



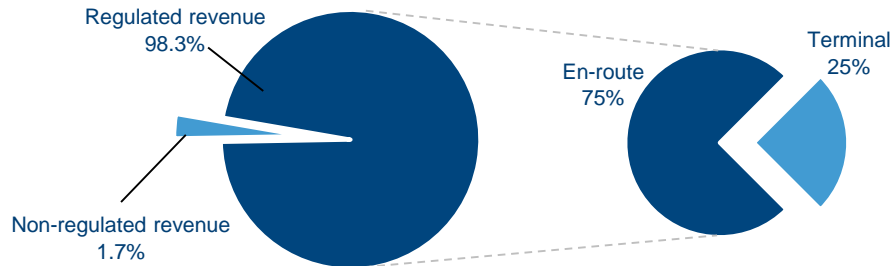
we look up

Investor Presentation

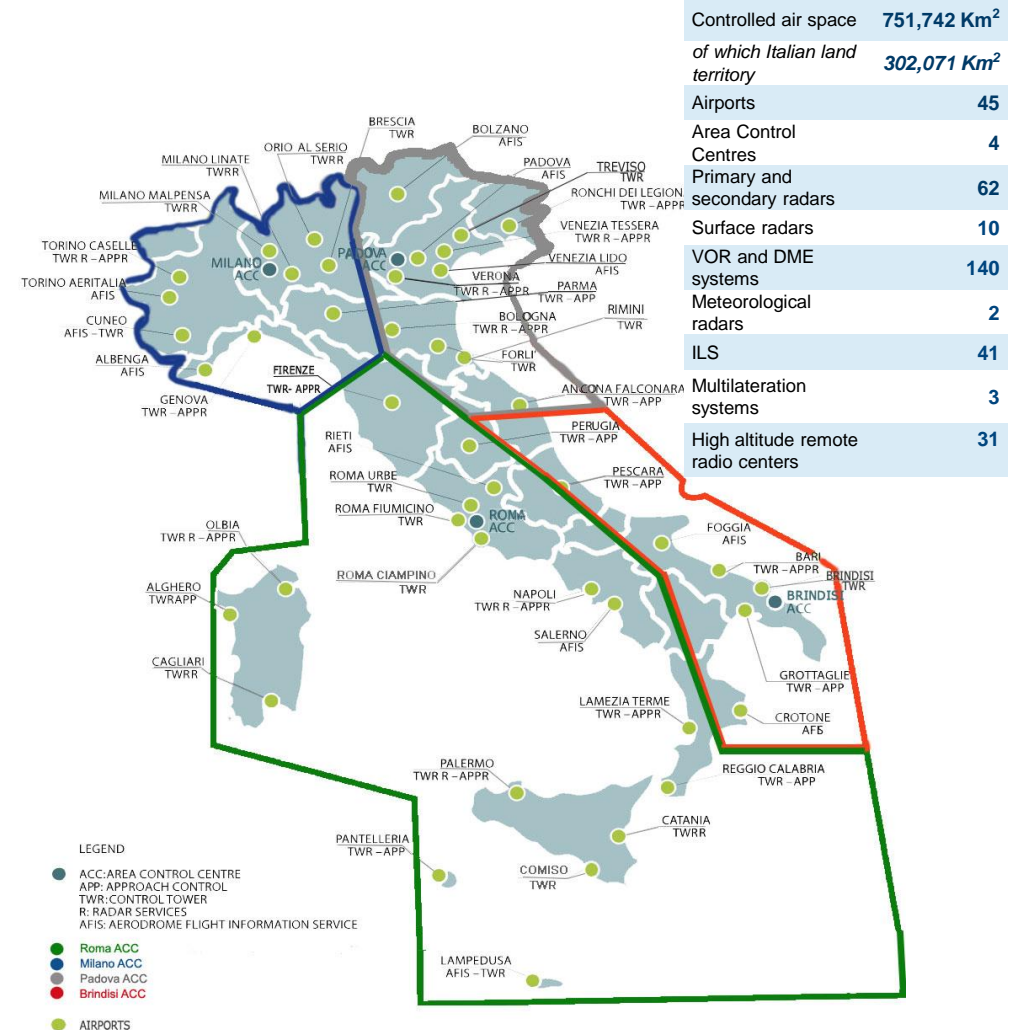


Leading Air Traffic Control Service Provider

- **Only ANSP** worldwide **listed** on a stock exchange
- **Sole provider** of air traffic control and navigation services in Italy **entrusted** by national law **without time limit**
- Supportive **pan-European regulatory framework** with **traffic volume** and **inflation protection mechanism** providing revenue stability
- **Strong and resilient cash flows** with high cash conversion enabling attractive shareholder returns
- **Upside** from small but rapidly growing **non-regulated business**
- **€865m of revenue⁽¹⁾** and **€255m EBITDA** reported in 2016

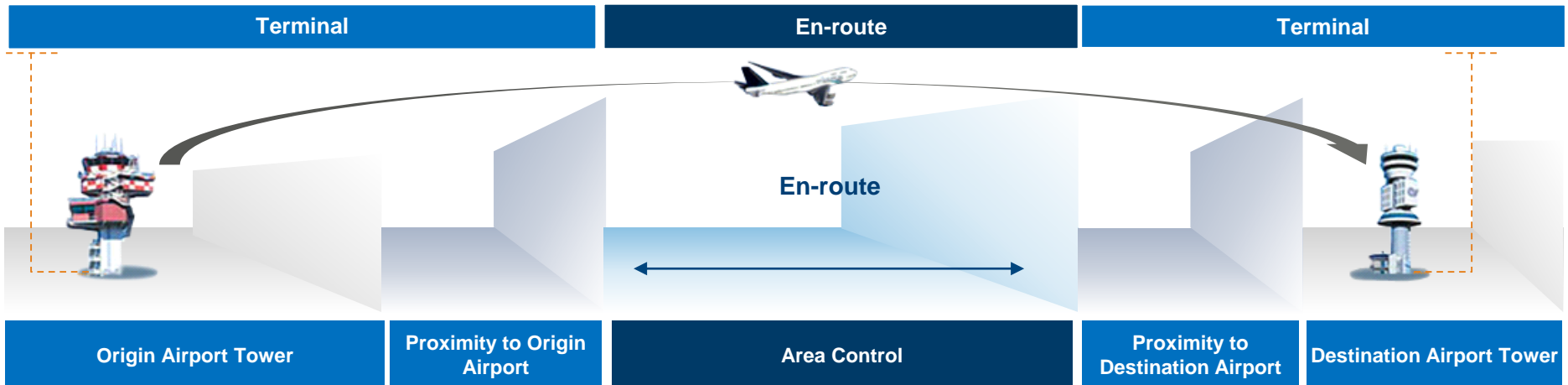


Proprietary Infrastructure Covering Entire Italian Airspace



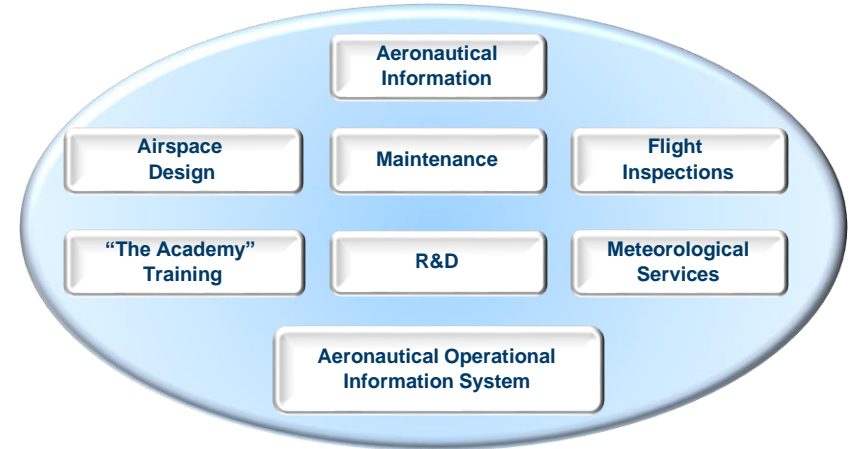
En-route and Terminal Services (Regulated)

- ➔ ENAV's core business is to **manage the regulated Air Traffic Control Services** ("ATCS"), for which it is entrusted by law, 24 hours a-day, 365 days a-year:
 - **"En-route" services:** handling of air traffic crossing Italian airspace managed from **4 Area Control Centres located** in Brindisi, Milan, Padua and Rome
 - **"Terminal" services:** assistance during the phases of approach, takeoff and landing from **45 Control Towers** located throughout Italy and divided into 3 charging zones
- ➔ ENAV Provides ATCS to more than **1.6m flights** per year (with peaks of up to 6,575 per day)
- ➔ ENAV generates regulated revenue by charging the users of its airspace (planes departing and arriving at Italian airports, as well as flights crossing the Italian airspace) a regulated tariff on the volume of airspace used⁽¹⁾



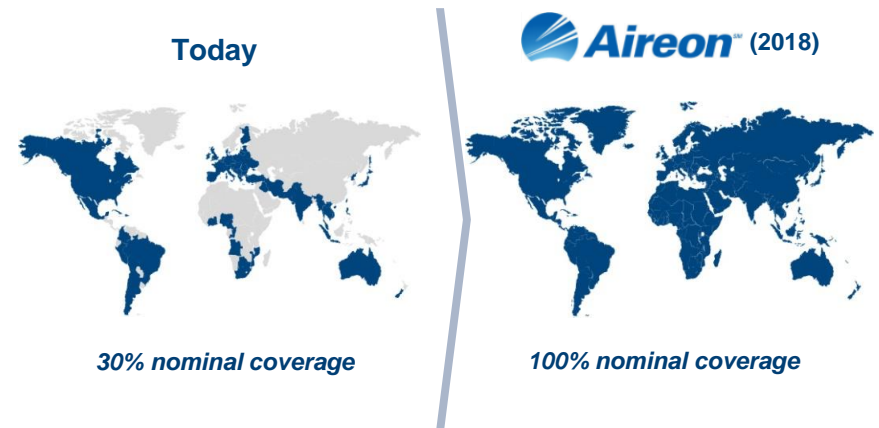
Leveraging on Strong Technical Capabilities to Provide Non-regulated Services to Third Parties

- ENAV provides supporting services to other Air Navigation Service Providers (ANSPs) on a commercial basis, forming an independent source of revenue which is not regulated
- ENAV leverages its significant experience and reputation for promoting development projects worldwide, pursuing further opportunities for growth
- ENAV currently delivering services in Malaysia, Saudi Arabia, Kenya, Albania, UAE and Libya



Investments in New Technologies put ENAV at the Forefront of Innovation in ATC

- **Aireon** is the company set to develop the **first global air traffic satellite surveillance system by 2018**
- **ENAV** is one of the main shareholders with a 12.5% stake ⁽¹⁾
- Prevents air traffic blind spots and allows an **extensive control of all the global routes**. Increases air traffic volumes, route optimisation and exceptional levels of flight safety and efficiency
- **Successful launch and deployment of first 30 satellites** hosting Aireon's space-based automatic dependent surveillance broadcast (ADS-B) system



(1) Total stake in Aireon upon completion of the investment; final tranche of USD 6 million paid in September 2017.

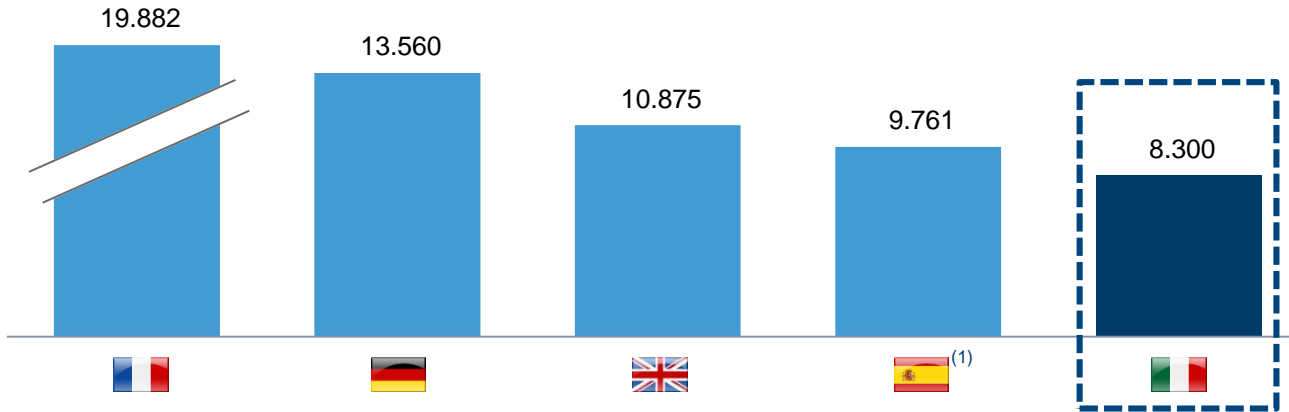


Operating in a Favorable Market Environment



5th Largest Air Navigation Service Provider in Europe

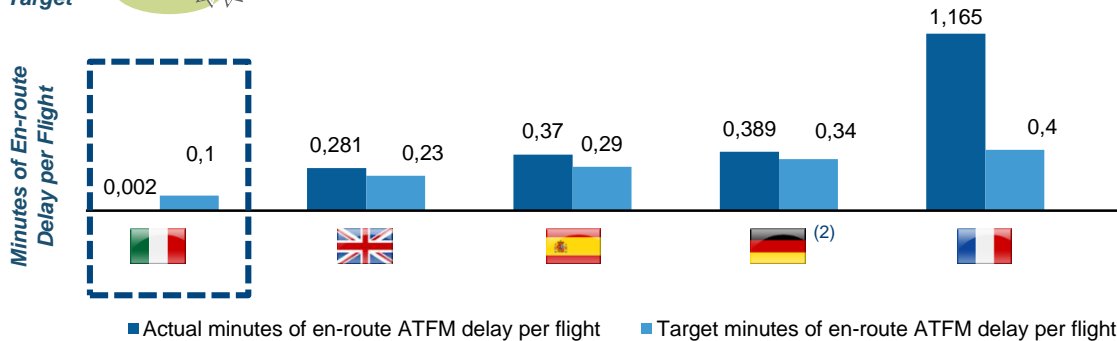
2016 En-route Service Units ('000)



Source: Eurocontrol, February 2017

Performance Quality Leader in Europe (2016)

Actual vs. Target **+98%**



Source: ENAV elaborations on third parties data

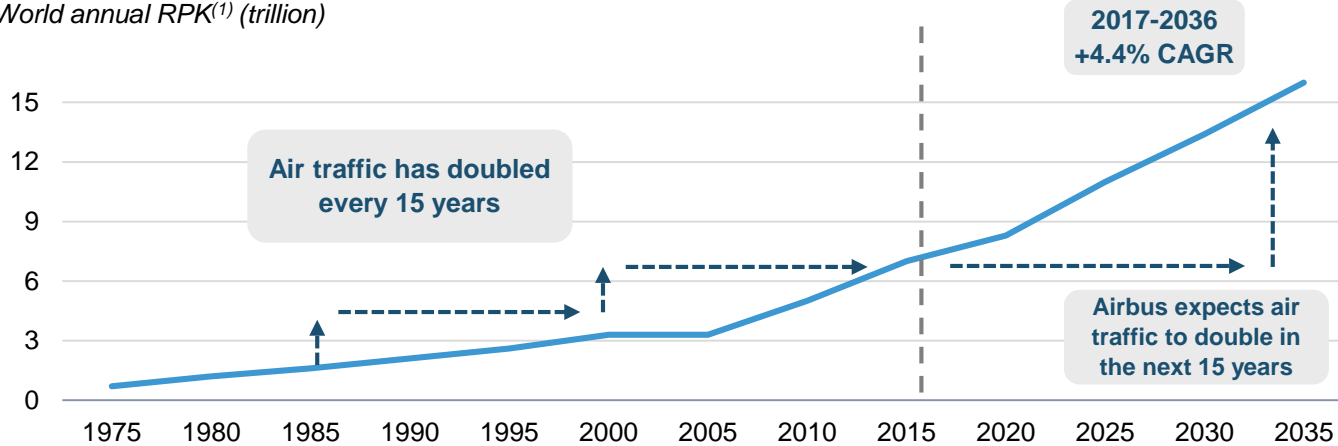
Highlights

- ➔ **Critical Italian aviation asset entrusted by national law without time limit**
- ➔ **5th Largest Air Navigation Service Provider in Europe**
- ➔ **Best-in-class performance** in terms of quality and safety of services
- ➔ **Technological leadership** enhanced through strategic investments

Notes: (1) Refers to continental Spain.
(2) Refers to DFS only

Global Traffic Increase Supporting Service Units Growth in the Medium-long Term

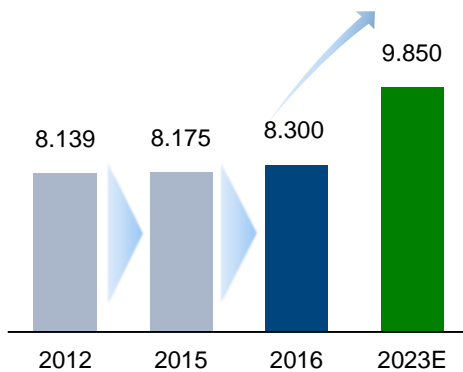
World annual RPK⁽¹⁾ (trillion)



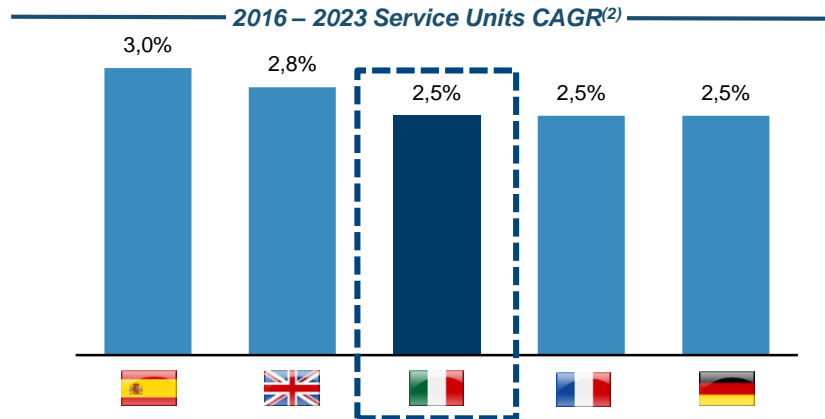
Source: Airbus Global Market Forecast 2017-2036 Growing Horizons

SU growth - Italy vs. European context

Italian En-route Service Units ('000)



European Traffic Growth

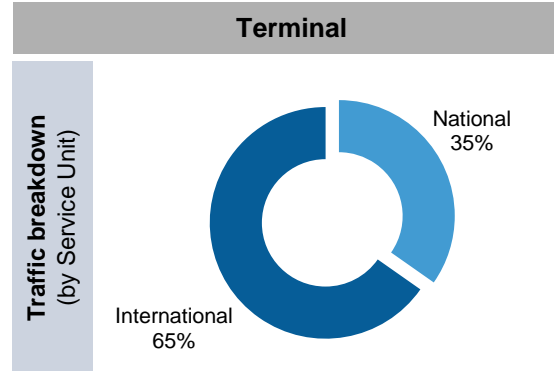
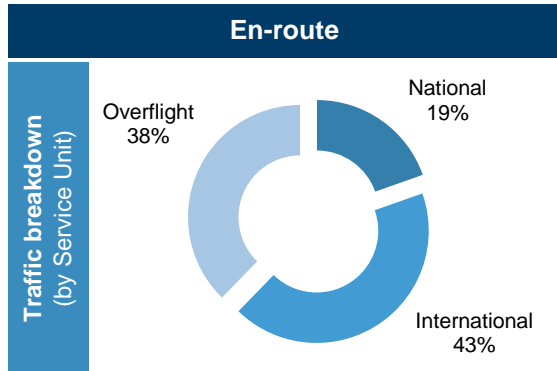


Source: Eurocontrol, September 2017
Website: <http://www.eurocontrol.int/articles/forecasts>

Highlights

- ➔ Independent sources indicate a strong expected **global growth in traffic**
- ➔ **Italy ideally positioned** to benefit from growth in global traffic
- ➔ **Traffic in Italian airspace** is expected to **rebound**
- ➔ **Third fastest growing market** among major countries in Europe based on forecasts for the period 2016-2023

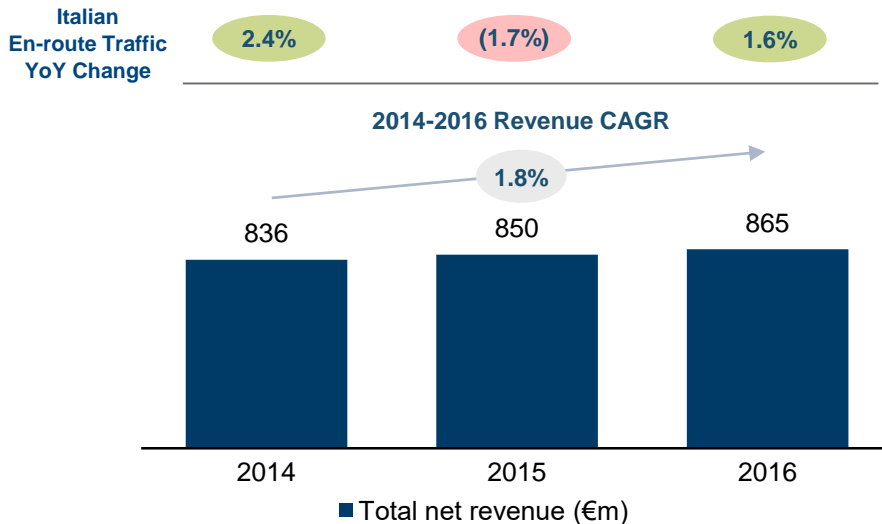
Diversified Business Mix



Highlights

- ➔ **Diversified business mix** with majority of revenues from En-route services and significant revenues from Terminal services
- ➔ **Over 80%** of en-route traffic from **international** and **over-flights**, resulting in limited exposure to Italian GDP

Volume Risk Protection Provides Revenue Resilience



Top 10 Customers⁽²⁾



- ➔ **Diversified customer base** from **different geographies**
- ➔ **Collection managed by Eurocontrol** on a monthly basis
- ➔ **Stable revenue profile** even in challenging macroeconomic scenario

En-route (75% of regulated revenues ¹)		
		Potential upside
Traffic Risk	Mitigated (70% protection between $\pm 2\%$ and $\pm 10\%$) (full protection for traffic beyond $\pm 10\%$)	✓
Inflation Risk	Full cost recovery	✗
Opex	Upside on Opex efficiencies above regulatory target fully retained by the Company	✓
Capex/D&A	Upside on Capex efficiencies above regulatory target fully retained by the Company	✓
Performance quality (Bonus / Malus)	Bonus / Malus mechanism depending on achievement of quality targets	✓

- ➔ Visibility through 5-year regulatory period
- ➔ Strong traffic risk mitigation
- ➔ Significant room for upside on Opex and Capex in regulated business
- ➔ Full inflation risk protection
- ➔ Additional revenue upside / downside on performance quality targets (minutes of delay per assisted flight)
- ➔ Full upside from non-regulated activities

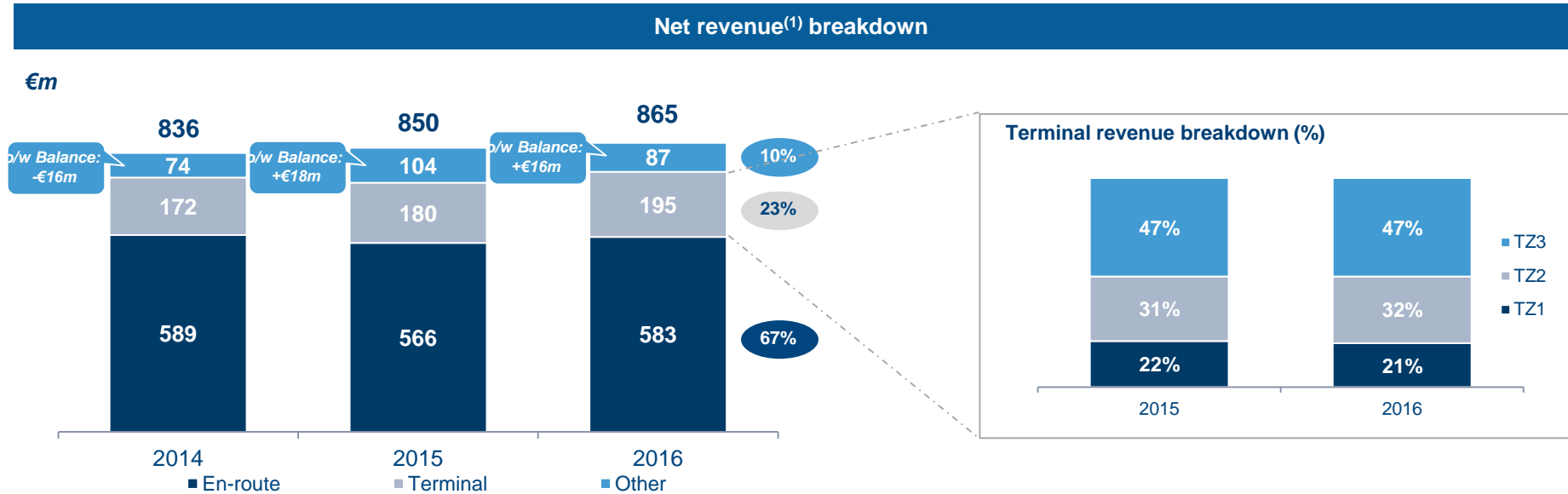
(1) Based on 2016 total en-route and terminal revenues pre-balance including exemptions

Terminal (25% of regulated revenues ¹)						
Charging Zone	% of regulated revenues ⁽¹⁾	Description	Airports	Charging regulation	Difference from en-route	
PERFORMANCE AND CHARGING SCHEME	Terminal zone 1	5%	Airports with more than 225,000 IFR ⁽²⁾ movements	<ul style="list-style-type: none"> ▪ Rome Fiumicino 	Subject to traffic risk sharing and cost risk from 2015, full protection on inflation	Same as en-route
	Terminal zone 2	8%	Airports with more than 70,000 and less than 225,000 IFR ⁽²⁾ movements	<ul style="list-style-type: none"> ▪ Milan Linate ▪ Milan Malpensa ▪ Venice ▪ Bergamo 	Subject to cost risk from 2015 (full protection on traffic and inflation)	Same as en-route but full traffic protection
NATIONAL LAW	Terminal zone 3	12%	Airports with less than 70,000 IFR ⁽²⁾ movements	Other airports: <ul style="list-style-type: none"> ▪ 40 ENAV ▪ 4 Italian Air Force 	Subject to the national regulatory framework (full cost recovery) including inflation	Full cost recovery

(1) Based on 2016 total en-route and terminal revenues pre-balance including exemptions
 (2) Instrumental Flights Rules



Focus on Efficiency to Drive Cash Flow and Shareholder Returns



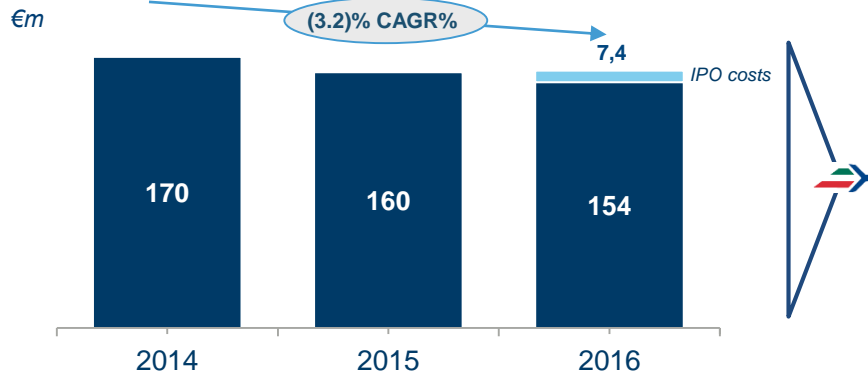
- Main drivers of ENAV's **net revenue** are En-route and Terminal businesses:
 - **En-route revenue** is driven by traffic, in terms of service units i.e. a function of the certified weight of the aircraft and distance flown in the Italian airspace, multiplied by the tariff applied for the year (for 2017 €80.00 per SU)
 - **Terminal revenue** is driven by traffic, in terms of service units i.e. a function of the certified weight of the aircraft, multiplied by the different tariffs applied for each of the 3 Terminal zones
- **Non-regulated** revenue includes activities provided on a commercial basis in Italy and abroad – examples include flight inspections in Saudi Arabia, Kenya and Uganda; training and certification for Libyan air traffic controllers; airspace design in UAE, independent checking consultant activities for the Kuala Lumpur ACC in Malaysia and the building of a control tower in Mitiga airport in Libya
- The **balance** component includes the net effect of traffic risk protection, inflation protection, bonus on performance, offset by the negative reversal of balance applied to the tariff of the year
- **Other Operating Revenue** mainly includes opex contributions for Safety and Security (under law 248/05) (c.€30m per year), equipment grants (€10m in 2016), European financing related to common projects (€9m in 2016)

(1) Sales net of capex contribution (€9.7m in 2016, €9.3m in 2015)

(2) Other includes balance, tariff stabilization funds in 2015, non-regulated activities, opex contributions,

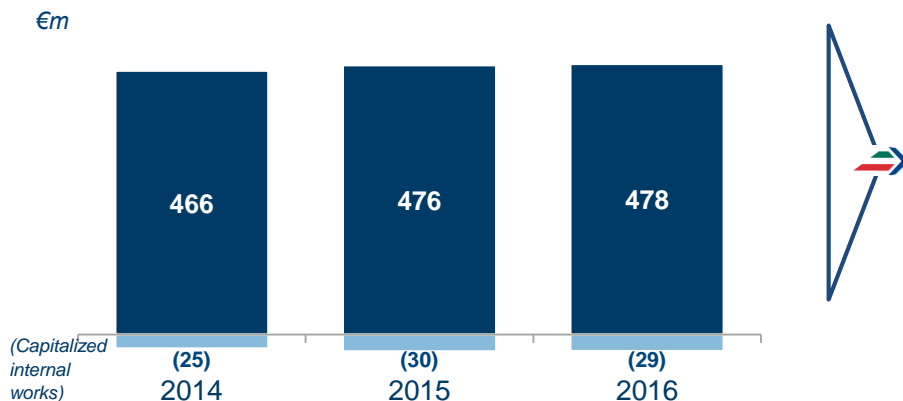
exemptions and other income.

Significant Reduction of External Opex



- Efficiency plan, initiated prior to IPO, delivering solid results with an underlying reduction of 3.2% over the last 3 years
- Main external cost items include:
 - Telecommunications & Utilities – cost reduced by €6.4m over 2014-2016
 - Eurocontrol contributions – charges based on billed traffic and included in tariff
 - Insurance – contract renegotiated in June 2016 with an annualized run rate saving of over €4m with the same coverage
 - Maintenance costs – reduced by almost €3m in 2016 vs 2015

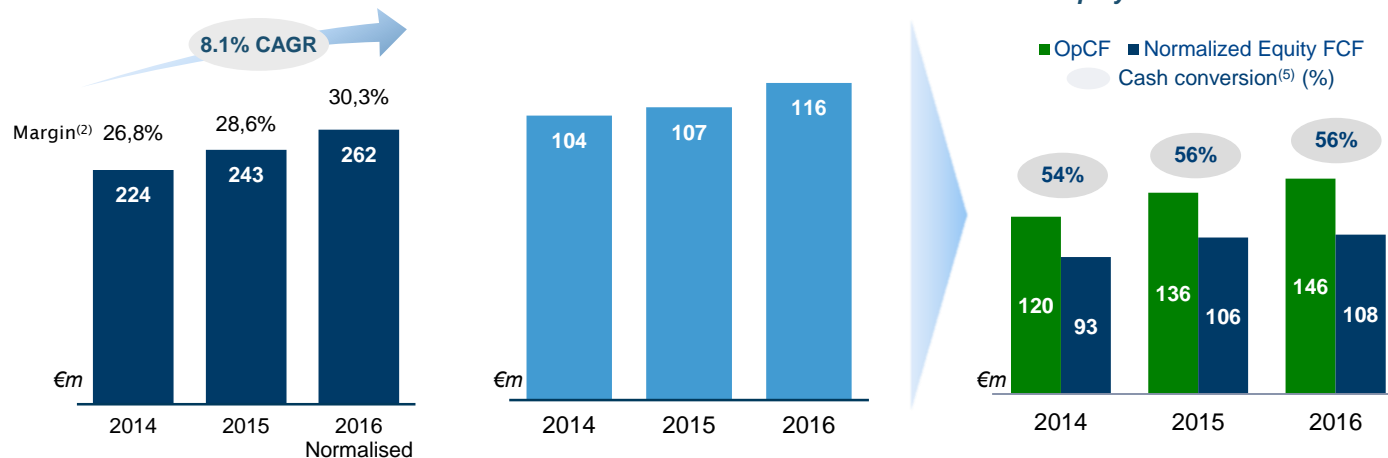
Personnel Costs



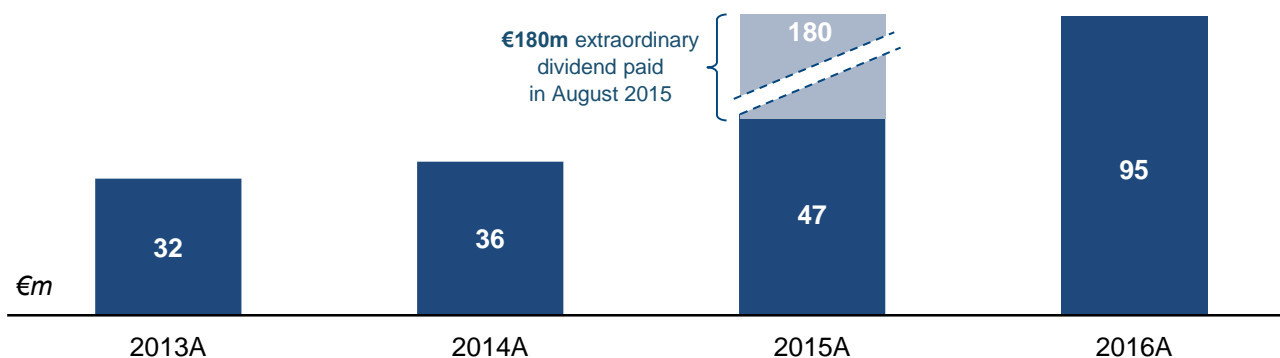
- Personnel Cost stabilized over last couple of years despite growth in traffic in 2016, wider perimeter of airports managed (41 at beginning of 2014 to 45 at end of 2016) and significant expansion of non-regulated business
- Approx. 4,250 employees, expected to remain stable notwithstanding increase in traffic and non-regulated business
- Voluntary redundancy plan initiated in 2015 and finalised in first half of 2017, significant reduction of managerial staff
- New hirings mainly focused on low traffic volume airports with lower unit cost of staff on these airports
- Labor contract expired at end of 2016, renewal discussions at early stages, old contract remains in force until new one is in place

Growing and Resilient Cash Flow Generation

Growing EBITDA and Profitability Normalizing Capex vs. Historical Levels⁽¹⁾ Operating Cash-Flow⁽³⁾ and Normalized Equity FCF⁽⁴⁾ Evolution



Increasing Historical Dividend Distribution



- **Significant EBITDA growth** over last 3 years, with growing EBITDA and margin despite the weak macroeconomic environment
- **Capex normalising** at levels in line with previous years
- Resulting in a **strong and increasing operating cash flow** ⁽³⁾
- **Growing historical dividend distribution** with **clear dividend policy** going forward of **no less than 80% of Equity FCF** ⁽⁶⁾


▪ **€95.3m dividend paid in 2017 (€0.176 per share), guidance of 4% DPS growth in 2018 (on 2017 results)**



 Growing core en-route and terminal businesses leveraging on positive traffic growth outlook

 Developing non-regulated business with new contracts signed in key markets

 Maintain leadership role in ATM innovation with pipeline of new technologies

 Enhance cash flow through cost efficiency and capex normalization

 Playing active role in the European air transport ecosystem

Deliver Attractive Return to Shareholders

- €95.3 m dividends in 2017 (based on 2016 results) equal to €0.176 per share
 - Guidance for 4% growth in DPS in 2018
- No less than 80% of the Equity FCF⁽¹⁾ for the following years

Note: (1) Equity FCF calculated as net income + D&A gross of capex contribution – normalized capex.

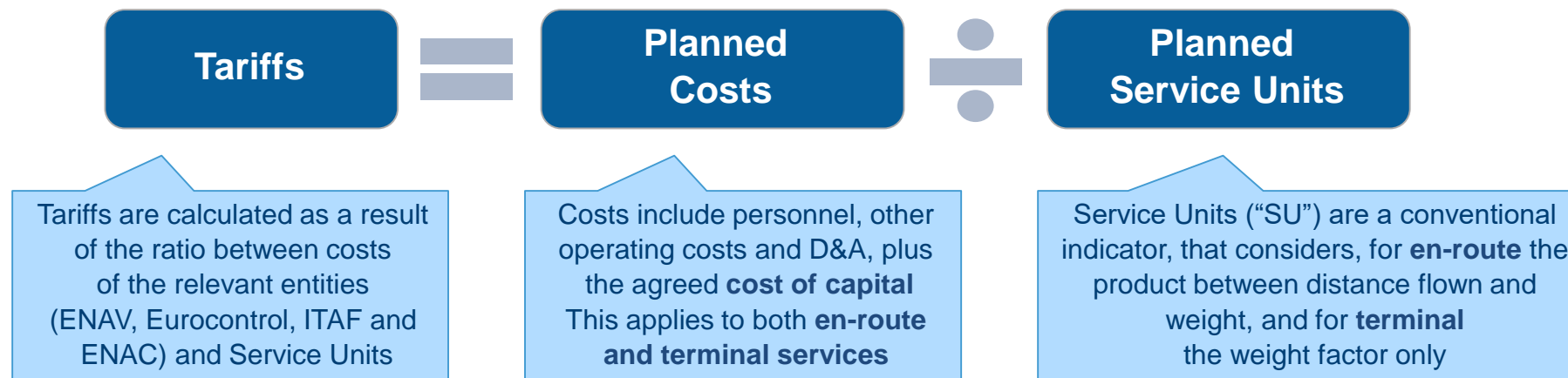


Appendix



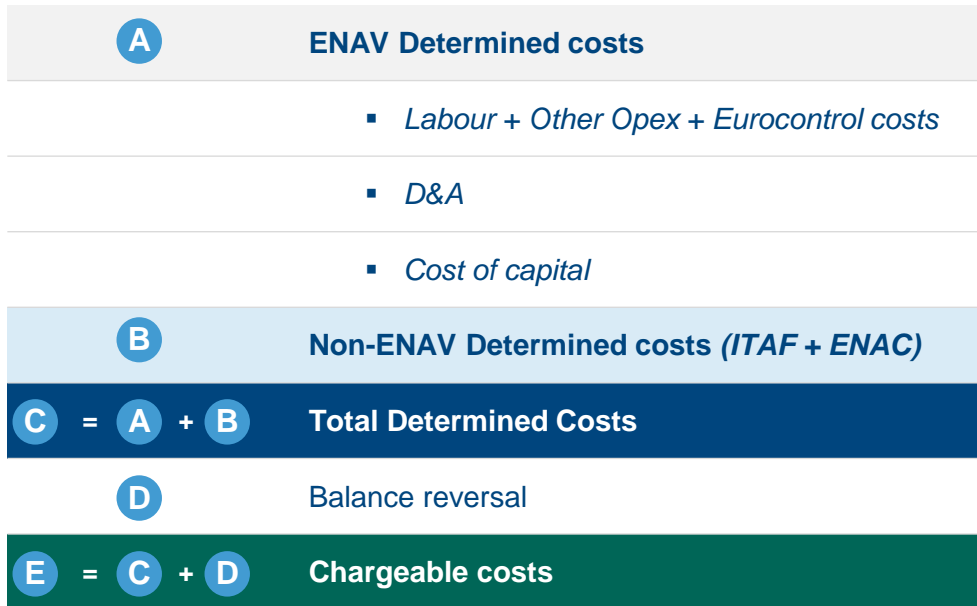
Well Diversified Customer Base ⁽¹⁾		Commentary
RYANAIR	15%	<p>➔ Broad customer base which includes carriers from diversified geographies</p> <p>➔ Balanced exposure towards low-cost and full-service airlines</p> <p>➔ Empty routes get quickly taken up by competitors</p> <p>➔ Collection managed by Eurocontrol on a monthly basis</p> <p>➔ En-route services can be discontinued by the competent Authorities to carriers who do not pay Eurocontrol</p>
Alitalia	13%	
easyJet	6%	
TURKISH AIRLINES	4%	
vueling	4%	
Lufthansa	3%	
AIRFRANCE	2%	
SAUDIA	2%	
Emirates	2%	
Wizz	2%	
Meridiana fly	2%	
VOLOTEA	2%	
airmalta	2%	
airberlin	2%	
BRITISH AIRWAYS	2%	
AEGEAN AIRLINES	1%	
الخطوط التونسية TUNISAIR	1%	
QATAR	1%	

- ➔ The system adopted by all Air Navigation Service Providers of the Member States provides for the **payment of a tariff for both en-route and terminal services**
- ➔ Tariffs are determined **as planned costs divided by planned traffic volumes** (measured as “Service Units”):

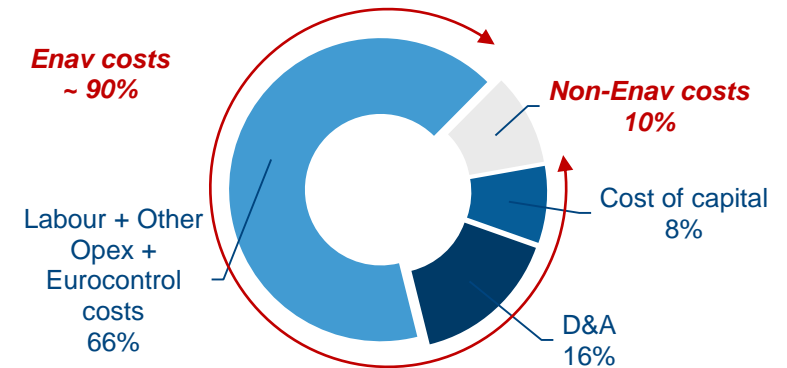


- ➔ Over the 5-year regulatory period (currently RP2: 2015-2019) tariffs are determined on the basis of a **cost efficiency target level agreed with the European Commission**, taking into account also **expected inflation and traffic expected growth**
- ➔ **Tariffs, multiplied by actual traffic volumes** (actual SU) lead to **regulated revenues**

Total Cost Base calculation (chargeable costs)



Determined costs breakdown (2015)



Cost efficiency target is applied to DUC in real terms ⁽¹⁾

$$\text{Total Determined Costs} \div \text{Planned SU} = \text{Determined Unit Costs (DUC)}^{(2)}$$

$$\text{Chargeable Costs} \div \text{Planned SU} = \text{Applicable tariff}$$

$$\text{Applicable Tariff} \times \text{Actual SU} \times \% \text{ Applicable to ENAV}^{(3)} = \text{En-route revenues}^{(4)}$$

Timing of set up

Beginning of regulatory period (for all the RP)

November of each year (year n+1)

(1) Please see slide "En-route Tariff – Efficiency Target for DUC in RP2" for additional details
 (2) In nominal terms. Please see slide "En-route Tariff – Efficiency Target for DUC in RP2" for additional details

(3) I.e. excluding % referring to ITAF + ENAC
 (4) Including exemptions

Performance Plan: key economic assumptions⁽¹⁾

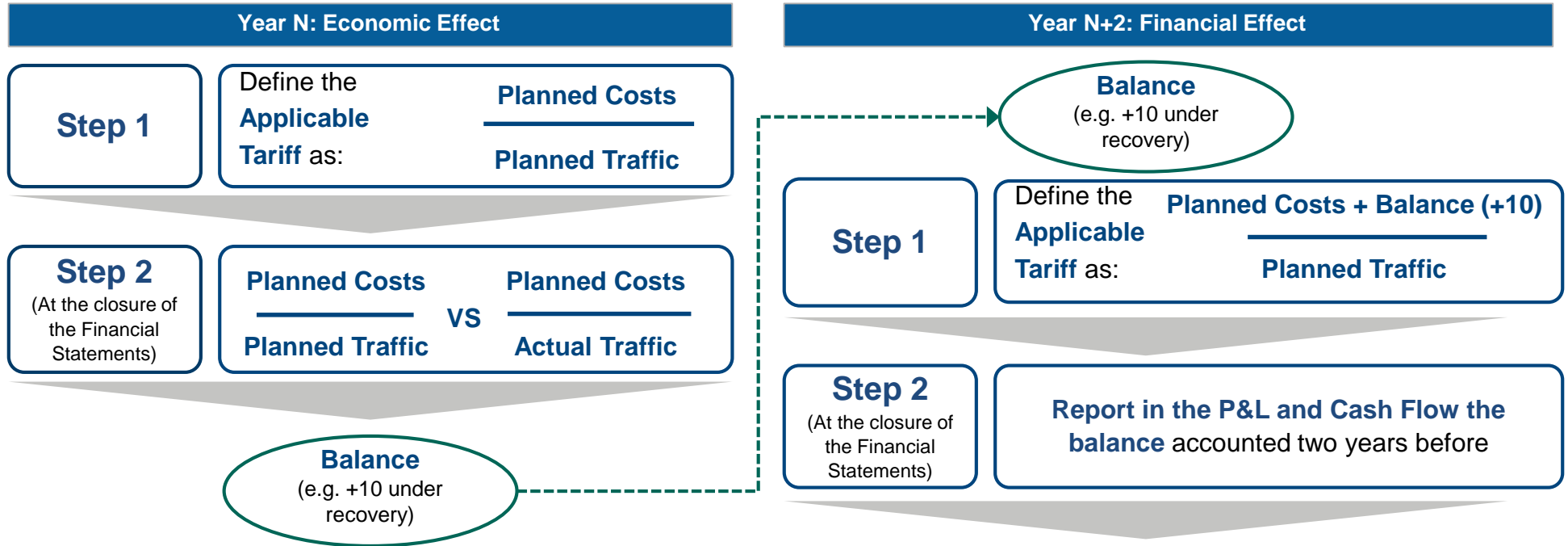
- ➔ The level of efficiency, agreed with the European Commission and officially approved via the Executive Decision of European Commission 599/2016, is on average 3.3% per year in the 2014-2019 period (DUC in real terms)
- ➔ Based on planned inflation, **DUC (nominal) would decrease** on average by 2.0% per year
- ➔ Considering the planned traffic increase based on regulatory projections (CAGR 2014-2019 +3.6%), **Determined Cost base** (ENAV, Enac and ITAF) is expected to grow at 1.5% in nominal terms

		2014 ⁽²⁾	2015	2016	2017	2018	2019	CAGR 2014 - 2019
Total Determined Costs (€m)	(A)	657	675	694	712	711	707	1.5%
Planned SU (m)	(B)	8.3	8.6	8.9	9.2	9.6	9.9	3.6%
DUC - Nominal terms (€)	(C) = A/B	79.1	78.8	78.2	77.3	74.4	71.4	(2.0%)
Planned Inflation			1.0%	1.1%	1.3%	1.5%	1.6%	
Inflation Index (2009=100)	(D)	109.7	110.8	112.0	113.5	115.2	117.0	1.3%
DUC - Real terms 2009 (€)	(E) = C/D	72.1	71.2	69.8	68.1	64.6	61.0	(3.3%)

Source: Executive Decision of European Commission 599/2016.

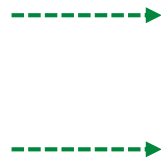
(1) In compliance with regulation setting guidelines for the calculation of performance and tariffs (EU Reg. 390/13 and 391/13).

(2) Target are defined for 2015-2019 period, considering 2014 as the starting point.



Profit & Loss		
Other revenues	Balance	+ 10

Cash flow impact		
Cash flow	Balance	0



Profit & Loss		
Other revenues	Balance N - 2	- 10

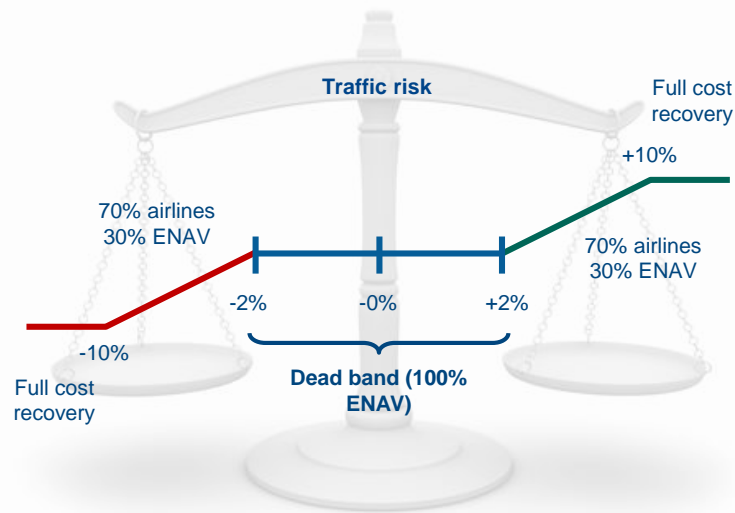
Cash flow impact		
Cash flow	Balance N - 2	+ 10

Key principles

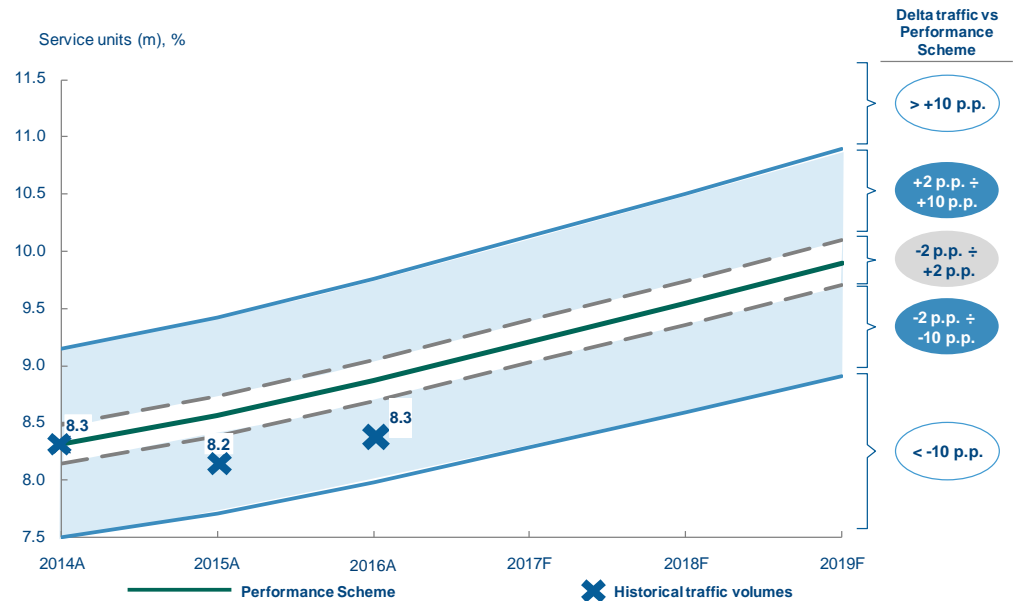
➔ Deviation between **planned traffic from Performance Scheme** and **current traffic** leads to a **traffic risk** borne:

- **Entirely by ENAV** if the delta is **within the +/- 2%** range
- **30% by ENAV** and **70% by airlines** if the delta is within:
 - -2% / -10% or
 - +2% / +10%
- **100% by airlines** if the delta is **< -10% or > +10%**

Impact Deviation of Planned and Actual Traffic



En-route Traffic in Italy: Planned Traffic set up by the regulator vs. Current Traffic



€m	2014A	2015A	2016A	CAGR 2014-2016
Net Sales	836	850	865	1.7%
En-Route	589	566	583	(0.4)%
Terminal	172	180	195	6.7%
Other ⁽¹⁾	74	104	87	7.2%
Operating costs	(612)	(607)	(610)	(0.2)%
Personnel costs	(466)	(476)	(478)	1.3%
Other net operating costs	(146)	(131)	(132)	(4.9)%
EBITDA	224	243	255	6.1%
% Margin	27%	29%	30%	
% Growth	(6%)	9%	5%	
D&A	(156)	(146)	(142)	
Capex contribution	12	9	9	
Provisions and writedowns	(7)	(12)	(5)	
EBIT	73	93	117	26.6%
% Margin	9%	11%	13%	
% Growth	(22%)	28%	25%	
Net finance expenses	(6)	2	(2)	
Profit before income taxes	67	96	115	31.0%
Income taxes	(27)	(30)	(38)	
% of profit before taxes	41%	31%	33%	
Profit for the year	40	66	76	37.8%
% Growth	(19%)	65%	16%	

Enav tax rates:

- 27.5% IRES down to 24% in 2017
- 4.78% IRAP

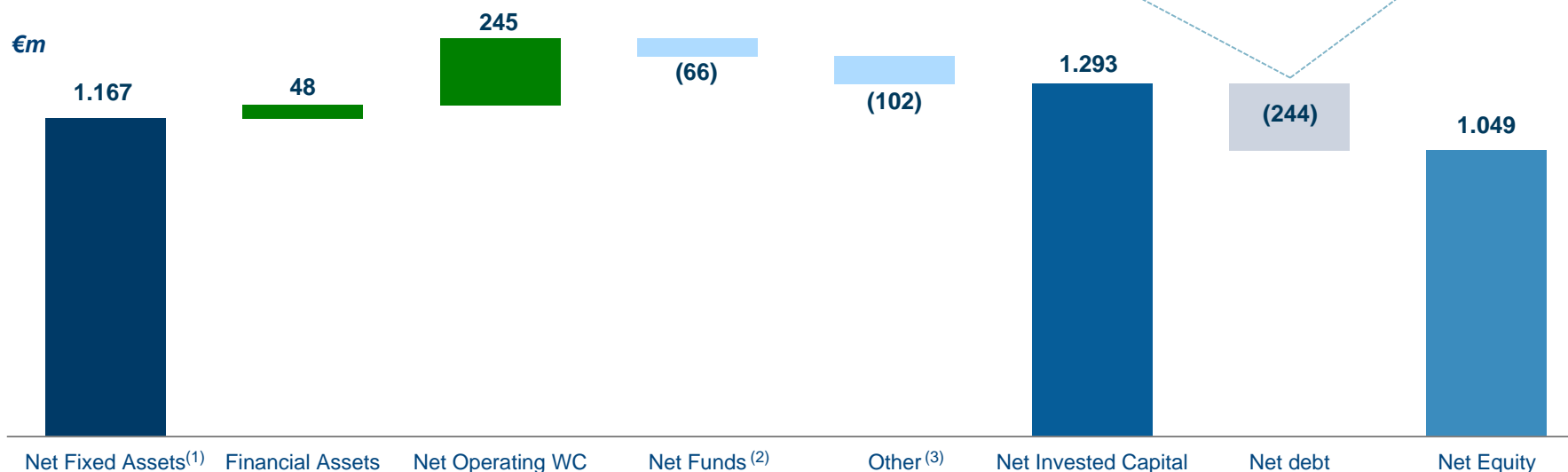
(1) Other includes balance, tariff stabilization funds, non regulated activities, opex contributions, exemptions, European financing and other income.

€m	2014A	2015A	2016A
Revenues	848	859	875
<i>Capex contribution</i>	(12)	(9)	(10)
Net Sales⁽¹⁾	836	850	865
<i>% Growth</i>	(0.5%)	1.7%	1.8%
En-Route	589	566	583
Terminal	172	180	195
Other	74	104	87
<i>Balance</i>	(16)	18	16
<i>Stabilization funds</i>	24	20	--
<i>Non regulated activities</i>	13	11	15
<i>Other net revenues</i>	53	54	56
<i>Opex contributions</i>	32	31	31
<i>Route and terminal exemptions</i>	14	14	13
<i>European financing</i>	5	6	9
<i>Other income</i>	3	3	2
Operating costs	(612)	(607)	(610)
<i>% Growth</i>	1.6%	(0.9%)	0.6%
Personnel costs	(466)	(476)	(478)
Other costs, net	(146)	(131)	(132)
<i>Services costs</i>	(153)	(142)	(142)
<i>Purchasing costs</i>	(7)	(10)	(9)
<i>Costs of rents and leases</i>	(7)	(6)	(6)
<i>Other operating costs</i>	(3)	(3)	(4)
<i>Capitalized internal works</i>	25	30	29
EBITDA	224	243	255

(1) Revenues net of capex contribution.

- **Solid capital structure** and financial metrics providing strong financial and operating flexibility
- **Financial assets** include investment in Aireon, current shareholding of 8.63% growing to 12.5% at end of 2017
- **Debt** mainly composed by bond issued in August 2015, due in 2022, as well as European Investments Bank and Unicredit facilities

	Maturity		Total debt outstanding/cash (€m)
	Current (<1 year)	Non-current	
Total Debt	34	284	318
Cash & Equivalents			73
Financial Receivables			1
Net Debt			244
Net Debt / 1H 17 LTM EBITDA			0.9x



(1) Net fixed assets include tangible and intangible assets
 (2) Net funds include employee benefits and provision for risks
 (3) Other includes other current and non-current assets and liabilities

€m	2014A	2015A	2016A
Property, plant and equipment	1,126	1,084	1,056
Intangible assets	125	122	123
Investments	26	35	36
Other non-current assets and liabilities	35	67	84
Liability for employee benefits	(60)	(58)	(57)
Net fixed capital	1,252	1,250	1,242
Inventories	62	62	61
Trade receivables	232	234	227
Trade payables	(128)	(128)	(132)
Provisions for risks and charges	(13)	(14)	(11)
Other current assets and liabilities	(63)	(124)	(167)
Net working capital	90	29	(23)
Net invested capital	1,342	1,279	1,221
Shareholders' equity	1,234	1,091	1,120
Net financial position	108	189	100
Total funding	1,342	1,279	1,221

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