



Press release

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In the first 9 months net sales up, cash flow (10.7% of net sales) and EBITDA (+3.6%) improve, pre-tax earnings +15.7%: best progress in the USA and Italy

Autogrill quarterly report: profitability and cash flow increase, debt falls further

Milan, 6th November 2002 - The Autogrill S.p.A. Board of Directors, meeting today under the chairmanship of Gilberto Benetton, approved the Quarterly Report (*) for the third quarter of 2002. In the period, the most important of the year for its business, the Autogrill Group saw a marked improvement in its ability to gain market share by means of an increase in the value offered to customers which was achieved by working on the product mix and a balanced enhancement of services.

Performance in the first nine months. At 30 September 2002, the Autogrill Group had consolidated net sales of 2,427.5 million euros, an increase of 1.0% compared to the first 9 months of the previous year. On a constant exchange rate basis, the increase is 2.6%.

Consolidated channel sales, including sales from franchising outlets, reached 2,485.8 million euros (+2.6% on a constant exchange rate basis).

EBITDA rose by 3.6% (+5.4% on a constant exchange rate basis) and totaled 310.3 million euros, 12.8% of net sales (previously it was 12.5%).

Compared to the 30 September 2001, net debt fell by 186.4 million euros, even after taking into account acquisitions worth approximately 75 million euros and capital expenditure of 115.4 million euros. Compared to 30 December 2001 the reduction was 165.4 million euros.

Pre-tax cash flow rose by 8.3% (10.1% on a constant exchange rate basis) to 258.9 million euros (10.7% of net sales), compared to 239.0 million euros at 30 September 2001 (9.9% of net sales).

Pre-tax earnings grew by 15.7% (15.5% on a constant exchange rate basis) to 57.5 million euros, equivalent to 2.4% of net sales (in 2001 the figure was 49.7 million euros, or 2.1% of net sales). In the period the Group accounted for extraordinary charges of 16.5 million euros, including both costs relating to the closure of two non-concession American locations and the Ristop operation in Italy.

Excluding these extraordinary items, net earnings are 74.0 million euros, up by 56.1% compared to 47.4 million in the first 9 months of 2001.



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HMSHost Corp. Net sales at the American subsidiary, whose quarter ended on 6 September, were 1,169.3 million dollars, an increase of 6% compared to the corresponding period of the previous year. The increase in net sales concerned both airports (+ 4.3% on a constant basis) and motorway locations (+9.6%, again on a constant basis).

For the second year running the trend in profitability was particularly positive, with EBITDA (155.2 million dollars) at 13.3% of net sales, compared to 12.3% in the corresponding period previously (135.2 million).

Business in Italy and other European countries. In Italy in the first nine months Autogrill had net sales of 758.2 million euros, up by 1.2% compared to the corresponding period in 2001. EBITDA rose by 2.3% to 125.4 million euros (16.5% of net sales).

The growth in net sales was particularly marked in France (+6.5%) and Spain (+6.2%).

Performance in the quarter.

In the third quarter the Group's net sales grew by 3.5% compared to the third quarter of 2001, on a constant exchange rate basis. As a consequence of the exchange depreciation experienced by the dollar, net sales, at current exchange rates, fell by 1.4% to 900.8 million euros. Again on a constant exchange rate basis, the food & beverages refreshment businesses grew very strongly, up by 5%.

Earnings from operations, expressed by the EBITDA, improved markedly, up by 3.2% (+8.1% on a constant exchange rate basis) to 152.8 million euros, or 17.0% of net sales, thanks to productivity and fixed cost initiatives undertaken in the main key markets.

Pre-tax earnings for the quarter fell by 14.5% compared to the same quarter in 2001, and stood at 57.3 million euros. However, excluding the non-recurring items, pre-tax earnings for the quarter rose by 10.4% (14.1% on a constant exchange rate basis) moving from 66.2 million euros in 2001 to the current 73.1 million.

Outlook

In the period following the end of the quarter, net sales in all the main countries where the Group operates grew strongly, both compared to the same period last year, affected by the consequences of the events of 11 September, and compared to trends in the first three quarters.

On the basis of current business trends, the Group, therefore, envisages ending 2002 with net sales up by 4.0% compared to the previous year on a constant exchange rate basis and by 1.5% on current exchange rates.

Forecast net consolidated earnings for the year will depend also on possible changes in Italian tax regulations, that are currently being decided upon.

(*) The Quarterly Report is not subject to review by the independent auditors