

CONFINDUSTRIA BERGAMO

October 2018



Connectivity: A euphemism for restraints and limitations

Direct Connections are what matter



Direct Connections





Growing Connections – Low Fares

	Avg. Fare	Change	% > Ryanair
Ryanair	€39	-3%	
Wizz	€46	-5%	+18%
easyJet	€60	-2%	+54%
Norwegian	€80	+4%	+105%
IAG	€193	-2%	+395%
Lufthansa	€196	-3%	+403%
AF/KLM	€213	-1%	+446%
Avg Competitor Fare	€131		+236%



(Source: FY results/Annual Reports)



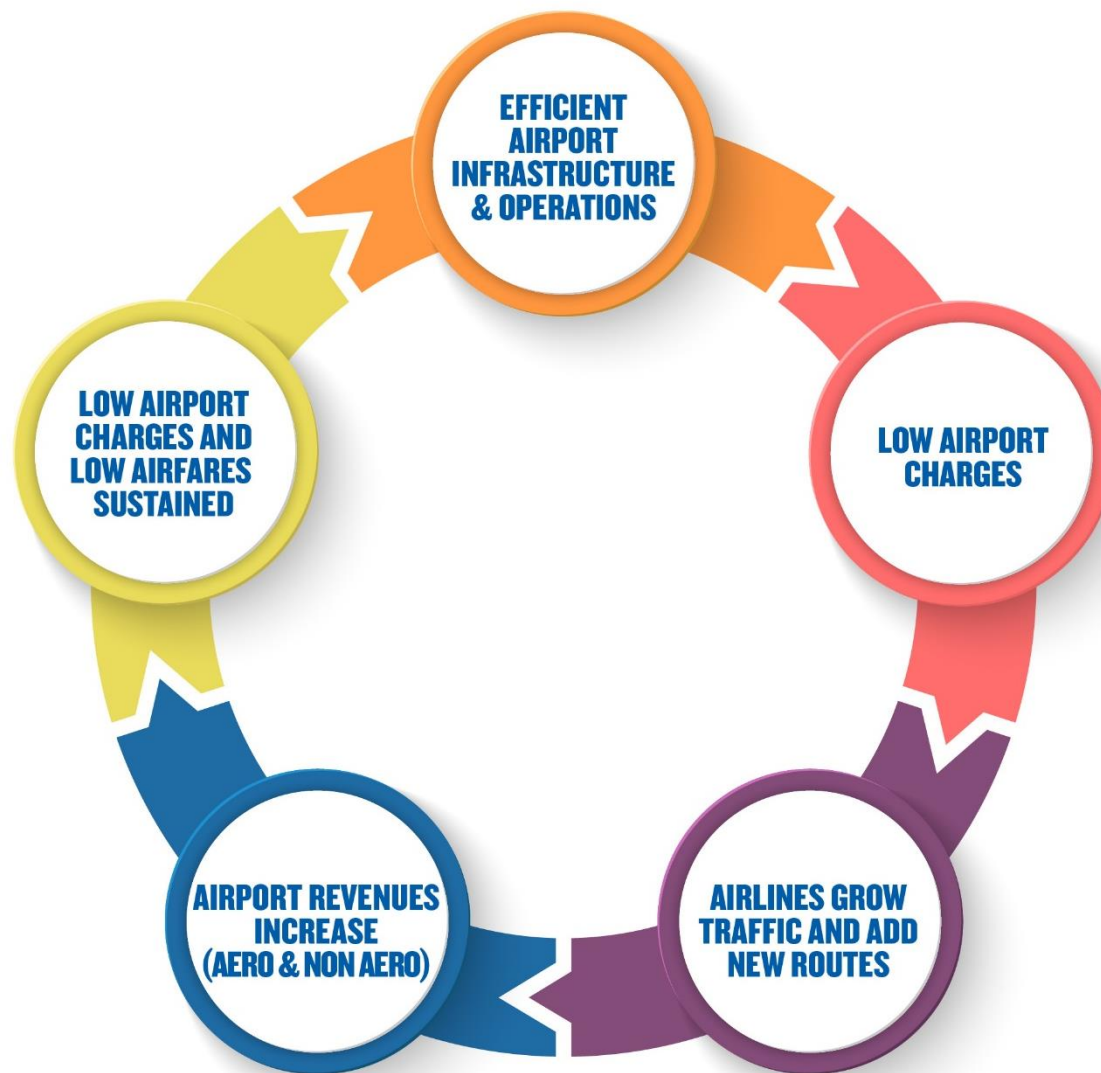
Growing Connections – Low Costs

€ per pax (ex-fuel)	RYA	WIZ	EZJ	NOR	EUROW'	LUV
Staff/efficiency	6	5	9	17	18	50
Airport & Hand.	7	11	21	17	34	9
Route Charges	5	5	6	7	7	0
Own'ship & maint.	6	16	8	34	23	16
S & M other	3	3	7	9	29	18
Total	27	40	51	84	111	93
%> Ryanair		+48%	+89%	+211%	+311%	+244%

(Source: FY results/Annual Reports)



Low Costs & Low Fares – A Virtuous Cycle





Milan Bergamo – A Model For Connections

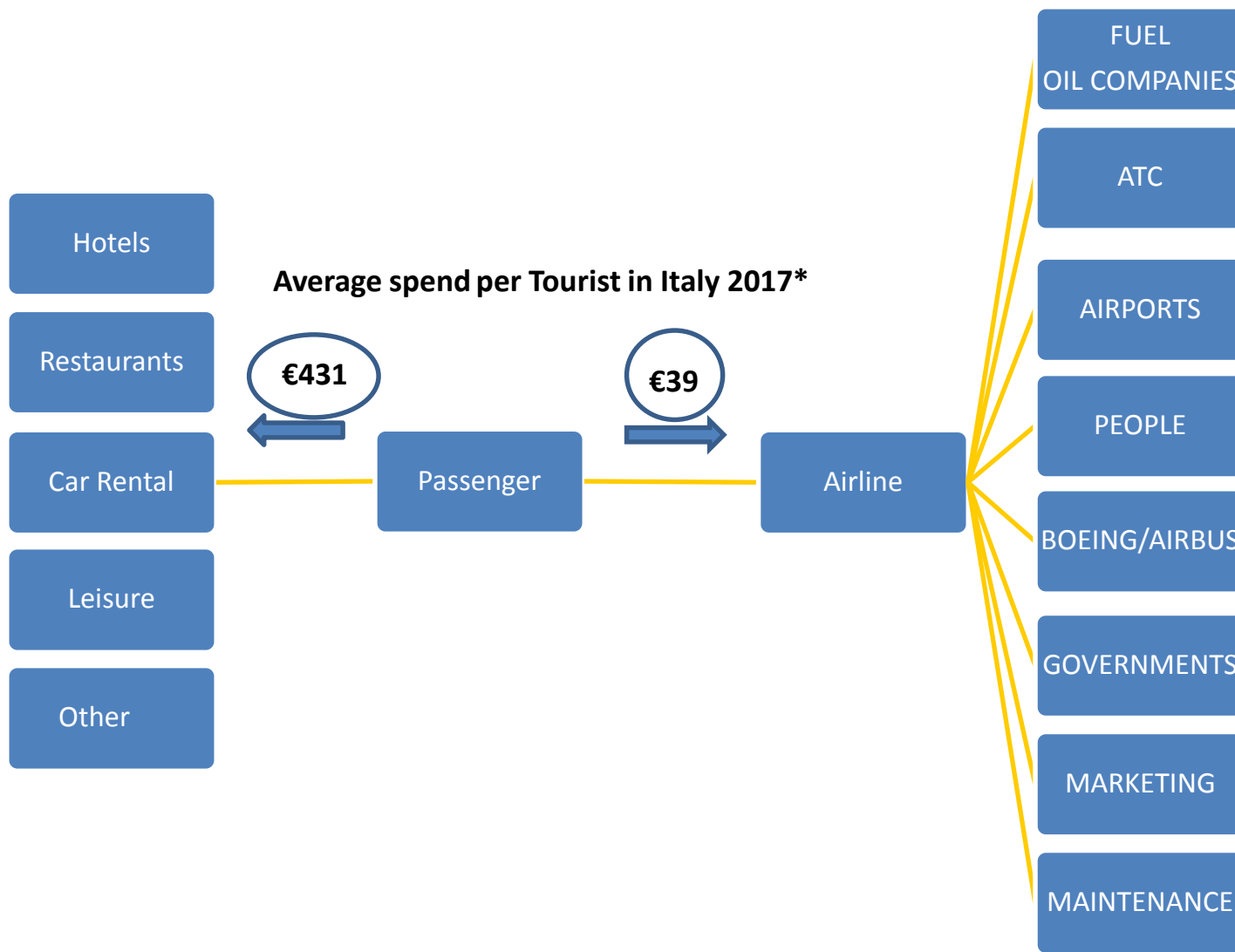




90 ROUTES
10.4M CUSTOMERS



Connections Drive Economic Growth



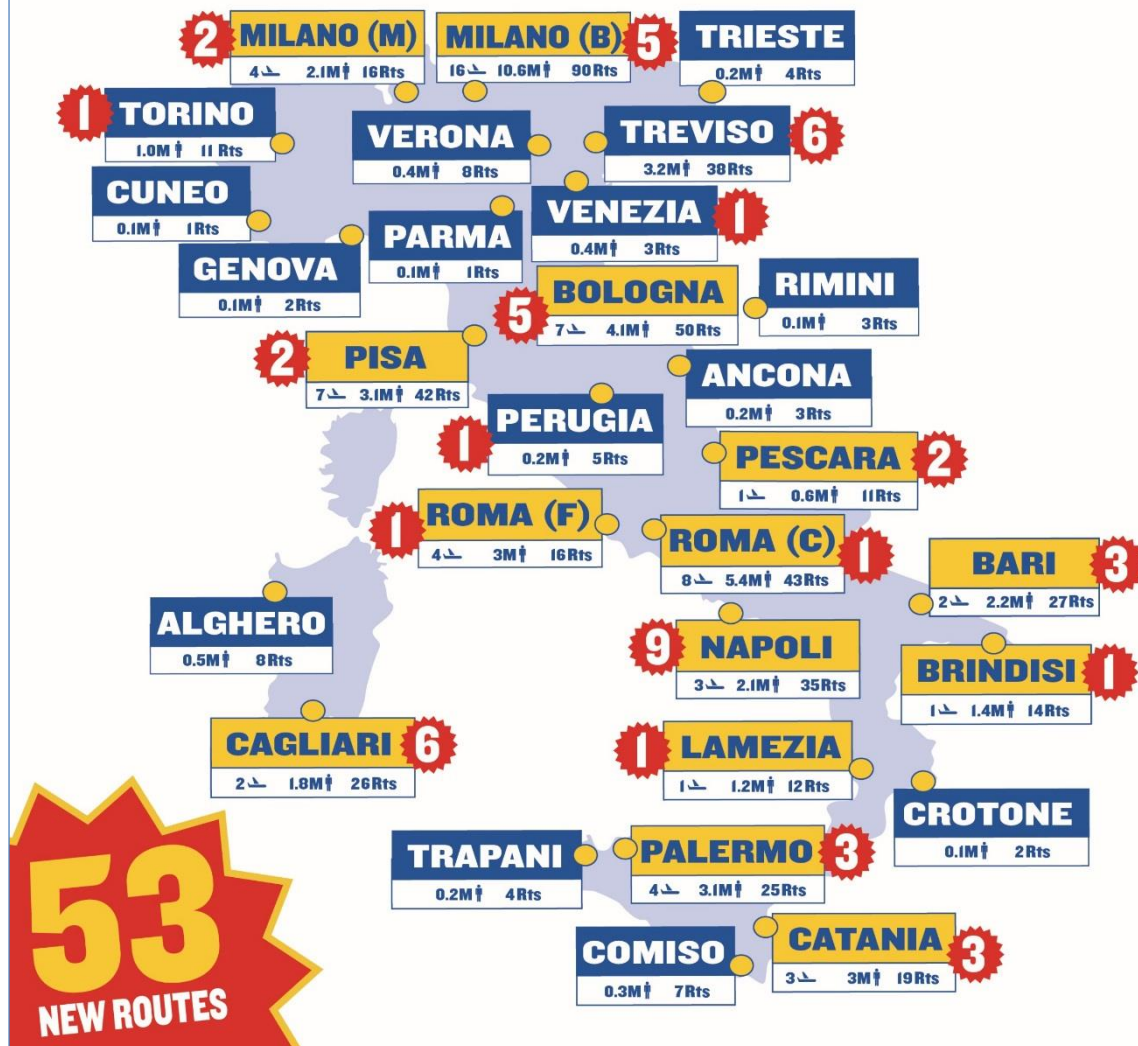
* Source – Banca d'Italia



A Model for The Regions

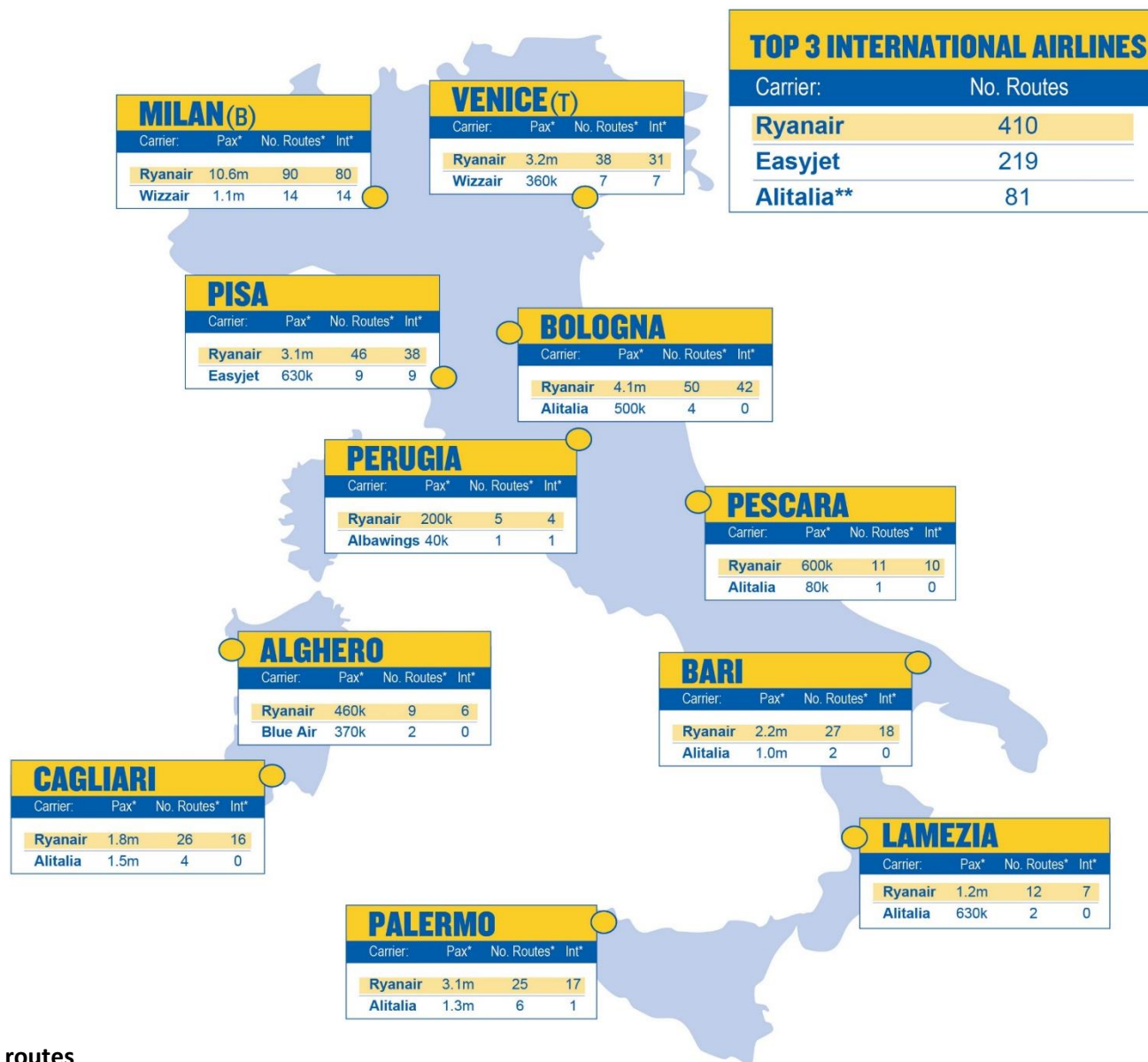
RYANAIR ITALY SUMMER 2019

OVER 450 ROUTES, 53 NEW, 40M PASSENGERS, 30.000 JOBS





Regions Are Their Own Hubs



**Excludes Long haul routes

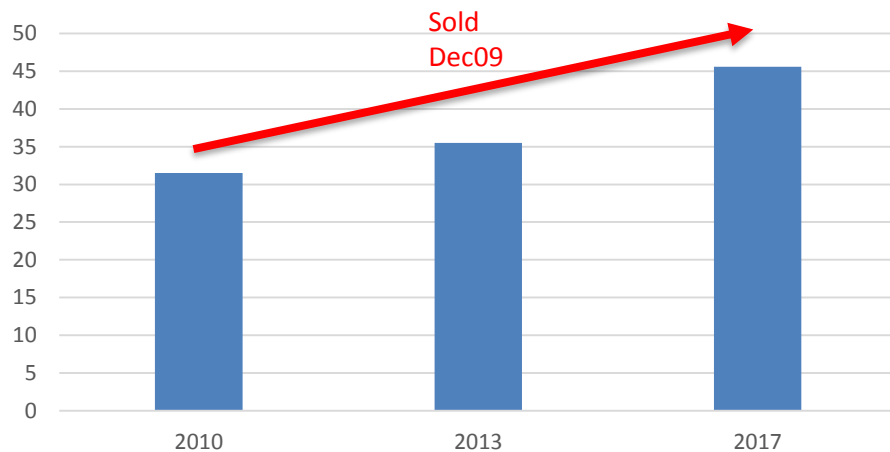


	Metro Population	Domestic Routes	EEA Routes
Milan Bergamo	4.3m	14	104
Berlin Tegel	5.2m	8	92
London Heathrow	14.2m	8	84

➔ Direct Connections – The New Connectivity?

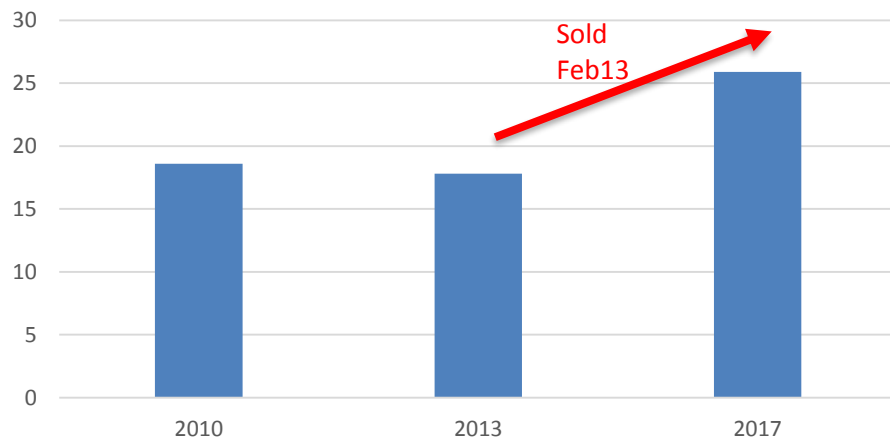
✈ Airport Systems

LGW



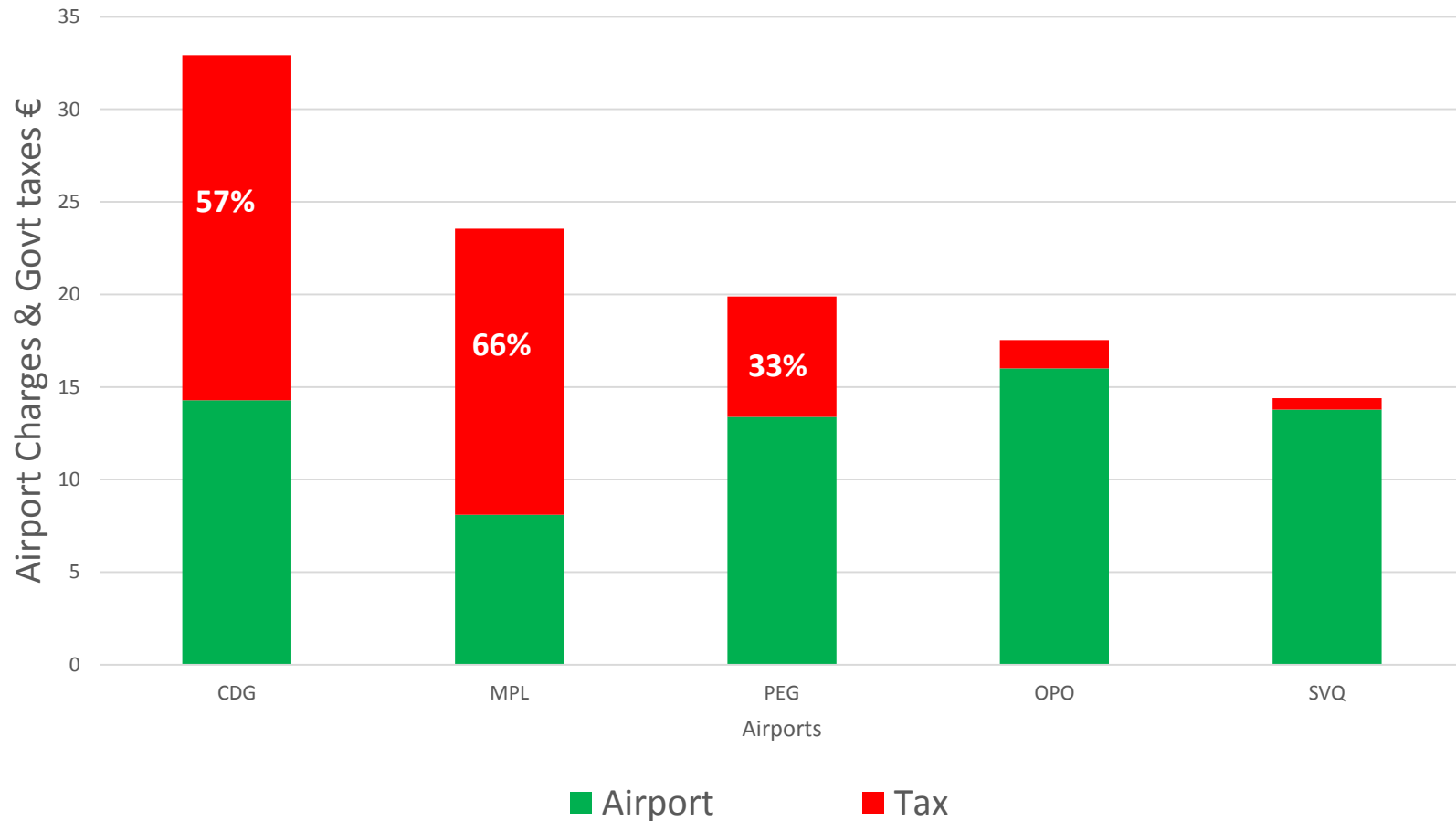
**LGW sold in Dec 2009:
Traffic growth of 45% since
2010.**

STN



**STN sold in Feb 2013:
Traffic growth of 46% since
2013.**

✈ Govt. Taxes / Travel Taxes



✈ Govt. Taxes / Travel Taxes

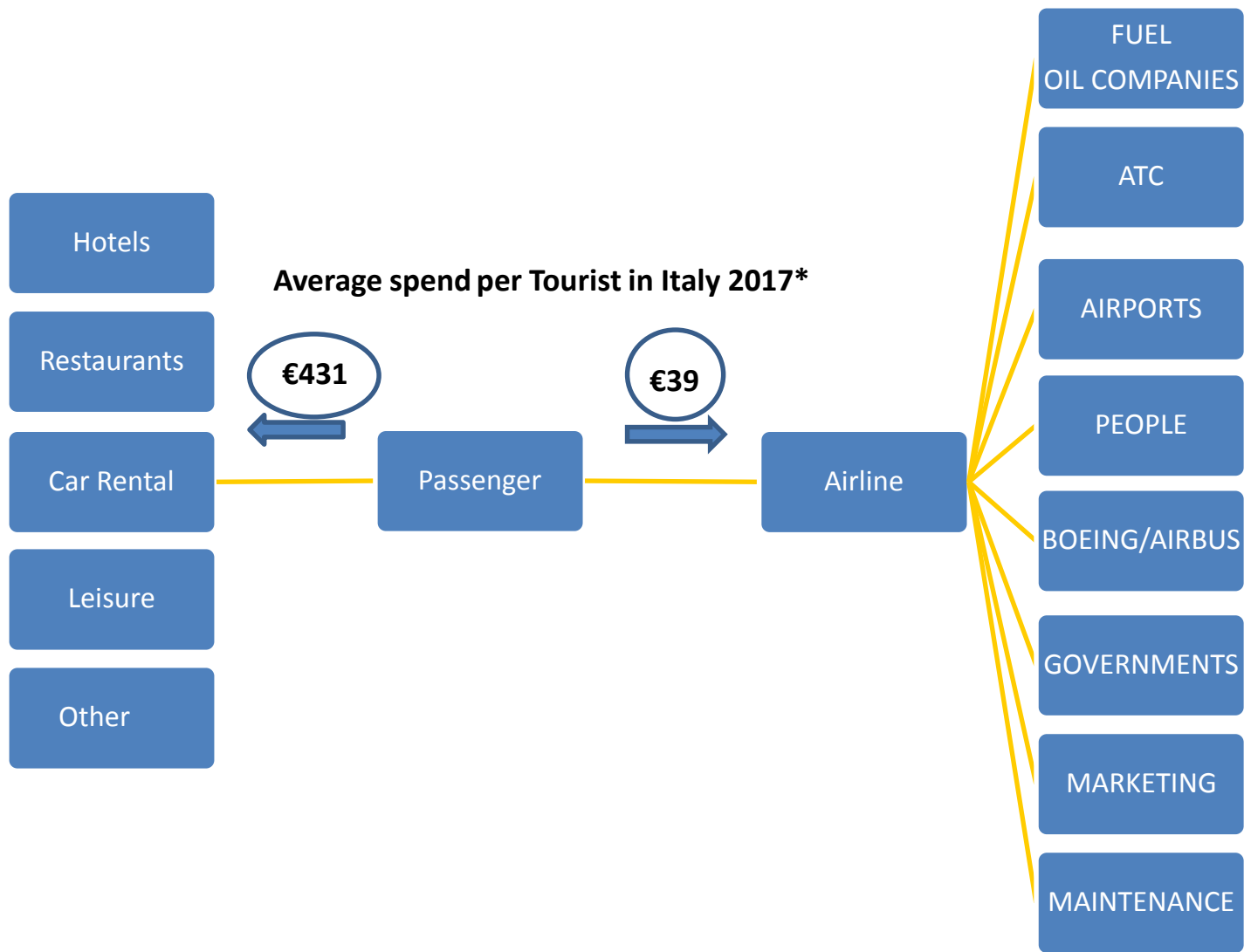
		Intra Europe Departing Capacity		
Country	Capacity / Pop*	2015	2018	Growth
Portugal	5.0	23m	32m	39%
Spain	4.9	104m	131m	26%
Italy	2.7	82m	92m	12%
France	2.1	68m	75m	10%

*Eurostats / SRS



→ Municipal Taxes

Italy : Dep Pax Jan 18 to Dec 18					
Ref	Annual Pax Threshold	Dep Pax ¹	# Aps % Aps		Munc Tax Paid
A	>10m	33,541,098	2	5%	€189,771,276
B	5m to 10m	16,188,026	3	8%	€105,222,166
C	3m to 5m	13,079,272	3	8%	€85,015,268
D	2m to 3m	12,435,814	5	13%	€80,832,794
E	1m to 2m	10,275,807	7	18%	€66,792,747
F	<1m	3,402,785	20	50%	€22,118,101
		88,922,802	40	100%	€549,752,352



* Source – Banca d'Italia

The Future – Stay Connected!

Guests

200

180

160

140

120

100

80

60

easyJet

AIRFRANCE KLM

IAG

Lufthansa

FY18

FY19

FY20

FY21

FY22

FY23

FY24

80

99

105

130

431

130

455

478

513

540

575

585

162

152

139

130

130

105

99

80



Thank You!

