Milan, 01 August 2025

Italian Equity Research – 2Q25 Results

ENAV

OUTPERFORM

Sector: Utilities

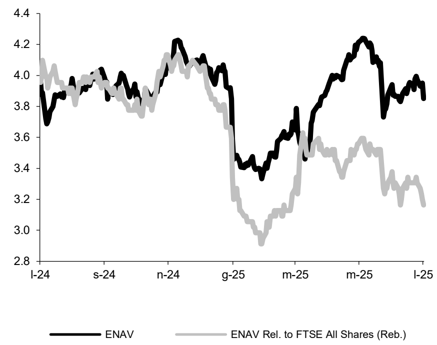
Price: Eu3.85 - **Target: Eu4.50**

FY Guidance Improved; News on M&A After the Summer

Federico Pezzetti +39-02-77115.268
federico.pezzetti@intermonte.it

Stock Rating			
Rating:			Unchanged
Target Price (Eu):			from 4.30 to 4.50
	2025E	**2026E**	**2027E**
Chg in Adj EPS	24.7%	10.3%	8.0%

ENAV - 12M Performance



Stock Data			
Reuters code:			ENAV.MI
Bloomberg code:			ENAV IM
Performance	**1M**	**3M**	**12M**
Absolute	-1.8%	-1.4%	-2.6%
Relative	-4.8%	-10.4%	-23.6%
12M (H/L)			4.24/3.33
3M Average Volume (th):			771.49

Shareholder Data	
No. of Ord shares (mn):	542
Total no. of shares (mn):	542
Mkt Cap Ord (Eu mn):	2,086
Total Mkt Cap (Eu mn):	2,086
Mkt Float - Ord (Eu mn):	974
Mkt Float (in %):	46.7%
Main Shareholder:	
MEF	53.3%

Balance Sheet Data	
Book Value (Eu mn):	1,165
BVPS (Eu):	2.15
P/BV:	1.8
Net Financial Position (Eu mn):	-137
Enterprise Value (Eu mn):	2,222

- **No surprises from 2Q25 results.** ENAV reported 2Q25 results that were very much in line with our expectations and consensus at all levels. Revenues from operations closed at Eu315.4mn, up 11.9% YoY, driven by some Eu233mn of en-route revenues on the back of a 7.3% increase in en-route service units, a slight drop in non-regulatory revenues, and a balance that was negative by almost Eu60mn, mostly due to the negative impact of the reversal of previous years' tariff balance and the absence of the new balance. Finally, other revenues ended up at Eu9.4mn, in line with 2Q24 levels. On the cost front, personnel costs reached Eu161.0mn, a 6.4% YoY increase (+4.4% YoY in 1H), while other costs were up 5.7% YoY with similar capitalisations. All this led to EBITDA of Eu69.7mn (-16% YoY and 1% above est.) and a bottom line of Eu36.4mn (-1% YoY and broadly in line with expectations). Cash generation was also substantially in line with expectations, leading to net debt of Eu350mn (vs. Eu345mn in our estimates), driven by the seasonal dynamics of collections and payments related to ordinary operations and the impact of the dividend payout (Eu146mn).
- **FY25 guidance improved.** Management improved FY25 guidance, which now foresees revenues at Eu1,024-1,028mn (from the previous Eu1,010mn), EBITDA at Eu245-253mn (from the previous Eu225mn), and net income at Eu78-83mn (from the previous Eu65mn). Main drivers behind the upgrade are: 1) stronger-than-expected air traffic volumes; 2) the capability to manage record traffic levels while maintaining high standards of punctuality and service quality; 3) effective cost management.
- **Key pointers from the conference call.** Guidance revision: for FY25, management now assumes ca. +7% YoY growth of en-route traffic (each +1% increase in traffic adds +Eu6.5mn to revenues). The high-quality levels achieved mean that the company can cash in the full performance bonus amounting to ca. Eu13mn. As far as operating costs are concerned, FY growth is expected at ca +7% YoY, and most of the difference vs previous expectations comes from lower external costs. Regarding developments for future years, it is clearly still too early to update the group's expectations but there is reasonable confidence that at least some of the improvements expected for 2025 will also be seen in the future; M&A: on this topic management expects to be able to show some material progress after the summer break. Dividends: management is open to consider how incremental results can contribute to shareholders remuneration.
- **Change in estimates and TP.** For 2025, we have positioned ourselves on the high part of management's guidance while for future years we have improved EBITDA by an average Eu10mn (+3.5%). Our target moves to Eu4.50 (from Eu4.30) and is still based on a DCF model.
- **Outperform confirmed, TP Eu4.50 (from Eu4.30).** We welcome the guidance upgrade as it also proves management's strong commitment to operational performance and over-delivery. Clearly, in the next few quarters more clarity will be needed on progress on efficiencies and the evolution of non-regulated activities, but the dividend policy provided with the business plan update gives very good visibility up to 2029 (7.8% avg dsividend yield).

Key Figures & Ratios	2023A	2024A	2025E	2026E	2027E
Sales (Eu mn)	1,000	1,037	1,028	1,039	1,075
EBITDA Adj (Eu mn)	300	311	252	247	275
Net Profit Adj (Eu mn)	113	126	82	83	105
EPS New Adj (Eu)	0.208	0.232	0.152	0.153	0.194
EPS Old Adj (Eu)	0.208	0.232	0.122	0.139	0.180
DPS (Eu)	0.230	0.270	0.280	0.290	0.300
EV/EBITDA Adj	7.9	7.4	8.8	8.7	7.7
EV/EBIT Adj	13.8	12.3	17.8	17.3	13.7
P/E Adj	18.5	16.6	25.4	25.1	19.8
Div. Yield	6.0%	7.0%	7.3%	7.5%	7.8%
Net Debt/EBITDA Adj	1.1	0.8	0.5	0.3	0.1

Intermonte

IMPORTANT DISCLOSURES

The reproduction of the information, recommendations and research produced by Intermonte SIM contained herein and of any its parts is strictly prohibited. None of the contents of this document may be shared with third parties without authorisation from Intermonte.

This report is directed exclusively at market professional and other institutional investors (Institutions) and is not for distribution to person other than "Institution" ("Non-Institution"), who should not rely on this material. Moreover, any investment or service to which this report may relate will not be made available to Non-Institution.

The information and data in this report have been obtained from sources which we believe to be reliable, although the accuracy of these cannot be guaranteed by Intermonte. In the event that there be any doubt as to their reliability, this will be clearly indicated. The main purpose of the report is to offer up-to-date and accurate information in accordance with regulations in force covering "recommendations" and is not intended nor should it be construed as a solicitation to buy or sell securities.

This disclaimer is constantly updated on Intermonte's website www.intermonte.it under LEGAL NOTICES. Valuations and recommendations can be found in the text of the most recent research and/or reports on the companies in question. For a list of all recommendations made by Intermonte on any financial instrument or issuer in the last twelve months consult the web page CUSTOMER AREA.

Intermonte distributes research and engages in other approved activities with respect to Major U.S. Institutional Investors ("Majors") and other Qualified Institutional Buyers ("QIBs"), in the United States, via Plural Securities LLC under SEC 15a-6 guidelines. Intermonte is not registered as a broker dealer in the United States under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is not a member of the Securities Investor Protection Corporation ("SIPC"). Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC.

ANALYST CERTIFICATION

For each company mentioned in this report the respective research analyst hereby certifies that all of the views expressed in this research report accurately reflect the analyst's personal views about any or all of the subject issuer (s) or securities. The analyst (s) also certify that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation or view in this report.

The analyst (s) responsible for preparing this research report receive(s) compensation that is based upon various factors, including Intermonte's total profits, a portion of which is generated by Intermonte's corporate finance activities, although this is minimal in comparison to that generated by brokerage activities. Intermonte's internal procedures and codes of conduct are aimed to ensure the impartiality of its financial analysts. The exchange of information between the Corporate Finance sector and the Research Department is prohibited, as is the exchange of information between the latter and the proprietary equity desk in order to prevent conflicts of interest when recommendations are made.

The analyst responsible for the report is not a) a resident of US; b) an associated person of a U.S. broker-dealer; c) supervised by a supervisory principal of a U.S. broker-dealer. This Research Report is distributed in the U.S. through Plural Securities LLC, 950 3rd Avenue, Suite 1702, NY 10022, USA.

GUIDE TO FUNDAMENTAL RESEARCH

The main methods used to evaluate financial instruments and set a target price for 12 months after the investment recommendation are as follows:

- Discounted cash flow (**DCF**) model or similar methods such as a dividend discount model (**DDM**)
- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

Some of the parameters used in evaluations, such as the risk-free rate and risk premium, are the same for all companies covered, and are updated to reflect market conditions. Currently a risk-free rate of 4.0% and a risk premium between 5.5% - 6.0% are being used.

Frequency of research: quarterly.

Reports on all companies listed on the FTSEMIB40 Index, most of those on the MIDEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.

A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.

Explanation of our ratings system:

BUY: stock expected to outperform the market by over 25% over a 12 month period;

OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;

NEUTRAL: stock performance expected at between +10% and - 10% compared to the market over a 12 month period;

UNDERPERFORM: stock expected to underperform the market by between -10% and -25% over a 12 month period;

SELL: stock expected to underperform the market by over 25% over a 12 month period.

Prices: The prices reported in the research refer to the price at the close of the previous day of trading

CURRENT INVESTMENT RESEARCH RATING DISTRIBUTIONS

Intermonte SIM is authorised by CONSOB to provide investment services and is listed at n° 246 in the register of brokerage firms.

As at 1 August 2025 Intermonte's Research Department covered 134 companies. Intermonte's distribution of stock ratings is as follows:

BUY:	32.84%
OUTPERFORM:	37.31%
NEUTRAL:	29.85%
UNDERPERFORM:	00.00%
SELL:	00.00%

The distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (79 in total) is as follows:

BUY:	53.16%
OUTPERFORM:	29.11%
NEUTRAL:	17.73%
UNDERPERFORM:	00.00%
SELL:	00.00%

CONFLICT OF INTEREST

In order to disclose its possible conflicts of interest Intermonte SIM states that:

Intermonte SIM S.p.A. operates or has operated in the last 12 months as the person in charge of carrying out the share buyback plan approved by the shareholders' meeting of ABITARE IN, ANIMA HOLDING, AZIMUT, CIVITANAVI SYSTEMS, EL.EN., ELICA, INTRED, PHARMANUTRA, SERVIZI ITALIA, SESA, STAR7, TMP GROUP, UNIDATA, VALSOIA, WEBUILD

Intermonte SIM S.p.A. provides or has provided corporate brokerage services to ALLCORE, ALMAWAVE, ANTARES VISION, AQUAFIL, AVIO, CASTA DIVA GROUP, CUBE LABS, CY4GATE, CYBEROO, DIGITOUCH, DOMINION HOSTING HOLDING, ELICA, ESPRINET, EVISO, EXECUS, FINE FOODS & PHARMACEUTICALS NTM, FNM, FRANCHI UMBERTO MARMI, G.M. LEATHER, GPI, GREEN OLEO, GREENTHESIS, HIGH QUALITY FOOD, IGD, IKONISYS SA, INTRED, ISCC FINTECH, ITALIAN EXHIBITION GROUP, LEMON SISTEMI, LUVE, MAPS, MARE ENGINEERING GROUP, NEODECORTECH, NOTORIOUS PICTURES, PREATONI GROUP, REDFISH LONGTERM CAPITAL, REVO INSURANCE, REWAY GROUP, SERI INDUSTRIAL, SPINDOX, STAR7, TALEA GROUP, ULISSE BIOMED, XENIA HOTELLERIE SOLUTION, Zest Group SpA **in the last 12 months**

Intermonte SIM S.p.A. operates or has operated in the last 12 months as Financial Content Provider on the company ALLCORE, ALMAWAVE, B&C SPEAKERS, BANCA SISTEMA, BIFIRE, CASTA DIVA GROUP, CLEANBNB, COFLE, CROWDFUNDME, CUBE LABS, DIGITOUCH, DOMINION HOSTING HOLDING, ECOSUNTEK, EDILIZIACROBATICA, ELES, ENERGY, EVISO, EXECUS, FAE TECHNOLOGY, FIERA MILANO, FOPE, G.M. LEATHER, GREEN OLEO, HIGH QUALITY FOOD, IGD, IKONISYS SA, INTERCOS, INTRED, ISCC FINTECH, LEMON SISTEMI, MAPS, MARE ENGINEERING GROUP, MASI AGRICOLA, MISITANO & STRACUZZI SPA, NEODECORTECH, NOTORIOUS PICTURES, OLIDATA, OSAI AUTOMATION SYSTEM, PREATONI GROUP, RACING FORCE, REDFISH LONGTERM CAPITAL, RETI, SCIUKER FRAMES, SG COMPANY, SIMONE, SOLID WORLD GROUP, SPINDOX, TALEA GROUP, TAMBURI, TINEXTA, TMP GROUP, TPS, ULISSE BIOMED, XENIA HOTELLERIE SOLUTION, Zest Group SpA

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of intermediary appointed in the public purchase and/or exchange offer transaction of MARE ENGINEERING GROUP, TINEXTA

Intermonte SIM S.p.A. operates or has operated in the last 12 months as liquidity provider of BANCA SISTEMA, Zest Group SpA

Intermonte SIM is acting as counterparty to WIIT Fin S.r.l. in connection with call and put options having WIIT S.p.A. shares and dividends as reference underlying.Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of financial advisor for AQUAFIL, BANCA GENERALI, BANCA IFIS, BANCO BPM, MARE ENGINEERING GROUP, TINEXTA

Intermonte SIM S.p.A. operates or has operated in the last 12 months as market maker on financial instruments with underlying shares issued by A2A, AMPLIFON, AZIMUT, BANCA IFIS, BANCA MEDIOLANUM, BANCO BPM, BCA MPS, BCA POP SONDRIO, BFF BANK, Bper Banca, BREMBO, BUZZI, CAMPARI, DANIELI & C, DIASORIN, ENEL, ENI, ERG, FERRARI, FINECOBANK, INDUSTRIE DE NORA, INTERPUMP GROUP, INTESA SANPAOLO, INWIT, IREN, ITALGAS, IVECO GROUP, LEONARDO, LOTTOMATICA GROUP, MEDIOBANCA, MFE B, MONCLER, MONDADORI EDIT., NEXI, OVS, PIRELLI & C, POSTE ITALIANE, PRYSMIAN, SAIPEM, SESA, SNAM S.p.A., STELLANTIS, STMICROELECTRONICS, TECHNOGYM, TECHNOPROBE, TELECOM ITALIA, TELECOM ITALIA R, TENARIS, TERNA, UNICREDIT, UNIPOL, WEBUILD

Intermonte Sim S.p.A. has or had in the last 12 months a marketing contract on instruments issued by BARCLAYS, BNP PARIBAS, GOLDMAN SACHS GROUP INC, LEONTEQ, MAREX FINANCIAL, MEDIOBANCA, MORGAN STANLEY, NATIXIS, SOCIETE GENERALE, UNICREDIT, VONTOBEL N, WISDOMTREE IRELAND LIMITED

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of specialist on financial instruments issued by ABITARE IN, ALKEMY, BANCA IFIS, BANCA SISTEMA, CIVITANAVI SYSTEMS, COFLE, CYBEROO, DIGITOUCH, ECOSUNTEK, EL.EN., EMAK, ENERGY, GREEN OLEO, GREENTHESIS, MISITANO & STRACUZZI SPA, MONDADORI EDIT., OLIDATA, OMER, PHARMANUTRA, QF ALPHA IMM, REPLY, SERVIZI ITALIA, SESA, SG COMPANY, SOMEC, SYS-DAT, TAMBURI, TESMEC, THE ITALIAN SEA GROUP, TINEXTA, TMP GROUP, TXT E-SOLUTIONS, UNIDATA, WIIT **with the obligation to disseminate studies**

Intermonte SIM S.p.A. plays or has played in the last 12 months the role of sponsor for UNIDATA S.p.A.

INTERMONTE SIM is MIFID compliant - for our Best Execution Policy please check our Website https://www.intermonte.it/it/avvertenze-legali/mifid-ii.html

Further information is available.