SEA BOARD OF DIRECTORS: 2017 STATUTORY FINANCIAL STATEMENTS AND NON-FINANCIAL REPORT APPROVED

SEA Group results

Passenger traffic: 31.6 million*, up* ***8.9% (22 million at Milan Malpensa****, growth* ***of 14.1%)***
Cargo traffic: 588.5 thousand tonnes, +7.1%

Operating revenues: Euro 697.7 million, *up* ***6.8%***

EBITDA up 10.1%, net of non-recurring revenue and cost items: Euro 243 million including non-recurring items (+3.7%)

Group Net Profit: Euro 84.1 million*, reducing 10.2%,* ***net of non-recurring items net profit up 24.4%***

Net Financial Debt: Euro 508.9 million, improving Euro 20.5 million

Milan, March 29, 2018 - The Board of Directors of SEA S.p.A., chaired today by Pietro Modiano, reviewed and approved the 2017 Separate Financial Statements of SEA S.p.A. and the Consolidated Financial Statements of the SEA Group.

Traffic performance

SEA airport system **passenger numbers grew 8.9% to 31.6 million** in 2017 - outperforming both the domestic average (+6.4%) and the European average (+6.2%).
Milan Malpensa grew 14.1% to exceed **22 million passengers,** nearing the record highs of 2007 and 27% up on the 2009 lows. This stems on the one hand from greater airline capacity (more movements and larger average aircraft size) - while on the other from higher load factors.
Milan Linate - with 9.5 million passengers - consolidated traffic volumes (**-1.4%** due to the transfer to Malpensa of some continental routes).
Cargo traffic also performed strongly with **588.5 thousand tonnes** moved in 2017 (**+7.1% on 2016**).
General aviation traffic at Milan Linate grew 2.7% in 2017 on the previous year.

Consolidated Key Financial Highlights

Introduction

The accounting policies applied in preparing the 2017 consolidated figures are in line with those utilised for the 2016 consolidated financial statements. The consolidation scope at December 31, 2017 altered on December 31, 2016 with the acquisition by SEA Spa of an additional stake in SEA Prime Spa of 1.57% (of which SEA Spa already held control). The SEA Prime holding is currently 99.91%. With this acquisition, the holding in the associate Signature Flight Support Italy Srl therefore increased from 39.34% to 39.96% (in 2016 however fully consolidated until March 31). The liquidation of SEA Handling Spa in liquidazione and of Consorzio Malpensa Construction in liquidazione, SEA subsidiaries held respectively 100% and 51%, in addition concluded in 2017.

Operating revenues in 2017 grew 6.8% to **Euro 697.7 million,** mainly due to the strong passenger and cargo performance, in addition to the non-aviation segment, the contribution of general aviation - which on completion of the terminal restyling can provide exclusive and top quality services to customers - and the energy segment which successfully tapped into the market recovery, boosting energy sales to the market, while also contracting methane gas at the lows of 2016.

EBITDA was Euro 243 million, up 3.7% on 2016, although including Euro 23.9 million of non-recurring costs for post-employment benefits under the Framework Agreement signed on July 22, 2016 with the Trade Unions. **Excluding these costs, and the net of extraordinary revenue items** of Euro 2.9 million, **EBITDA was Euro 264 million, up 10.1% on 2016** (which also included non-recurring revenue and cost items whose net value was Euro 5.4 million).
This good performance stems from strong revenue growth and prudent cost management.

EBIT of Euro 127.9 million was impacted by the Euro 25.2 million write-down of the Alitalia SAI receivable arising before the company entered extraordinary administration (May 2, 2017).

Group Net Profit - benefitting Euro 1.6 million from the liquidation of SEA Handling and impacted by the extraordinary items indicated above - amounts to Euro 84.1 million, reducing Euro 9.5 million on the previous year.

The "Net Financial Debt" of Euro 508.9 million improved Euro 20.5 million on December 31, 2016 (Euro 529.4 million). The generation of cash from operations funded tangible and intangible asset investment for Euro 85 million and the dividend payment of Euro 70.3 million.

The main accounts performed as follows:

Revenues

Operating revenues in 2017 (revenues net of works on assets under concession) of **Euro 697.7 million** include Aviation revenues of Euro 443.6 million (Euro 409 million in 2016), Non Aviation revenues of Euro 227.3 million (Euro 216.9 million in 2016), General Aviation business revenues of Euro 12.1 million (Euro 11.7 million in 2016) and Energy business revenues of Euro 14.7 million (Euro 15.9 million in 2016).

The improvement of Euro 44.2 million on the previous year (+6.8%) was supported in 2017 by non-recurring revenues of Euro 2.9 million (Euro 2.4 million from the Anti-trust Authority review of the penalty imposed on SEA in 2015 following the acquisition of SEA Prime and Euro 0.5 million from the collection of a supplier penalty), while in 2016 including revenues from the company Signature Flight Support Italy S.r.l. and refuelling operations - no longer included in the Group consolidation scope - of Euro 1.3 million. Net of these items, **revenues grew Euro 42.5 million** (+6.5%). This performance is principally based on:

- **Aviation operations for Euro 32.9 million,** mainly due to the boost in traffic volumes both for the passenger segment - benefitting from additional airline capacity and load factor growth - and the cargo segment;

- **Non Aviation operations for Euro 9.2 million,** growing across all the main business segments, including Shops, Food & Beverage, Car Rental, Parking and Cargo;

- **the Energy business,** with revenues reducing Euro 1.2 million. Despite good electric and thermal energy sales on the basis of favourable sales prices and increased volumes, revenues decreased with the ending of the Green certificates benefit at Milan Linate;

- **the General Aviation business** - at like-for-like scope - for Euro 1.6 million, principally thanks to non-regulated operations (entry into use of the new Hanger and better parking management), while regulated operation results were in line with the previous year.

Operating costs were Euro 457 million, up Euro 34.4 million on 2016 (+8.1%). These include non-recurring post-employment benefits of Euro 23.9 million. **Excluding these items, the increase on 2016** (which reported non-recurring costs totalling Euro 6.7 million - of which Euro 4 million post-employment benefits) **was Euro 17.1 million (+4.1%).**

Costs directly related to passenger revenues and traffic increased Euro 14.5 million, with personnel costs rising Euro 8.2 million (inclusive of the provision for the renewal of the National Collective Bargaining Contract signed in 2014 concluding at the end of 2016) and a bonus for employees on achieving company performance objectives introduced. Other operating costs however reduced Euro 5.7 million, principally due to lower energy costs due to prudent procurement and the containing of other operating costs.

EBITDA was Euro 243 million, against Euro 234.4 million in 2016, up 3.7% (+Euro 8.6 million). Excluding the non-recurring items outlined above and at like-for-like consolidation scope, EBITDA was Euro 264 million - up 10.1% (Euro 24 million).

EBIT of Euro 127.9 million (Euro 150 million in 2016), in addition to the post-employment benefit accrual, includes the write-down of the receivable (before May 2, 2017) from Alitalia SAI in Extraordinary Administration, for an amount of Euro 25.2 million, whose collection is currently not guaranteed.

With non-recurring items impacting SEA Group results in 2017, despite the exceptional operating performance, the **net profit** decreased from Euro 93.6 million in 2016 to Euro 84.1 million in 2017 (-Euro 9.5 million).

Capex in 2017 was **Euro 85.0 million**, principally on:

- At **Milan Malpensa**, the upgrading and restyling of **Terminal 1**, with the building of new commercial areas and the standardisation of finishings, in addition to the acquisition of the Sheraton hotel building. **At Terminal 2,** the conclusion of the design of the new departure gates, and the design of the new building to house new stores and restaurants currently in progress.

- At Malpensa, the ongoing construction of a second **Cargo** operator warehouse.

- **At Milan Linate,** the upgrading and restyling of the Terminal to improve perceived quality and the architectural aesthetics was the main action, while the extension of the gates and the retail and food & beverage commercial areas are currently being designed.

SEA S.p.A

The **parent company SEA S.p.A.** reports revenues of Euro 704.4 million, up 3.8% on the previous year. EBITDA was Euro 229.3 million, with a **net profit of Euro 76.9 million.**

2017 Non-Financial Report

The Board of Directors of SEA S.p.A. also approved the 2017 Non-Financial Report, which SEA is required to produce as an "Entity of Public Interest" as per Legs. Decree 254/2016.
The reporting method is compliant with the main International Standards (Global Reporting Initiative) and focuses on analysing performance mainly in terms of the "material" aspects, i.e. those considering the business performance in terms of stakeholder expectations.
The highlights in terms of the "material aspects" of the sustainability performances are:

- The economic value distributed to the various stakeholders increased 6.4%, from Euro 552.9 to 588.3 million. The majority of distributed value went to personnel (35.8%), followed by suppliers (31.3%).

- The social-economic "footprint" produced in 2017 by the Milan airport system (Malpensa and Linate), which corresponds to Euro 35.2 million of value of production and 295,000 jobs for Malpensa and Euro 4.3 billion of value of production and 31,000 jobs Linate

- The confirmation of Malpensa (the only Italian airport in the top 10) in the continental ranking for the share of GDP reachable in a short timeframe. Malpensa places 8th, with 83.5% of European GDP reachable within 2 hours.

Shareholders' AGM Call

The Board of Directors of SEA called the Shareholders' AGM in ordinary session for April 30, 2018 in first call and, where required, in second call for May 3, 2018, to consider the following agenda: 1. Motions in accordance with Article 2364, paragraph 1 of the Civil Code, (i) financial statement approval.