

2019 Charges Proposal

Additional Information on PRM service

October 2018

PRM charges update: focus on FCO

- As already illustrated in the documentation published on 9 August, the 2019 charge proposal for the PRM service at FCO is € 0.99 / pax. The increase to the current rate is due to the growth in the number of assistances provided at FCO, which has led to obvious consequences on the costs that are not entirely rewarded through the increase in passengers paying for the service. The 2019 tariff proposal is also affected by the deficit (costs > revenues) that is reasonably foreseeable in the current year.
- ADR's purpose is to introduce a new methodology for determining the charge for PRM service at FCO. The mechanism is going to be applied starting from the 2020 tariff proposal and is similar to those applied in other main European airports (ADP, Gatwick, others). It provides for differentiation of the fee applied for the PRM service with the explicit aim to reward carriers with the highest number/ratio of assistance booked in advance, but at the same time guarantees the airport managing body to fully recover the costs of service provided.
- A historical analysis of the bookings within a certain "efficiency" threshold (defined at 24-36 hours before the flight time) indicates that at FCO there are many companies that are not proficient in booking the service enough in advance, with significant consequences in terms of costs for ADR Assistance
- The foreseen mechanism that ADR aims to introduce in 2020 guarantees transparency on the cost correlation of tariffs and will be articulated as follows:
 - Charges distribution into *low / mid / high* clusters on the basis of the historical percentage of assistances booked
 - 2019 performances on % of bookings registered by carriers will rank them within one of the "clusters" for charges differentiation
 - In the case of a deficit / surplus deriving from the difference between expected and effective volumes, the gap will be included within the allowed costs in the subsequent year.

- **Financial statement and Regulatory accounts**

- Details on 2019 charges update
- Assistances performed during 2017
- ENAC – ADR Economic Agreement
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Financial statement and Regulatory accounts (*)

(valori in € migliaia)

Sintesi Civilistica	31.12.2017	Dettaglio Gestionale	31.12.2017
6. Per Materie Prime, Sussidiarie, di Consumo e Merci	285	Costo del Personale ⁽²⁾	14.133
7. Per Servizi	2.829	Recuperi Costo del Personale ⁽³⁾	-
8. Per Godimento beni di terzi	449	Irap ⁽⁴⁾	-
9. Per il Personale	13.379	Materiali di consumo	278
10. Ammortamenti e Svalutazioni	624	Manutenzioni Ordinarie	687
10. Accantonamenti per rischi	1	Pulizie	72
14. Oneri diversi di gestione	99	Utenze e Riscaldamento	254
		Accantonamenti ⁽⁵⁾	1
		Prestazioni da terzi	959
		Consulenze/Prestazioni Professionali	49
		Noleggi/Canoni/Leasing	430
		Assicurazioni	35
		Spese Generali	143
		Ammortamenti	624
		Remunerazione dei Capitale Investito	
Totale Costi della Produzione	17.666	Totale Costi Operativi	17.666

Costi Ammessi			
Totale	Fco	Cia	Delta vs c/e gest ⁽¹⁾
14.126	13.834	292	(6)
(57)	(56)	(1)	(57)
150	147	3	150
278	272	6	(0)
687	673	14	(0)
72	70	1	0
254	249	5	0
0	0	0	(1)
958	939	20	(1)
49	48	1	0
430	421	9	0
35	34	1	0
143	140	3	0
634	628	6	10
199	198	1	199
17.959	17.598	362	293

2017	Determinazione dell'IRAP
13.379	costo per il personale (eco_b9)
(10.263)	Costo deducibile ai fini IRAP
3.116	Costo del personale Indeducibile ai fini IRAP
4,82%	aliquota IRAP

Totale	Fco	Cia
3.116	3.052	64
150	147	3

RAB ⁽⁶⁾
Rem

Totale	Fco	Cia
2.330	2.321	10
199	198	1

- (1) some differences with respect to the balance sheet values refer to valuation updates for previous years, excluded from eligible costs
- (2) as lower labor costs there are included recoveries for off-site employees, which in the balance sheet are considered among other income (Value of Production)
- (3) the costs of management includes the reclassification of some costs for services to the employees (canteen, transport, training, per diem, etc.)
- (4) A portion of the IRAP attributed to the non-deductible portion of labor costs is considered as eligible cost
- (5) excluding the cost allowances for risks, as well as financial and extraordinary charges
- (6) fixed assets are considered in the charge provision (amortization and capital remuneration) starting from the year which follows the time of acquisition (annual revaluation as per CDP and remunerated at the real pre-tax WaCC of the 2017-2021 regulatory sub-period)

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2019 Charges proposal – Fiumicino airport

Proposta tariffaria 2019 (€.000)	Scalo FIUMICINO		
	Act 2017	FRC 2018	FRC 2019
Costo del Personale	13.925	15.333	15.921
Altri Costi Operativi	2.847	2.889	2.966
Ammortamenti	628	578	448
Costo del Capitale	198	181	145
Recupero (Surplus)/Deficit anni precedenti	(300)	(99)	968
(1) Totale Costi + Recupero Es. Precedente	17.298	18.883	20.448
Totale Pax Paganti (/000)	20.228	20.831	21.088
	Act 2017	FRC 2018	FRC 2019
Tariffa applicata Gennaio-Febbraio	0,86	0,86	0,86
Tariffa applicata Marzo-Dicembre	0,86	0,86	0,99
(2) Totale Ricavi	17.396	17.914	20.448
(3) = (2-1) Surplus / (Deficit) accumulato al 31 dicembre	99	(968)	0
	Act 2017	FRC 2018	FRC 2019
Informazioni aggiuntive			
Passeggeri totali (/000)	40.972	41.958	42.231
Assistenze	324.524	345.178	347.427
Indice Prm/1000 pax	7,92	8,23	8,23
Assistenze / FTE (media mensile)	90,9	88,6	88,8
FTEs totali	297,5	324,7	325,9

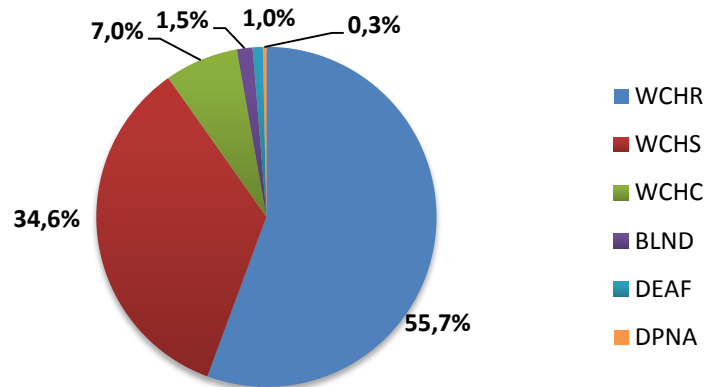
- At the end of 2017 FCO registered a surplus of 99 € thousand (ADR SpA revenues of 17,396 € thousand vs. 17,298 € thousand of eligible costs)
- The 2018 forecast assumes a deficit of 968 € thousand (ADR SpA revenues 17,914 € thousand vs. eligible costs 18,883 € thousand)
- 2019 provides for a breakeven between expected costs (including expected deficit recovery 2018) and revenues, by applying an equilibrium charge equal to € 0,99 from 1 March 2019

2019 Charges proposal – Ciampino airport

Proposta tariffaria 2019 (€.000)	Scalo CIAMPINO		
	Act 2017	FRC 2018	FRC 2019
Costo del Personale	294	383	437
Altri Costi Operativi	60	72	82
Ammortamenti	6	2	1
Costo del Capitale	1	0	1
Recupero (Surplus)/Deficit anni precedenti	(100)	(107)	1
(1) Totale Costi + Recupero Es. Precedente	261	350	520
Totale Pax Paganti (/000)	2.919	2.913	2.956
	Act 2017	FRC 2018	FRC 2019
Tariffa applicata Gennaio-Febbraio	0,16	0,12	0,12
Tariffa applicata Marzo-Dicembre	0,12	0,12	0,19
(2) Totale Ricavi	368	350	520
(3) = (2-1) Surplus / (Deficit) accumulato al 31 dicembre	107	(1)	0
	Act 2017	FRC 2018	FRC 2019
Passeggeri totali (/000)	5.886	5.868	5.882
Assistenze	13.253	13.243	13.274
Indice Prm/1000 pax	2,25	2,26	2,26
Assistenze / FTE (media mensile)	175,9	136,4	122,9
FTEs totali	6,3	8,1	9,0

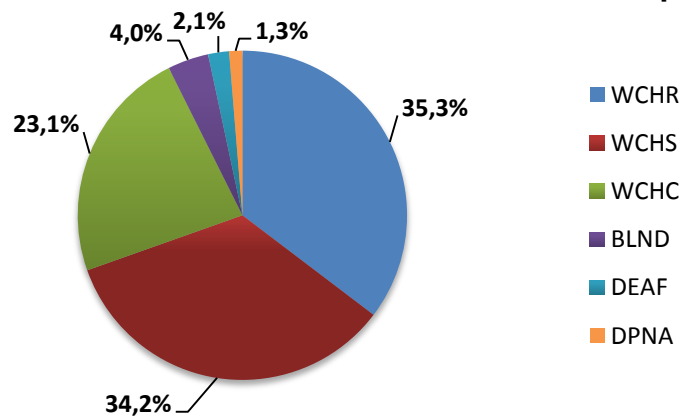
- At the end of 2017 CIA registered a surplus of 107 € thousand (ADR SpA revenues of 368 € thousand vs. 261 € thousand of eligible costs)
- The 2018 forecast provides for a breakeven between expected costs and revenues
- 2019 charges proposal provides for a breakeven between expected costs and revenues, by applying an equilibrium charge equal to € 0,19 from 1 March 2019

Assistances performed at FCO – by categories



Tipologia di assistenza	N° assistenze	% sul totale FCO
WCHR	180.598	55,7%
WCHS	112.137	34,6%
WCHC	22.744	7,0%
BLND	4.830	1,5%
DEAF	3.113	1,0%
DPNA	1.102	0,3%
Totale Complessivo	324.524	100,0%

Assistances performed at CIA – by categories



Tipologia di assistenza	N° assistenze	% sul totale CIA
WCHR	4.683	35,3%
WCHS	4.538	34,2%
WCHC	3.055	23,1%
BLND	533	4,0%
DEAF	272	2,1%
DPNA	172	1,3%
Totale Complessivo	13.253	100,0%

Categories of assistances

WCHR

Passenger who can walk autonomously inside the aircraft and go down and up the stairs, but who needs a wheelchair or another means of transport to move inside the terminal.

WCHS

Passenger who can walk autonomously inside the aircraft and go down and up the stairs, who can not go down or up the stairs and who needs a wheelchair or other means of transport to move inside the airport.

WCHC

Immobilized passenger, who needs a wheelchair to move and needs assistance from the time of arrival at the airport until the end of the flight as well as to exit the airport.

BLIND

Passenger with optical impairment.

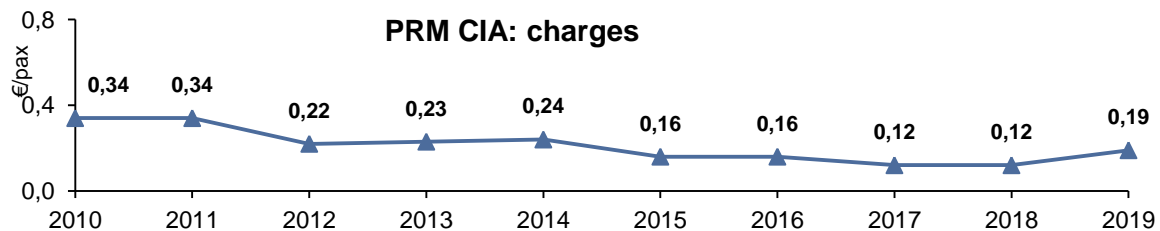
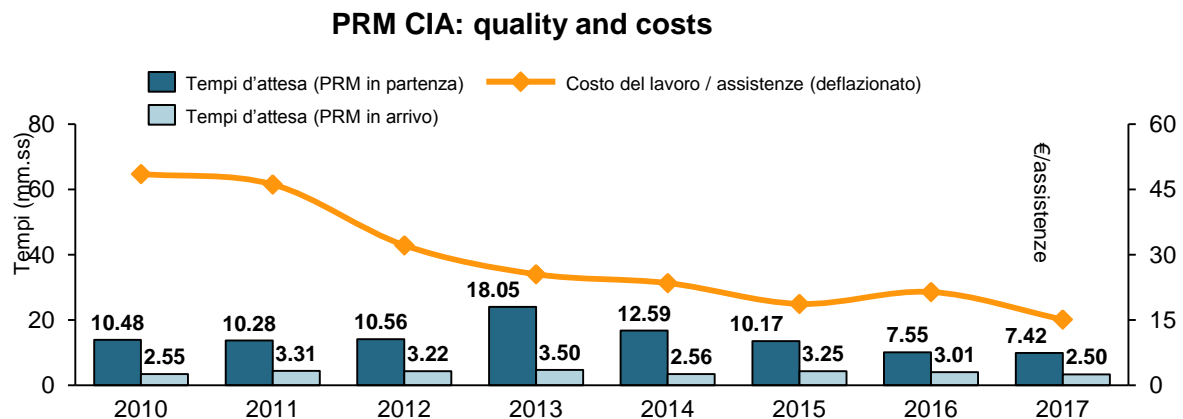
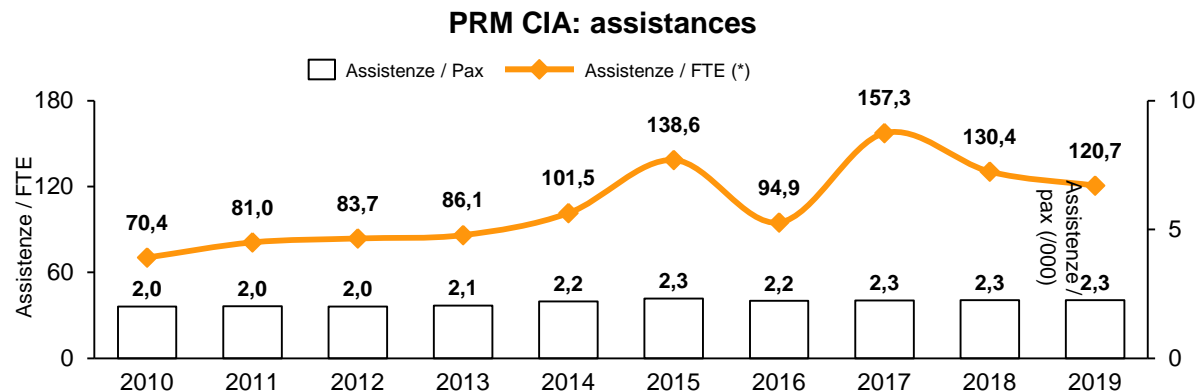
DEAF

Passenger with hearing impaired or impairment of speech.

DPNA

Passenger with intellectual disability needing assistance.

PRM CIA: 2010-2019



(*) rappresentato come media mensile

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SERVICE MANAGEMENT

- ADR has entrusted the PRM service to a 100% owned subsidiary, ADR Assistance S.r.l., established in 2008
- The costs allowed for the determination of the charges are directly recorded in the income statement of the subsidiary, in balance with the financial statements
- The surplus / deficit recorded is shown by comparing the costs related to each of the airports managed with the revenues that the airport manager accounts to the airlines on the basis of their effective boarded passengers, excluding CMGs, CRBs and exempt newborns
- In line with the provisions of the ENAC-ADR Agreement, the new PRM charge enters into force on 1 March of the subsequent year.

FACILITIES AND INFRASTRUCTURES

Main infrastructures and equipment used to carry out the PRM assistance service:

- UFIS-GRAMS information system for dispatching and traceability of the service
- Workstations for the reception of PRM in the terminals and in the boarding areas (8 to FCO and 1 to CIA)
- Wheelchairs for the transport of Pax PAX
- N ° 38 Minivan vehicles (of which 37 FCO and 1 CIA)
- N ° 18 Ambulift vehicles (of which 16 FCO and 2 CIA)

STAFF AND COSTS

- Workforce at 12/31/2017: 300 UNITA (of which 294 A FCO and 6 A CIA)
- Equivalent full-time: 303.8 (of which 297.5 FCO and 6.3 CIA)

Staff costs: labor cost Budget 2017 = € 13.379 / thousand. 2017 staff costs from the 2017 regulatory accounting: € 14,069 thousand of which € 13,778 thousand of FCO and € 291 thousand of CIA (see slide 7)

PRM charges: *benchmark* for 2018

