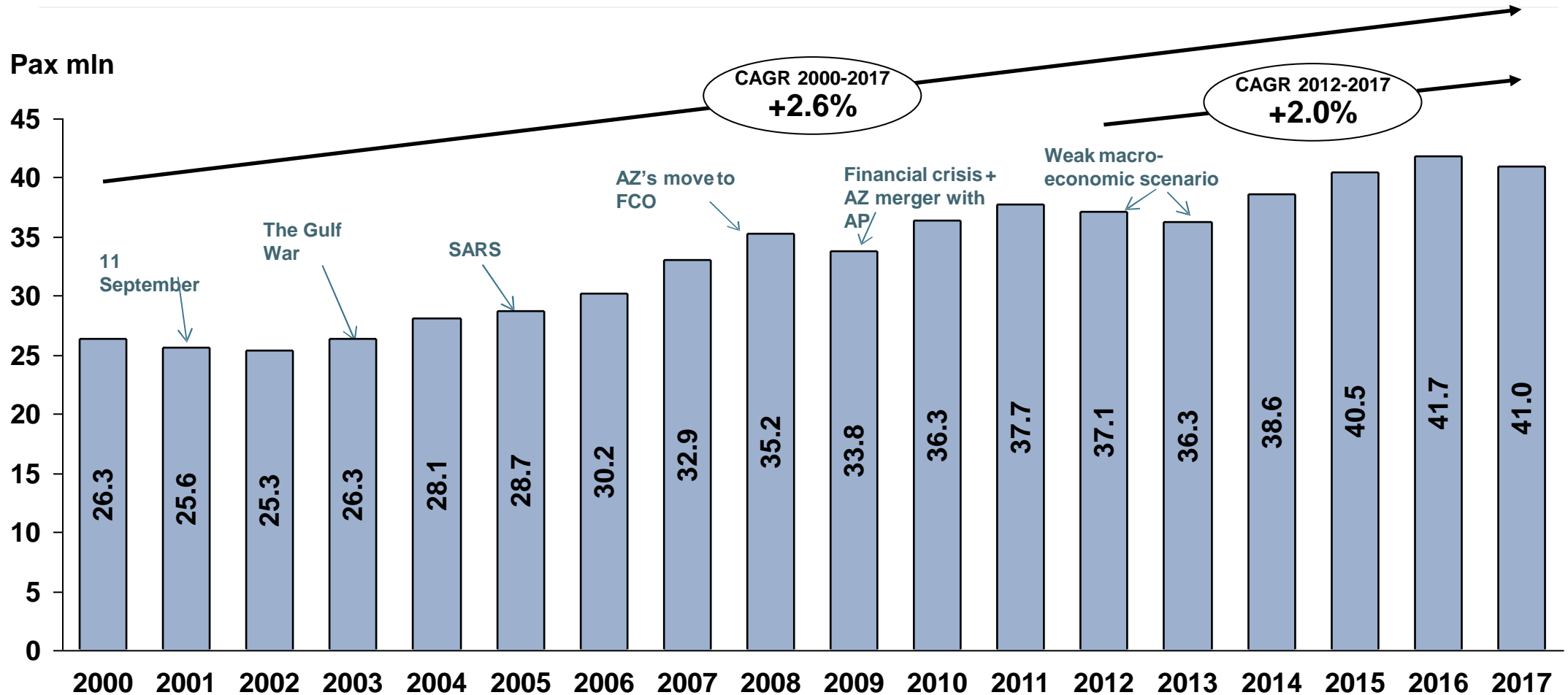
	CAGR 2000-2017	CAGR 2012-2017
□ CIA	12.2%	5.5%
■ FCO	2.6%	2.0%

□ In the 2000-2017 period, the Rome airport system recorded a rise in passenger traffic by an average of 3.3% (FCO 2.6%)

□ In the 2012-2017 period – following (i.) reorganization of the new Alitalia-CAI and (ii.) peak of the financial crisis – the growth rate showed a slowdown (CAGR: 2.4% system, 2.0% FCO)

Fiumicino: traffic performance

Historical data (2000-2017)

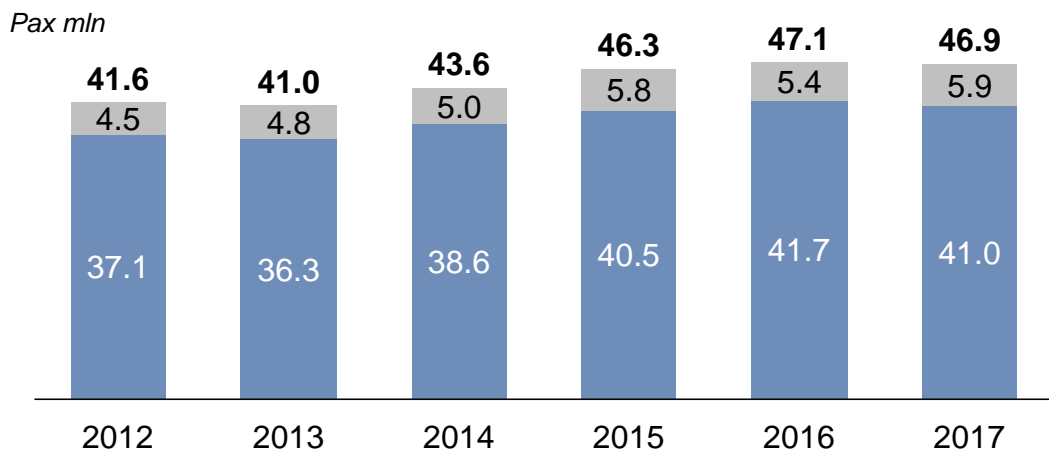


- ❑ In the 2000-2017 period, the Fiumicino airport posted an average growth rate of 2.6%, equal to about 14.7 mln pax
- ❑ The trend shows that the Rome airport has good resilience to exogenous negative factors and events
- ❑ In the 2012-2017 period, passenger growth slowed slightly, with a CAGR of 2.0%

Focus on passenger traffic (2012-2017)

SYSTEM

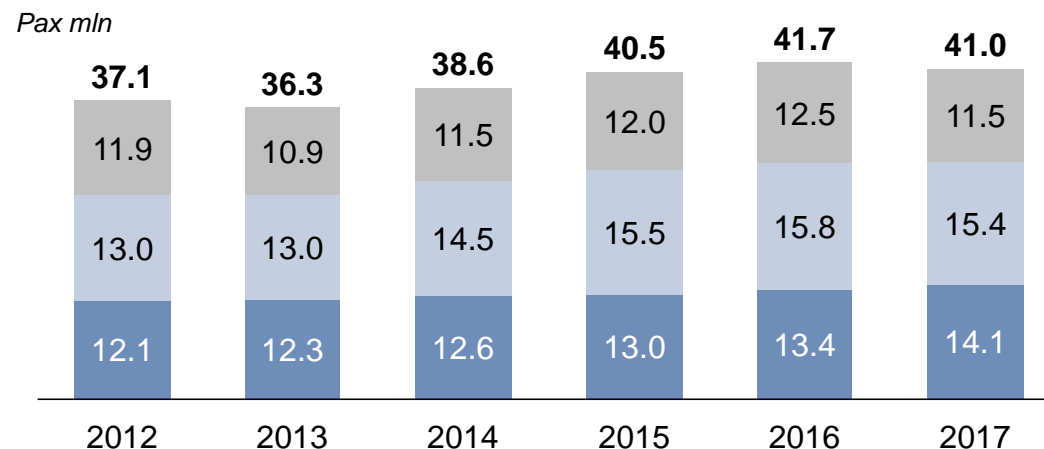
CIA CAGR +5.5%
 FCO CAGR +2.0%



- ❑ Following the reductions during the two-year period 2012-13, passenger traffic of the Rome Airport System started to rise again
- ❑ CIA's growth since 2013 is attributable to much improved performances on load factors
- ❑ FCO's traffic volume rose by over 3.9 million passengers in the last five years despite the 2017 drop connected with the AZ crisis

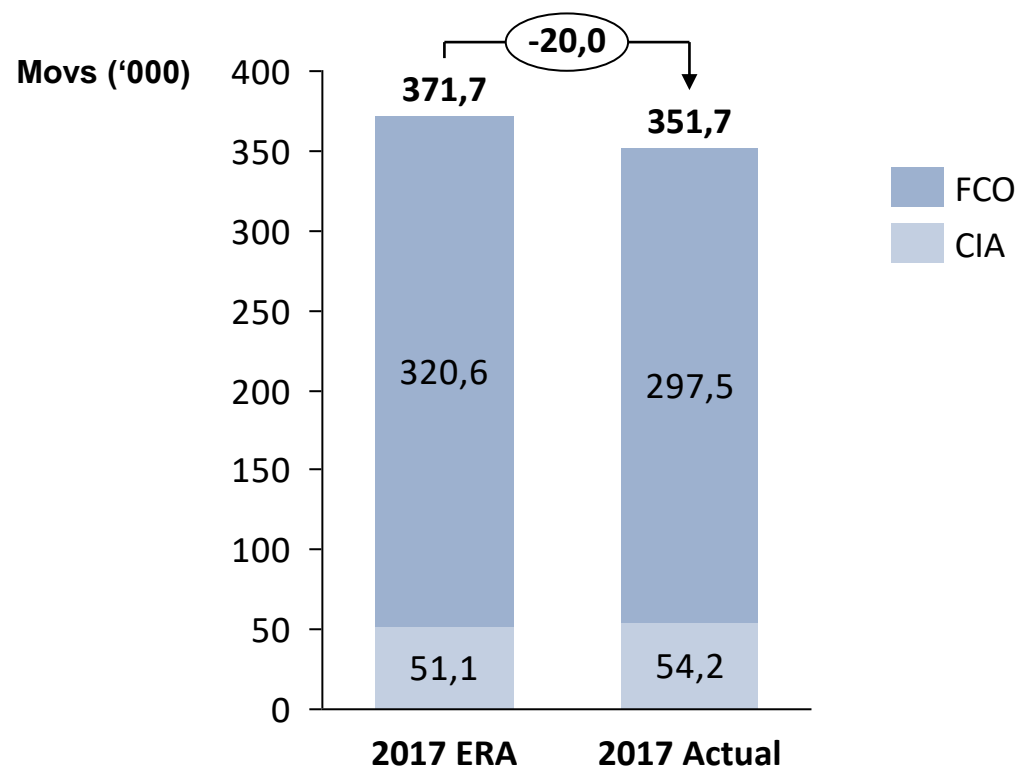
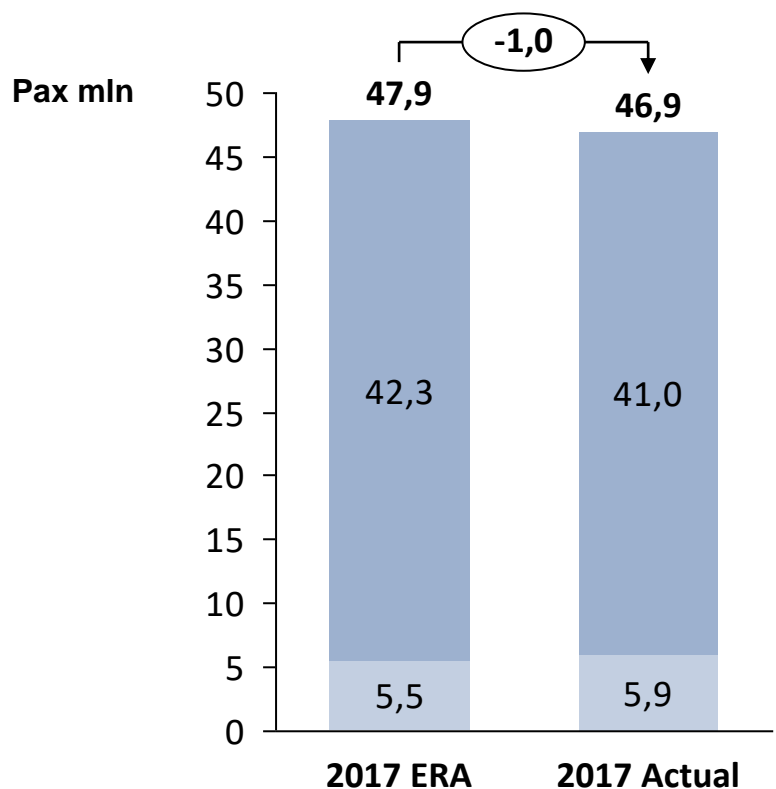
FIUMICINO

DOM CAGR -0.6%
 SCH CAGR +3.3%
 NON-SCH CAGR +3.0%



- ❑ Development of the Schengen market, which posted +3.3% average annual growth
- ❑ The improvement of traffic going to Non-Schengen destinations is spurred by development of the intercontinental market
- ❑ Following the growth of 2013-16, the domestic segment is affected by reductions of operations implemented by AZ post crisis

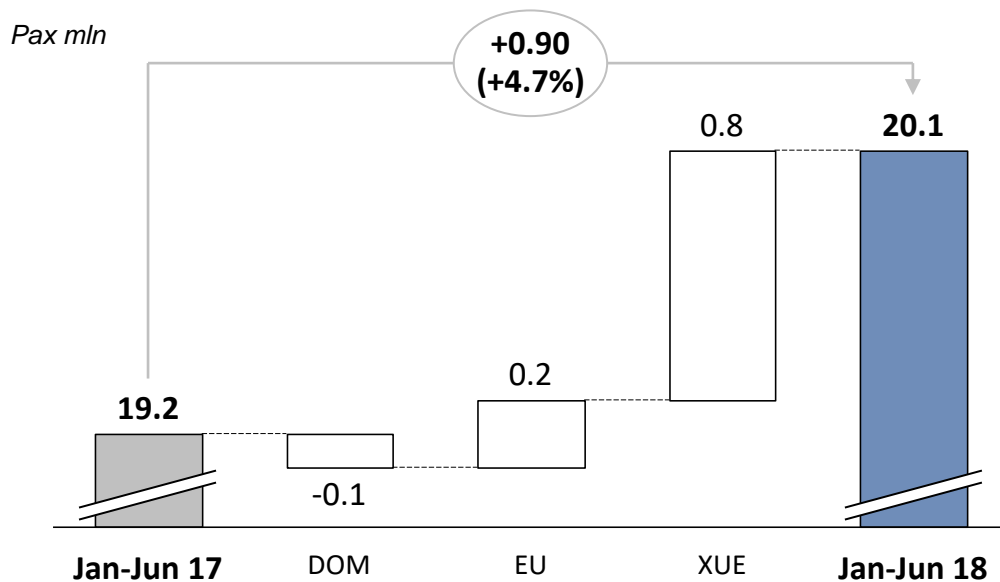
Focus on traffic vs forecasts (2017-21 ERA)



- ❑ Relative to ERA forecasts (fcst of 2016 for ERA review 2017-21), FCO's 2017 performance shows -3.2% less traffic and -7.2% fewer movements
- ❑ At system level, the negative performance of FCO reverberates in a loss of over one million passengers vs ERA expectations, while the movements are down to the level of 2013

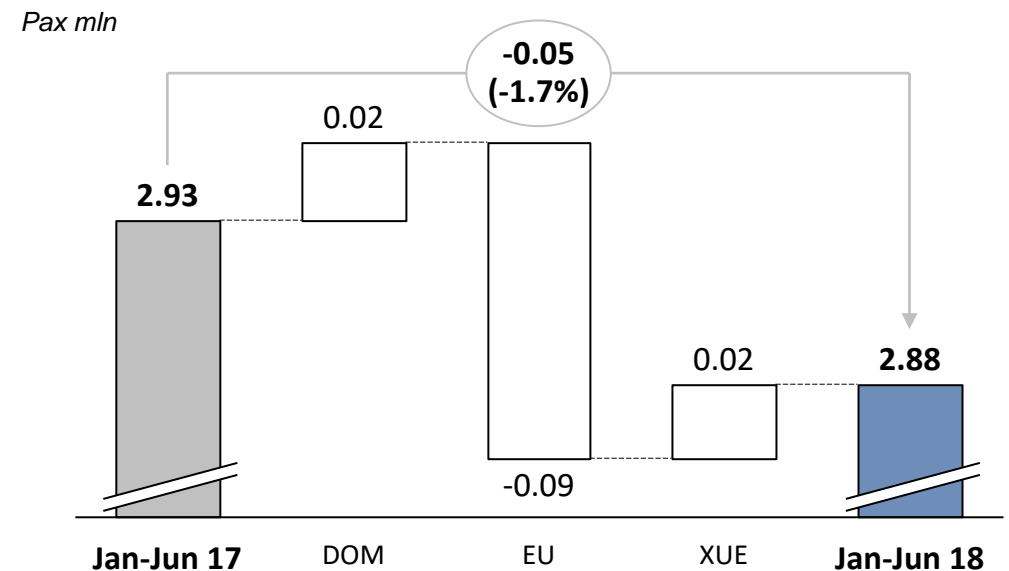
Focus on passenger traffic (January-June 2018)

FIUMICINO



- ❑ Good overall growth owing to the increased international traffic, while the domestic segment continues to shrink
- ❑ The intercontinental segment continues to rise because of numerous developments in North America, South America and the Far East
- ❑ Flows going to Africa are also increasing, and traffic going to Russia, the Ukraine and Turkey is resuming

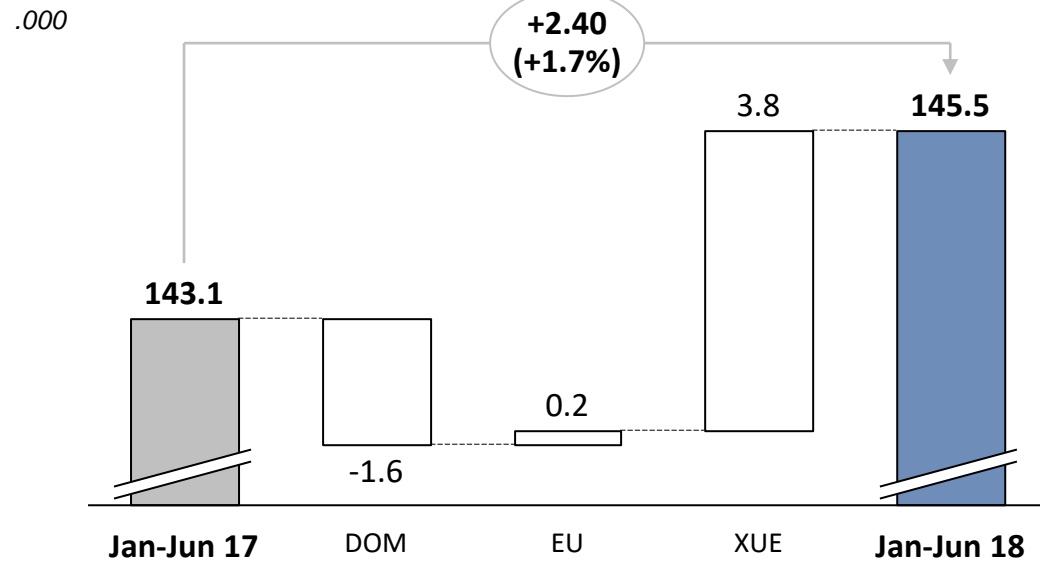
CIAMPINO



- ❑ Overall traffic enjoying basic stability compared to the same period of 2017
- ❑ Development of the domestic and non-EU volumes, while the EU market is slowing down due to a slight reduction in operations

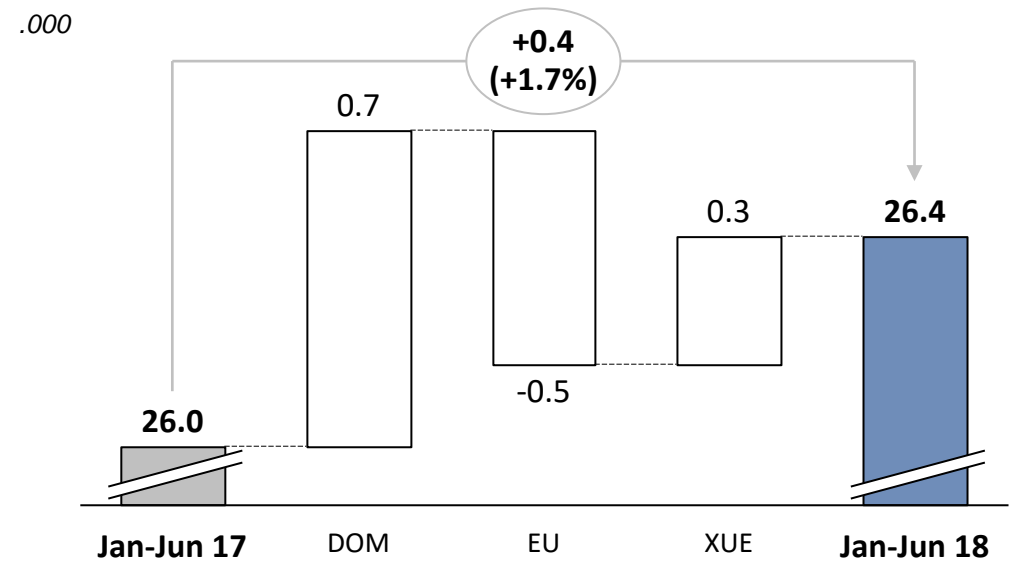
Focus on aircraft traffic (January-June 2018)

FIUMICINO



- ❑ Domestic decreased. It is the segment most impacted by the reductions of Alitalia and by the competition with HS train connections
- ❑ In the aftermath of the bankruptcy of Air Berlin and Monarch, the EU market is recovering and is mainly increasing toward Spain, France and Greece
- ❑ The many new long haul offerings are making a positive impact in the Non-EU segment, mainly going to the USA, Brazil and the Far East

CIAMPINO



- ❑ Movements are rising in the Domestic sector due to the opening of a new route to Trieste in Summer 2017 and the switch from Fiumicino of flights to Comiso
- ❑ Also the Non-EU sector is increasing owing to the start-up of Wizzair operations for Skopje from Summer 2017 and Ryanair's increases for Marrakesh

- ❑ Short/medium-term scenario influenced by the evolution of the crisis of the hub carrier that makes traffic more difficult to predict over the coming years
- ❑ Medium-term prospects: the international market is expected to grow, mainly driven by the long haul, with greater concentration going to America and the Far East
 - Long haul traffic will benefit from growing demand, also thanks to the new Long Haul Low Cost offer models that will stimulate the point to point traffic
 - Short/medium haul traffic:
 - Europe: forecast to increase owing to two lines of development, point to point led by the LCC airlines and the full service traffic going to its hubs
 - Domestic: will suffer the competition with HS rail, with a resulting further decline in both movements and passengers