



PRESS RELEASE

THE BOARD OF DIRECTORS APPROVES THE CONSOLIDATED HALF-YEARLY FINANCIAL REPORT OF 30 JUNE 2017

DATA EXCEED FORECASTS: STRONG GROWTH FOR EBITDA (+31%), EBIT (+51%) AND NET INCOME OF THE GROUP (+29%)

THE RESULTS OF THE FIRST HALF OF THE YEAR DO NOT INCLUDE THE LICENSES OF WARSAW, ROME AND RIO DE JANEIRO FOR WHICH OPERATIONS ARE FORECASTED TO BE INITIATED BY THE END OF 2017

Milan – 26 September 2017

Consolidated economic/financial results as of 30 June 2017:

<i>(figures in Mil. €)</i>	Consolidated first half at June, 30 2017				Budget (annual)
	1H2017	1H2016	Change		2017
			17-16	%	
Revenues	13,0	11,9	1,1	10%	29,9
EBITDA	1,9	1,5	0,4	31%	5,0
EBIT	1,7	1,1	0,6	51%	4,2
Net Profit	1,1	0,8	0,2	29%	2,7
			Change		
	1H2017	FY2016	17-16	%	
NFP (Cash)	0,7	0,5	0,2	46%	-0,9
Short Term NPF (Cash)	-1,5	-2,8	1,3	-47%	
Weighted average duration of the concession portfolio (years)	4,0	3,8	0,20	5%	

A summary comparison between 30 June 2016 and 30 June 2017 is illustrated below:

- REVENUES equal to 13 million Euro, up 10%;
- EBITDA increased from +1.5 to +1.9 million Euro, up by 0.4 million Euro (+ 31%) and exceeding forecasts given that the half-yearly figure historically represents 35% of the annual total;



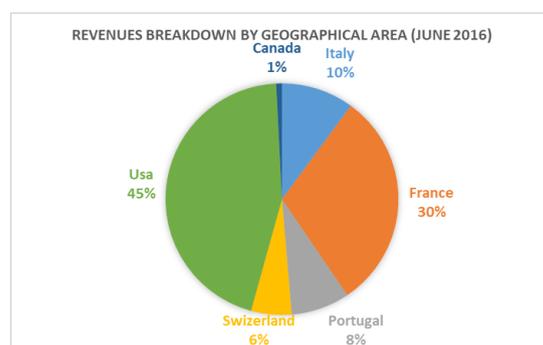
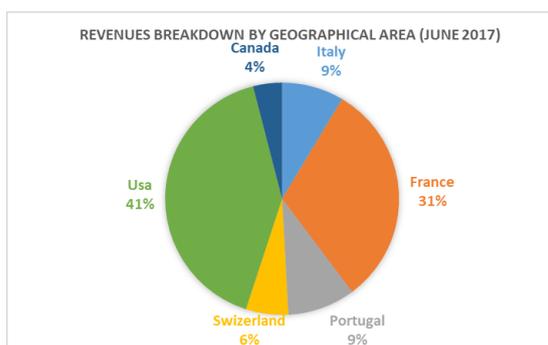
- EBIT increased from +1.1 to +1.7 million Euro, up by 0.6 million Euro (+ 51%);
- Net income increased from +0.8 to +1.1 million Euro, up by 0.3 million Euro (+ 29%);
- NFP increased from 0.5 to 0.7 million Euro, an increase of 0.2 million Euro (+ 46%) compared to the same figure on 31 December 2016;
- Weighted average duration of the portfolio of contracts: four years.

The results of the first half of the year do not include the licenses of Warsaw (Poland), Rio de Janeiro (Brazil) and Rome (Italy, with 6 additional sales points) for which operational start-up is forecasted within the end of the second half of the year.

Main consolidated economic results as of 30 June 2017

Consolidated revenues as of 30 June 2017 amounted to 13 million Euro, an increase of circa 10% compared to 30 June 2017, including four percentage points which are ascribable to Canada - whose revenues are derived from six months of operations while in the the previous year activities had just begun – as well as six percentage points of growth in the markets of France and Portugal given a constant scope of consolidation.

An analysis of revenues by geographical area confirms extensive international diversification in the first half of 2017, with the United States as the Group's first market, although it decreased with circa 41% of revenues; France is the second market with approximately 31% of revenues, Italy and Portugal respectively with 9%. Next there is Switzerland with about 6%, and finally Canada, with a significant increase and about 4%.



EBITDA amounted to approximately **1.9 million Euro**, an increase of 0.4 million Euro (+ 31%) compared with the same figure for 2016. This increase is mainly **attributable** to the optimal performance of the **airports in France, Portugal and Canada**.

EBIT was positive by circa **1.7 million Euro**, an increase of 0.6 million Euro (+ 37%). This result was not only determined by the aforementioned factors affecting EBITDA but also by



depreciation, amortization, allocations and write-downs totaling 0.4 million Euro and the de-consolidation of the Spanish subsidiary which resulted in a proceed of 0.2 million Euro.

Net income was positive by circa 1.1 million Euro, up by 0.3 million Euro (+ 29%).

Net financial indebtedness (NFP) varied by circa 0.2 million Euro compared to 31 December 2016 and increased from 0.5 million Euro to 0.7 million Euro, an effect which was primarily due to the decrease in payables due to suppliers and totaling circa 1.5 million Euro.

If included in the NFP calculation, cash deposits in banks for the issue of sureties presented to airports as well as all security deposits within the airports where the company operates would result in an **Adjusted NFP that is positive by circa 14 thousand Euro**.

Primary events of the first half of 2017

In April 2017, Safe Bag communicated that it had taken over- for the next five years, as of 1 May – the local operator in order to supply its integrated offer of services for travellers (including the baggage wrapping service and baggage tracking, jointly referred to as the Premium Package, Travel Goods and Weigh and Save services) within Vancouver International Airport.

The latter is currently –after Toronto – the second most important airport in Canada with more than 17 million passengers (cumulative) in 2016, an increase of 6.8% in January and February 2017 compared to the same two month-period of 2016 Following the entry into Montreal in June 2016, Vancouver, an important airport of the North American west coast, represents the second largest airport in Canada for Safe Bag.

In May 2017, Safe Bag communicated that it had renewed – for an additional three years – its integrated offer of solutions (baggage wrapping, tracking through Safe Bag 24 and sale of Travel Goods) within Olbia airport.

The latter – where Safe Bag has been present since 2002 – is the second most important airport of Sardinia, with a 4% growth in the first three months of 2017 compared to the same period in 2016.

Again in May 2017, Safe Bag won the tender for the supply of its integrated offer of services for travellers within the international airport of Warsaw (Warsaw Frédéric Chopin Airport); operations will be initiated as of next October and with a slight deferment compared to the previously announced date of 1 July (refer to the press release of 22 May 2017) following a request from the airport itself. The duration is indefinite.

Warsaw is the most important airport in Poland with circa 13 million passengers (cumulative) in 2016, and with strong growth in the first quarter of 2017 of + 28.5% compared to the same quarter of 2016.

In June 2017, Safe Bag signed a contract for the supply of its integrated service offer for travellers within Ottawa International Airport (Ottawa Macdonald-Cartier International Airport), with operations to be initiated in June 2017.

Primary events after the first half of 2017



In July 2017, Safe Bag was awarded lot no. 1 of the tender called for the assignment, in sub-licensing, of the areas for “baggage wrapping” activities within the airports of Rome, “Leonardo da Vinci” in Fiumicino and “G.B. Pastine” of Ciampino.

Lot no. 1 includes six sales points within Terminal 3 of the Landside Departures of the Leonardo da Vinci Airport in Fiumicino.

The latter is the primary Italian airport with more than 41 million passengers in 2016.

Again in July 2017, Safe Bag renewed the sub-licensing – for an additional five years – of the areas allocated for the supply of its integrated offer of solutions (baggage wrapping, tracking through Safe Bag 24 and sale of Travel Goods) within the “Marco Polo” airport of Venice.

In September 2017, Safe Bag signed a temporary contract for the supply of its integrated offer of services for travellers within the international airport of Rio de Janeiro (Galeão – “Antônio Carlos Jobim”).

This contract provides for a start of operations by the end of September 2017 and will have a temporary duration up until the new tender which will be held in 2018.

The airport of Rio de Janeiro is the largest in Brazil, with circa 16 million passengers (cumulative) in 2016, an increase with respect to 2017.

“In light of the excellent half-yearly results as well as the recently acquired licenses, we are confident that we will fully attain the economic and financial objectives for 2017; in addition, we believe – on the basis of the pipeline of tenders for 2018 – that we can increase the forecasted figures within the 2018-2020 Industrial Plan of Safe Bag”, noted **Alessandro Notari, CEO of Safe Bag**.

“The excellent performance is the result of systematic growth – declares **Rudolph Gentile, the Chairman of Safe Bag** – which is due to the renewed enthusiasm and team spirit of the entire corporate group”.

Safe Bag, founded in 1997 by Rudolph Gentile and guided by him together with the CEO Alessandro Notari, is the leader in the luggage protection and tracing service for airport passengers, through an integrated portfolio of solutions for passenger safety and comfort: luggage wrapping; traceability, reimbursement in the event of loss or damage to luggage, travel products and accessories.

The company has been listed on the Italian Stock Exchange Borsa Italiana –AIM segment – since September 2013.

Safe Bag, with headquarters in Gallarate (VA), has around 400 collaborators at global level, with around 2 million customers, and is present in the airports of Italy, France, Portugal, Switzerland, USA, Canada, Poland, Brazil with around 80 points of sale.

The Group closed 2016 with a turnover of around 26.5 million euro. www.safe-bag.com/it/



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