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Consolidated financial statements
at December 31, 2001

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Autogrill S.p.A.
Financial statements
at December 31, 2001

Company officers ⁽¹⁾

Board of Directors

(in office until approval of the 2001 Annual Report)

Chairman	Gilberto Benetton ^(a)
Chief Executive Officer	Livio Buttignol ^(b)
Directors without specific powers	Alessandro Benetton
	Giorgio Brunetti
	Antonio Bulgheroni
	Marco Desiderato
	Sergio Erede
	Gianni Mion
	Gaetano Morazzoni

Board of Statutory Auditors

(in office until approval of the 2002 Annual Report)

Chairman	Gianluca Ponzellini ⁽²⁾
Statutory Auditors	Marco Reboa ⁽²⁾
	Ettore Maria Tosi ⁽²⁾
Alternate Auditors	Giovanni Pietro Cunial ⁽²⁾
	Graziano Gianmichele Visentin ⁽²⁾

Independent Auditors

(until approval of the 2002 Annual Report)

Arthur Andersen S.p.A.

(1) information provided pursuant to Consob Recommendation no. 97001574 of February 20, 1997, regarding directors and the authority delegated to them

(2) auditor

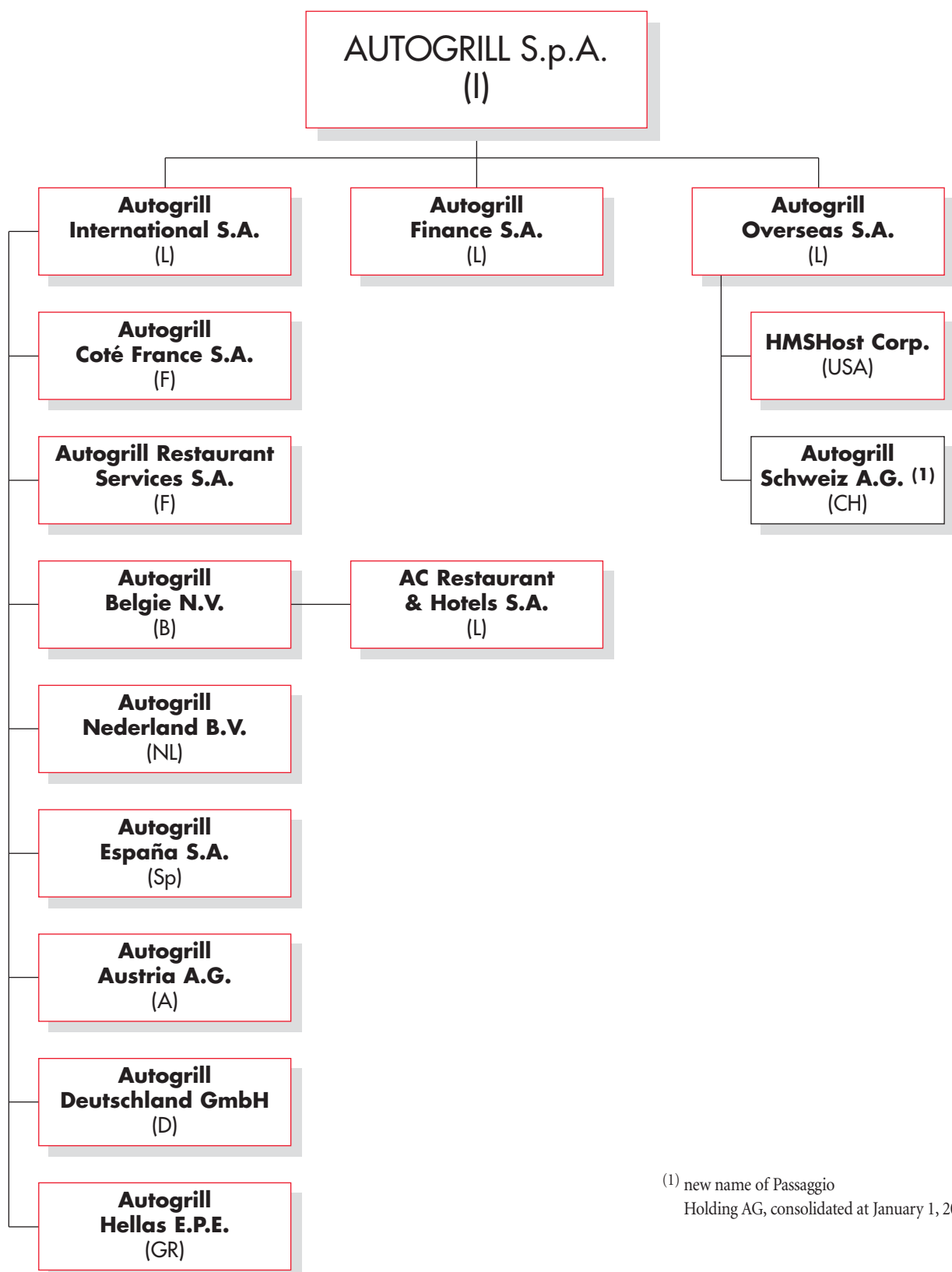
(a) powers under law and articles of association and, in particular, legal representation of the company and power of signature

(b) ordinary administrative powers to be exercised with sole signature (pursuant to resolution of April 27, 2001).

Highlights

(in m€)	Fiscal year 2001	Fiscal year 2000	%
Systemwide sales	3,337.2	3,122.4	6.9%
Net revenues	3,266.5	3,041.1	7.4%
Ebitda	381.4	372.9	2.3%
% on net revenues	11.7%	12.3%	
Ebita	225.8	234.6	(3.8%)
% on net revenues	6.9%	7.7%	
Net income	(12.9)	14.9	n.s.
% on net revenues	(0.4%)	0.5%	
Cash flow	260.0	258.0	0.8%
% on net revenues	8.0%	8.5%	
Technical investments	171.8	181.2	(5.2%)
Net current assets	(335.8)	(274.9)	
Net invested capital	1,354.7	1,394.9	
Net financial position	(1,118.4)	(1,137.7)	

Simplified Group structure



⁽¹⁾ new name of Passaggio Holding AG, consolidated at January 1, 2001

Autogrill Group

Consolidated annual report
at December 31, 2001

Report on operations

Group profile

Autogrill is the world's leading provider of catering services for travelers. Its network spans 15 countries with over 4,300 retail and restaurant locations in about 900 locations along motorways, in airports, railway stations, trade fairs, shopping malls, and in town.

The variety of its catering and other services, retailing of travel products, and the variety of its proprietary and licensed brands constitute a unique product portfolio around the world in terms of range, competitiveness, and impact.

The creation of stockholder value, realized thanks to the combined effects of size and sales network performance, has made the Group one of the best performers in the industry, year after year.

Autogrill in 2001

In 2001 a series of events severely impacted the worldwide market on which Autogrill operates. The "mad cow" and foot-and-mouth disease epidemics in the early part of the year, followed by the recession in the United States, and finally the tragic repercussions of the terrorist attacks on September 11 and consequent instability at the international level cut deeply both into demand for catering products and the willingness to travel.

Thus, 2001 was characterized by instability and unpredictability. Demand reacted especially in the second half of the year, being hurt by the various crises just mentioned. Medium-distance travel and medium and long-distance tourist travel were particularly affected, as reflected by a veritable collapse in the number of passengers transiting through airports.

In response to these events, Autogrill demonstrated exceptional strength, posting a highly satisfying recovery especially in the United States in spite of the great stress on the market.

It responded both by managing the supply side (maximum flexibility in response to demand, partly in view of the imminent changeover to the euro in Europe) and its organization (making it simpler and more efficient). Thanks to its grasp of external benchmark factors and ability to adapt and react, Autogrill changed its product mix to realize a significant increase in the average ticket, which was accentuated in the United States as a result of longer waiting times for passengers in airports due to intensified security measures.

Previously decided measures to contain costs and realign investments were accelerated. This generated highly satisfying levels of cash flow and appreciably improved the company's image.

This was demonstrated by the exceptional recovery posted by the company's share price, which recovered to its pre-September 11 levels over the course of just a few months.

The company took measures to guarantee increasing efficiency over the medium term as well. In particular, it perfected an organization where simplicity is the key factor for success, which was largely realized by cutting the number of management layers in the company from six to four. This generates lower costs, and simpler, more direct involvement of the central functions of corporate and country headquarters in company management. At the same time, the quality of human resources is subject to close attention, with the goal being gradually to raise the number of employees with managerial qualifications.

The policy of seeking growth through external lines resulted in the acquisition of several companies, including Flughafen Restaurant in Switzerland and Anton Air-food in the United States, that can be perfectly integrated with Group activities already operating in the countries where these purchases were made.

This necessary development generated a level of amortization and depreciation that, together with the extraordinary costs sustained to overhaul the organizational structure, resulted in a modest loss, in spite of across-the-board improvement in cash flow, both operating and not.

Mission

Both in the countries where it operates and worldwide, Autogrill aims at leadership in commercial catering activities and complementary services for people on the move. Its activities are not limited to travelers must also those away from home for any reason and who need fast or commercial catering services. Leisure time activities can be conceived as being complementary.

To fulfill its mission, Autogrill intends to generate stable value: for its customers, focusing on the generation of customer loyalty and rising average ticket; for its human resources, concentrating on quality relations and organizational behavior; for organizations that interact with the company (suppliers, investors, labor unions, associations...), emphasizing good and effective relations; and for its stockholders, ensuring that they enjoy a steady increase in value over time.

Strategic objectives

The catering service business is undergoing a phase of major transformation and industrialization of processes. Traditional catering services are changing, with industrial processes taking hold at the local level. This is not upsetting the culture and history of individual countries, which respond to demand as they see best.

This evolution has led to lower costs that allow ever-broader access by the population to traditional style foods prepared with high-speed processes.

In this phase, the markets are rapidly concentrating. It is essential for producers to keep pace with this process without losing market share or relative strength with respect to competitors.

Consistently with what was indicated above, the handling of this phase has been entrusted to local management, and the presence of the company in various countries helps set up an articulated multinational, but not global network, where “global” is construed as the progressive standardization of products and service processes.

In light of the market cycle, featuring maturity in several advanced nations (United States, Canada, and Europe), and early development in others (Eastern Europe, Latin America), the company’s fundamental objective can be none other than achievement of such market share as to guarantee its competitiveness with respect to others in the same class of international commercial catering services.

The company’s strategic goals are, in order: profit growth and security, which means that the company must generate the highest level of volumes as compatible with its financial resources and operating results.

Group operating performance

Operating highlights

In 2001, the Autogrill Group met its development and cash flow targets in spite of adverse events.

The 7.4% growth in net revenues allowed it achieve further progress in gross profitability (Ebitda) and cash flow.

Group net sales totaled 3,266.5 million euros, up 5.5% at a constant rate of exchange.

Ebitda increased 8.5 million euros to 381.4 million euros.

After charging for amortization of goodwill (117.3 million euros) and extraordinary and non-recurring costs totaling 30.5 million euros, the fiscal year closed with a loss of 12.9 million euros.

Cash flow of 260 million euros financed investments of 171.8 million euros, additional acquisitions, and initial reduction in financial payables of 19.3 million euros.

The principal components of these figures were generated by:

- continued improvements in volumes and margins in Italian activities
- strong recovery of margins in North American activities, notwithstanding the events of September 11 and the consequent decline in sales
- healthy rate of sales and profitability growth in France
- additional amortization and depreciation of development and extraordinary expenses for changes in operating models

Operating performance

Highlights of the consolidated statement of income

(in m€)	2001 ⁽¹⁾	%	2000	%	changes	
Revenues from sales and services	3,266.5		3,041.1		225.4	7.4%
Other revenues and income	93.1		75.5		17.6	23.3%
Value of production	3,359.6	100.0%	3,116.6	100.0%	243.0	7.8%
Cost of production	(1,900.7)	(56.6%)	(1,791.3)	(57.5%)	(109.4)	6.1%
Value added	1,458.9	43.4%	1,325.3	42.5%	133.6	10.1%
Labor costs	(1,039.3)	(30.9%)	(931.7)	(29.9%)	(107.6)	11.5%
Current asset writedowns, provisions for risks, and other provisions	(12.3)	(0.4%)	(12.6)	(0.4%)	0.3	(2.4%)
Other operating costs	(36.9)	(1.1%)	(34.8)	(1.1%)	(2.1)	6.0%
Gross operating margin	370.4	11.0%	346.2	11.1%	24.2	7.0%
Amortization and writedown of goodwill and consolidation differences	(117.3)	(3.5%)	(104.8)	(3.4%)	(12.5)	11.9%
Other amortization and depreciation of fixed assets	(155.6)	(4.6%)	(138.3)	(4.4%)	(17.3)	12.5%
Operating income (loss)	97.5	2.9%	103.1	3.3%	(5.6)	(5.4%)
Net financial expenses	(55.3)	(1.6%)	(64.8)	(2.1%)	9.5	(14.7%)
Adjustments to financial assets	(1.2)	0.0%	(0.3)	0.0%	(0.9)	n.s.
Result before extraordinary items and taxes	41.0	1.2%	38.0	1.2%	3.0	7.9%
Extraordinary items, net	(19.5)	(0.6%)	3.6	0.1%	(23.1)	(641.7%)
Income (loss) before taxes	21.5	0.6%	41.6	1.3%	(20.1)	(48.3%)
Irap	(13.4)	(0.4%)	(12.4)	(0.4%)	(1.0)	8.1%
Other taxes	(15.8)	(0.5%)	(9.3)	(0.3%)	(6.5)	69.9%
Income taxes for period	(29.2)	(0.9%)	(21.7)	(0.7%)	(7.5)	34.6%
Net income (loss)	(7.7)	(0.2%)	19.9	0.6%	(27.6)	(138.7%)
Minority interest in net income	5.2	0.2%	5.0	0.2%	0.2	4.0%
Group's interest in net income	(12.9)	(0.4%)	14.9	0.5%	(27.8)	(186.6%)
Ebitda ⁽²⁾	381.4	11.7%	372.9	12.3%	8.5	

⁽¹⁾ Starting in fiscal 2001, fuel distribution activities increased, particularly at Swiss motorway service areas. For better understanding of the changes in income, the "Other revenues and proceeds" shown here include only those margins where the contractual relationship with the oil company envisages resale.

⁽²⁾ So that comparisons could be made with activity segment indices, the percentage impact refers to sales and services provided to customers.

Group revenues grew during the fiscal year, net of foreign exchange effects: +4.9% in catering services, due to increased penetration in a potential market (as measured by “traffic”) that, at American airports and on Italian motorways - the principal areas of activity - posted a decrease of 8% and an increase of nearly 3.7%, respectively

+7.0% from retail activity

+23.8 % from hotel and other customer services

Sales by sector

(in m€)	2001	2000	%	change % net Δ exchange rates
Sales to public:				
catering services	2,461.6	2,301.7	6.9%	4.9%
retail	744.5	688.4	8.2%	7.0%
hotel and other services	26.0	21.0	23.8%	23.8%
Total sales to public	3,232.1	3,011.1	7.3%	5.5%
Sales to others and affiliates	34.4	30.0	14.7%	10.8%
Total	3,266.5	3,041.1	7.4%	5.5%

New consolidated activities contributed 206 million euros to Group revenues.

Other revenues and income (93.1 million euros) mainly consist of rents and fees received from affiliates, sublessees, and fees received from suppliers. They increased as a result of expansion in affiliation relationships and relative sales volumes. They also include premiums on distribution of oil products and prepaid telephone and motorway toll cards, whose volume - as expressed in terms of the retail price - reached 133 million euros. The 32 service stations operated by the Group in Europe dispensed 215 million liters of fuel.

The impact of the **cost of production** on its value decreased by 0.9 percentage points, mainly due to the change in the product mix towards catering services. Catering services feature a higher gross margin than the other sectors and more efficient management of purchasing.

Labor costs reflected the consolidation of Swiss activities, which are still dominated by more labor intensive processes. However, significant productivity gains were realized, which were especially marked in North America upon revision of operating procedures following September 11.

The **writedowns** of current assets and provisions for various liabilities and risk reserves remained largely unchanged at 12.3 million euros.

Other expenses totaled 36.9 million euros (+2.1 million euros). They largely consist of indirect taxes (20.2 million euros, unchanged) and negative cash differences (5.3 million euros, -0.1million euros).

The **gross operating result** increased from 346.2 million euros to 370.4 million euros (+5.2%), while remaining virtually unchanged as a percentage of sales.

Amortization, depreciation, and writedowns of fixed assets in fiscal 2001 increased by a total of 29.8 million euros to 272.9 million euros and include amortization of goodwill and consolidation differences of 117.3 million euros (+12.5 million euros).

Operating income thus decreased by 5.6 million euros to 97.5 million euros.

Net financial expenses decreased by 9.5 million euros to 55.3 million euros, notwithstanding the acquisitions made at the end of fiscal 2000, having benefited from declining interest rates.

Extraordinary items generated **net extraordinary expenses** of 19.5 million euros (compared with net extraordinary income of 3.6 million euros in 2000), due to restructuring programs undertaken in North America to react to the new operating situation.

Income taxes increased by 7.5 million euros to 29.2 million euros. The portion represented by current taxes totaled 25.4 million euros. Irap (regional tax on productive activities) totaled 13.3 million euros.

The net loss thus totaled 12.9 million euros.

Financial position and operating results

Highlights of the consolidated balance sheet

(in m€)	12.31.2001	12.31.2000	change
A) Fixed assets			
Intangible fixed assets	1,286.3	1,209.5	76.8
Property, plant, and equipment	486.6	412.3	74.3
Financial fixed assets	34.0	160.7	(126.7)
	1,806.9	1,782.5	24.4
B) Working capital			
Inventories	90.3	82.4	7.9
Trade receivables	60.8	71.9	(11.1)
Other assets	239.3	212.8	26.5
Trade payables	(433.6)	(387.0)	(46.6)
Various liabilities and risk reserves	(92.5)	(74.3)	(18.2)
Other current liabilities	(200.1)	(180.7)	(19.4)
	(335.8)	(274.9)	(60.9)
C) Capital invested, after current liabilities	1,471.1	1,507.6	(36.5)
D) Reserve for employee severance indemnities and other medium/long-term non-financial liabilities	(116.4)	(112.7)	(3.7)
E) Capital invested, net	1,354.7	1,394.9	(40.2)
Financed by:			
F) Stockholders' equity			
Group	216.1	240.6	(24.5)
Minority interest	20.2	16.6	3.6
	236.3	257.2	(20.9)
G) Convertible bonds ⁽¹⁾	368.1	360.8	7.3
H) Medium/long-term net indebtedness			
Medium/long-term financial debt	969.5	643.6	395.9
Medium/long-term financial receivables	(51.4)	-	(51.4)
	918.1	643.6	344.5
I) Current net financial position			
Current debt	118.1	332.1	(284.0)
Cash and current financial receivables	(285.9)	(198.8)	(87.1)
	(167.8)	203.3	(371.1)
Net financial position (G+H+I)	1,118.4	1,137.7	(19.3)
L) Total, as in E)	1,354.7	1,394.9	(40.2)

⁽¹⁾ The amount shown is the accrued value, equal to the difference between the face value and the implicit interest that will accrue in future periods.

The changes in the financial position shows that net invested capital and net borrowings were 40.2 million euro and 19.3 million euros lower, respectively. After adjusting for appreciation in the value of the dollar, the decreases total 95.5 million euros and 73 million euros, respectively.

The high volume of amortization and depreciation and further improvements in the management of current assets allowed to realize the efficiencies described above, notwithstanding a significant volume of investments and line-by-line consolidation of the activities acquired in Switzerland, which, together with the other changes in the scope of consolidation, resulted in an increase of over 49 million euros in invested capital, in addition to posting of relative consolidation differences.

The indices of rotation and gross operating profitability of net invested capital improved, reaching 2.41 and 27.3% (2.18 and 24.8% in 2001), respectively.

The final value of stockholders' equity shrank due to the combined effect of the net loss and distribution of dividends, while it did not measurably suffer from changes in exchange rates, as the assets and liabilities denominated in U.S. dollars and Swiss francs were largely balanced, including through recourse to hedging.

Consolidated statement of cash flows

(in m€)	2001	2000
Opening current net financial position ⁽¹⁾	(197.8)	109.0
Cash flows from operating activities		
Net income (loss) for the period (including minority interest)	(7.7)	19.9
Amortization, depreciation, and writedowns of fixed assets, net of revaluations	272.9	243.1
(Gains)/losses on disposal of fixed assets	0.2	0.2
Provisions for risks, net of uses	1.5	(1.7)
Change in working capital	39.6	31.3
Net change in employee severance indemnities and other medium/long-term liabilities	2.5	9.0
	309.0	301.8
Cash flows from investing activities		
Purchases of fixed assets		
- intangible fixed assets ⁽²⁾	(70.0)	(83.2)
- property, plant, and equipment	(101.8)	(98.0)
- financial fixed assets	(21.7)	(139.2)
- acquisition of consolidated equity investments	(23.1)	(1.3)
Disposal of financial fixed assets	7.5	6.8
Disposal price of fixed assets sold	11.6	15.9
	(197.5)	(299.0)
Cash flows from financing activities		
Issuance of convertible bonds (and capitalization of interest on zero coupons)	7.2	7.1
New medium/long-term borrowings	347.0	332.0
Repayments and current portion of medium/long-term debt	(78.8)	(641.4)
Payment of dividends to stockholders of parent company	(10.5)	(10.5)
Other	(7.2)	(2.3)
	257.7	(315.1)
Cash flow during period	369.2	(312.3)
Exchange rate differences on current borrowings	(3.6)	(0.0)
Closing current net financial position	167.8	(203.3)
Closing medium/long-term net financial indebtedness ⁽³⁾	(1,286.2)	(934.4)
Closing total net financial indebtedness	(1,118.4)	(1,137.7)

(1) The amount shown for fiscal 2001 includes 5.5 million euros for cash of newly consolidated companies.

(2) This excludes goodwill and consolidation differences for companies acquired during the fiscal year.

(3) The balances shown were influenced by the following factors:

(in m€)	2001	2000
Effect of change in scope of consolidation	(26.1)	-
Exchange rate differences on medium/long-term financing	(50.2)	(77.1)

Net of disposals, 160.2 million euros (-5.1 million euros) were committed to investing activities, in addition to 37.3 million euros to acquire equity investments and other financial fixed assets (-96.4 million euros). Investments were allocated by geographical area, channel, and purpose as follows:

geographical area	(in m€)	quota
HMSHost ⁽¹⁾	69.2	40.3%
Italy	45.6	26.6%
Switzerland	21.0	12.2%
France	19.2	11.2%
Spain	5.6	3.3%
Benelux	2.7	1.6%
Greece	1.5	0.9%
Austria - Germany	1.3	0.8%
Unclassifiable ⁽²⁾	5.7	3.1%
Total	171.8	100.0%

(1) North America, Oceania, and Far East.

(2) Involving Group headquarters, which also houses central functions for Europe area and Italian operating unit.

channel	(in m€)	quota
Airports	57.2	33.3%
Motorways	69	40.2%
Railway stations	8.5	5.0%
Outside concession	18.4	10.7%
Unclassifiable	18.7	10.8%
Total	171.8	100.0%

purpose	(in m€)	quota
Development of commercial network ⁽¹⁾	106.2	61.8%
Maintenance of commercial network	46.9	27.3%
Other ⁽²⁾	18.7	10.9%
Total	171.8	100.0%

(1) New units and remodeling with changes in product line.

(2) For ICT investments in central procedures and investments at headquarter offices.

The ratio of investments to net sales was 5.3% (6.2% in fiscal 2000).

At HMSHost, the principal investments made in development involved the opening of new units and airports and expansion of facilities on the New Jersey Turnpike.

In Europe, special mention must be made of new facilities opened at the La Part Dieu railway station in Lyon, France and Ugaldebieta, Spain, two new dual brand restaurants (Spizzico and Burger King) in Italy, and the first two Autogrill brand restaurants on Swiss motorways, at Bavois and Lully.

Human resources

The average number of employees (in terms of full-time equivalents FTE) changed as follows, as broken down by geographical area (in terms of full-time equivalents):

Group FTE employees

	2001	2000 ⁽¹⁾	change
European Union	14,134	13,542	592
Switzerland	2,329	-	2,329
Europe	16,463	13,542	2,921
HMSHost	24,634	25,138	(504)
Overall total	41,097	38,680	2,417

⁽¹⁾ They differ from previously published data due to standardization with the criteria used for 2001.

The change mainly stemmed from consolidation of new entities, starting with the Passaggio Group. Within the scope of consolidation of HMSHost, the decrease resulted from improvements in operating models and the divestment of several locations.

Geographic and sector distribution of activity

The Group operates its activities through approximately 4,300 restaurants at 870 different locations that are distributed as follows:

Network by geographical area

	at 12.31.2001					at 12.31.2000
	motorways	airports	stations	others	total	total
Switzerland	8	1	5	22	36	51
European Union	525	9	28	103	665	670
Total Europe	533	10	33	125	701	721
North America	79	73	-	13	165	166
Other countries	-	4	-	-	4	5
Total	612	87	33	138	870	892

The net change resulted from new openings at 22 locations and the closure of 44 units as part of streamlining measures.

In particular, 10 city center pastry shops, on-train and on-ship catering services, and another nine units inconsistent with the product line of the Group were disposed of in Switzerland. In Belgium and Luxembourg, ten poorly performing units were closed pursuant to a plan prepared in the previous fiscal year.

Approximately 90% of business volume is generated in restaurants located in areas or buildings granted under concessions obtained directly from the operators of the infrastructures or, in some cases, from oil companies.

At December 31, 2001, 108 restaurants were operated in Italy by independent businessmen who contributed to the spread of the Spizzico and Burger King brands through concession agreements.

Performance
by geographical area

The Group's operating organization is broken down by geographical area. The best key to interpreting performance is geographical. For the sake of consistency with previously published data, the activities operated by HMS - concentrated 95% in North America and 4% in Europe - are aggregated in a single segment.

The commercial trends and dynamics of percentage of sales illustrated below can be correlated to the economic forces repeatedly mentioned elsewhere in this report and the specific nature of the operating and competitive models of the individual areas.

Nevertheless, the structural trend confirms the Group's ability to pursue overall improvement in Ebitda, as evidenced by the progress reported after acquisitions in North America.

The geographical breakdown of revenues appears in the following table:

(in m€)	European Union			Switzerland	HMSHost			unclassifiable		Group		
	2001	2000	% change	2001	2001	2000	% change	2001	2000	2001	2000	% change
Revenues	1,363.5	1,306.4	4.4%	193.5	1,709.5	1,734.7	(1.5%)			3,266.5	3,041.1	7.4%
Ebitda	184.1	182.1	1.1%	3.2	204.6	197.2	3.8%	(10.5)	(6.4)	381.4	372.9	2.3%
% of revenues	13.5%	13.9%		1.6%	12.0%	11.4%				11.7%	12.3%	
Investments	80.7	78.5	2.8%	21.0	69.2	102.0	(32.2%)	0.9	0.9	171.8	181.4	
Depreciation	61.1	57.3	6.6%	7.8	85.2	81.0	5.2%	118.8	104.8	272.9	243.1	
Net invested capital	(32.4)	25.6		51.1	324.2	318.1		1011.8	1051.2	1,354.7	1,394.9	

European Union activities posted sales increases at a rate higher than the reference market and maintained a 13.5% operating return on sales notwithstanding crises in the food industry ("mad cow" disease and foot-and-mouth disease) and the resources dedicated to the changeover to the euro.

In comparable terms, the revenues generated by HMSHost activities were down by 1.5% as a result of the recession in the United States and the events of September 11. Nevertheless, efficiency recovery measures resulted in a 0.6 percentage point improvement in the ratio of Ebitda to net sales (12% compared with 11.4% in 2000).

The newly consolidated Swiss activities posted limited operating return on sales (0.8% of sales). It is expected that they will conform with the Group average as a result of restructuring of the activity portfolio and current measures to improve operating effectiveness and efficiency.

The percentage Ebitda is also influenced by the dynamics of Group management expenses, which are posted under the item "unclassifiable," and which include the specific costs of studies and strategic projects.

A revision of the business model in Benelux was undertaken by the top management in France.

The Group's objectives consist mainly in reinforcing the responsibility of countries in the management and competitive development of the business, dedicating the central structures to the quality and efficiency of operations, innovation, and development of core competencies.

Europe

In addition to major remodeling work at locations in Italy, France, and Spain, projects undertaken during the year included:

- the opening of a food and beverage unit at the new airport in Athens, Greece, where it is expected that the volume of passengers will steadily increase to the number expected for the 2004 Olympic Games
- the opening of the first Autogrill brand restaurants in Switzerland, at motorway service areas in Bavois and Lully
- the opening of six new or remodeled food and beverage units in the new shopping mall at the La Part Dieu railway station in Lyon, on the new Paris-Lyon-Marseille TGV line
- the opening of two Spizzico stores in the Malley and Letzipark shopping centers in Switzerland
- the opening of the first Italian integrated food and beverage and oil service facility at the Sanzio Ovest service area (Falconara, near Ancona)

The operating results of the countries where the Group operated during the previous fiscal year are summarized in the following table:

Other european countries

(in m€)	2001									
	Italy	France	Spain	Belgium	The Netherlands	Austria	Germany	Greece	eliminations and unclassified	total
Revenues	989.4	175.8	66.4	38.3	55.3	21.8	11.4	5.9	(0.8)	1,363.5
Ebitda	153.3	23.6	7.5	1.3	5.9	0.2	(1.4)	0.7	(7.0)	184.1
% of revenues	15.5%	13.4%	11.3%	3.4%	10.7%	1.0%	(12.2%)	11.4%		13.5%
Investments	45.6	19.2	5.6	1.6	1.1	0.9	0.5	1.5	4.7	80.7
Depreciation	34.5	14.4	2.9	2.2	3.3	2.9	0.6	0.4		61.2

(in m€)	2000									
	Italy	France	Spain	Belgium	The Netherlands	Austria	Germany	Greece	eliminations and unclassified	total
Revenues	945.4	161.2	61.9	45.5	57.6	21.9	10.6	2.9	(0.6)	1,306.4
Ebitda	140.7	21.2	8.4	4.9	8.8	2.0	(0.3)	0.1	(3.7)	182.1
% of revenues	14.9%	13.2%	13.6%	10.8%	15.3%	9.1%	(2.8%)	3.4%		13.9%
Investments	46.4	17.9	4.2	1.9	3.5	0.6	0.1	0.1	3.8	78.5
Depreciation	32.3	11.9	2.9	3.5	3.1	3.0	0.4	0.2		57.3

Italy

The operating network, including locations operated by affiliates, consisted of 453 units at December 31, 2001, including 345 direct and 108 affiliated. During the fiscal year, 12 locations were opened and 11 disposed of.

Sales in 2001 grew by 4.6% from the previous year to 989.4 million euros.

The performance of catering activities was especially positive, growing by 6.5%.

Lottery ticket sales continued to fall (-6.9 million euros, or -26.2%), reflecting a market decline that has contracted approximately 40% since 2000 (source: State Monopoly).

An especially positive note is represented by the performance of the motorway channel, with overall growth of +4.4%. In particular, whereas motorway traffic increased by 3.7%, catering service sales increased by 5.6%.

Sales in the airport channel increased by 13.2% with respect to the previous year, thanks to the opening of activity in the Bologna airport in December 2000. On a comparable consolidation basis, a decrease of 3.9% was posted, reflecting the consequences of the events of September 11. This decrease was largely in line with the subsequent decrease in the number of flights (-3.5%, source: Assaeroporti).

Among the Group's various commercial formulas, Spizzico and Burger King grew particularly strongly, up 22.8% and 43.8%, respectively, and +26,5% overall.

A strong push was made on these brands for development in terms of both consumer communication (with advertising spending) and geographical distribution (11 new Spizzico outlets and four new Burger King outlets).

Ebitda grew by 12.6 million euros in absolute terms, reaching 15.5% of net sales (compared with 14.9% in 2000).

The percentage of gross margin with respect to sales increased by 1.2 percentage points compared with 2000 thanks to a sales mix with greater weight for the most profitable sectors (food and beverage in particular) and effective changes in purchasing, which significantly increased the percentage level of profitability on a comparable basis in terms of mix.

Labor costs per retail outlet increased by 8.6% with respect to 2000.

They increased as a percentage of sales to 21.9% (+0.7 percentage points), while labor costs for indirect personnel decreased by 2.3%, representing 1.9% of sales. Among the various product lines, direct sales of the Spizzico and Burger King lines increased by +30.2% to 42.2 million euros (chain sales were up +19.7% to 54.8 million euros), accounting for over 40% in the total growth of revenues in Italy.

Investments during the fiscal year totaled 51.2 million euros, of which 26.9 million euros were dedicated to development of the commercial network. To complete the new central headquarters, started in 2000, 5.3 million euros were invested in 2001.

In the area of Information Technology, a total of 7 million euros were invested. Spending was concentrated on the replacement of cash registers (3.7 million euros), improvements in customer service and productivity, and the new accounting system (1 million euros).

France

The Year 2001 closed with a 9.1% increase in net sales over 2000, reaching 175.8 million euros.

Performance by channel shows growth of 12.1% to 122.1 million euros in the motorway channel, and 2.9% to 53.7 million euros in the railway station channel. In the motorway channel, growth was concentrated on remodeled restaurants, while retail outlets at stations suffered from railway worker strikes.

Ebitda was up 11.3% to 23.6 million euros, representing an increase of 0.2 percentage points in terms of return on sales (13.4% in 2001, against 13.2% in 2000).

In particular, labor costs as a percentage of sales decreased by 1.2% with respect to

2000 thanks to reorganization of employees in the station channel and counter-measures taken against the full implementation of the 35-hour work week, in effect since 2000.

In 2001, investments totaled 19.2 million euros, or 11% of sales. Most of this sum (14 million euros) was dedicated to the remodeling of existing motorway facilities and areas (Phalempin, Porte les Valences, Angres, Beaune, Côte d'Azur Nord, Centre France, La Couline). Railway station work involved Grenoble, Tours, and Brest. Moreover, 0.5 million euros were invested for new openings in the Le Mans and Avignon TGV stations. The residual amount reflects ordinary maintenance.

The Netherlands

The Dutch company closed the year with net sales down by 4.2% to 55.3 million euros (-1.1% considering only comparable outlets).

The 2.1% decrease in catering and market sales (which represent 80% of total revenues), due to fewer customers (-3.5%), was partially offset by the 1.5% increase in the average ticket. Motorway traffic grew by 1.5% in 2001, while the rate of penetration decreased by 5.0%.

The principal causes for this decrease were linked to external factors (foot-and-mouth disease, fewer tourists, especially Germans, and lower numbers of business travelers due to lower spending on New Economy company conferences). The structure of products offered showed signs of weakness, a problem that the new management is focusing on to attract new segments of customers.

Hotel revenues (19% of total sales) decreased by 2.7% from 2000 due to a 5.5% decrease in occupancy rates, which averaged 68.5%. This decrease partly compensated for the 2.8% increase in the average price per room.

Ebitda decreased from 15.3% in 2000 to 10.7% of sales in 2001, with a decrease of 2.9 million euros.

Overhaul of the product line and management represent the centerpiece of measures taken to recover customers and profitability.

Belgium - Luxembourg

The subsidiary closed the year with revenues down by 15.8% to 38.3 million euros, but on a comparable location basis, they rose by 0.6%. The net decrease is attributable to the closure of 11 barely profitable units located in shopping malls.

Ebitda for the period decreased to 3.4% of revenues, from 10.8% in 2000, reflecting an absolute decrease of 3.6 million euros. This decrease was largely attributable to increased operating costs, which rose from 15.3% in 2000 to 18.1% of sales in 2001. Changes in the product line and organization are being implemented to improve operating margins.

Spain

The Spanish subsidiary closed fiscal 2001 with sales up 7.3% to 66.4 million euros. The 4.5% growth posted by comparable outlets was accompanied by the greater contributions made by the Castillejo and Benicarlò restaurants, which were opened in 2000.

Revenues generated by restaurants located along toll motorways increased by 7.7%, while restaurants located along freeways posted an 8.4% increase in sales.

Ebitda decreased by 0.9 million euros to 7.5 million euros, representing a 11.3% return on sales (13.6% in 2000), which decreased due to new concession fees.

Austria

Sales remained largely stable at 21.8 million euros, while motorway traffic on served segments increased by 2.5%.

During 2001, the central structure - especially the marketing and operation functions - was strengthened, and preliminary evaluations for the turn-around of activities were performed.

Accordingly, Ebitda decreased to 1% of revenues, from 9.1% in 2000.

Germany

Revenues increased by 7.5% to 11.4 million euros. During the year, specific measures were studied to renew product lines, to be implemented in 2002.

Renovation of units located in the Goettingen East and West service areas was also planned.

To improve operating efficiency, it was decided to withdraw from the concessions in the two northern service areas, while negotiations are underway with the licensor for new concessions more compatible with the rest of the network.

Switzerland

The activities located in Switzerland became part of the Group at the end of 2000. Integration of these activities with the Group and a series of measures to streamline the portfolio of activities dominated 2001. The Passaggio Group, now Autogrill Schweiz AG, operates a distribution network in airports, motorways, stations, and shopping malls. In 2001 the on-train and on-boat catering activities were sold, as well as a series of city center locations. Major investments were made in the development and restructuring of the motorway channel and other core channels.

Major investments in product line upgrades and expansion were also made in stations and shopping malls, with introduction of new Passaggio concepts and even the opening of two Spizzico restaurants.

In addition to these investments (21 million euros), 52% of the stock in the catering service operator at the Zurich airport was acquired.

Company streamlining and reinforcement measures also involved revision of the organizational model and structure.

During the fiscal year, economic performance was inferior to the rest of Group, as expected. This performance was affected both by the streamlining program and the severe crisis that befell Swissair, as well as the consequences of the terrorist attacks on the United States.

The earnings figures by channel are summarized as follows:

(in m€)	motorways	airports	stations	shopping malls	city	closed activities or those being closed	unclassified	total
Sales	50.8	48.7	18.5	21.1	6.0	48.4		193.5
Ebitda ⁽¹⁾	9.5	3.2	0.2	0.8	0.9	0.7	(12.1)	3.2
% of revenues	18.7	6.6	1.1	3.8	15.0	1.4		1.6

(1) Given the varying degrees of integration of central structure costs in the various channels, the relative costs were not classified by channel. Therefore, the profitability of each channel is not directly comparable with that indicated in other tables of this report.

Furthermore, measures to reduce central expenses were undertaken. The aim of the adopted operating measures and achieved market position (thanks in part to renewal of some of the airport concessions and new contracts at other airports and stations) was align the profits of Autogrill Schweiz with the rest of the Group.

HMSHost Corp.

In 2001 HMSHost pursued major growth in activity through organic development, acquisitions, renewal of expiring contracts, and participation in new tenders. Nevertheless, the events of September 11 represented a serious shock for company activities.

In June HMSHost signed an agreement for acquisition of 25% of the capital of Anton Airfood Inc. at a price of Usd 6 million, reserving the right to increase its investment to 95% at prices tied to the results posted by the company over the next two years. Anton Airfood is the third largest operator on the United States airport market, with more than 90 restaurants in 11 airports and concessions with an average residual term of eight years. The position of the company is particularly interesting: it specializes in small and medium-sized airports (3-5 million passengers annually), a market segment with strong growth trends in which HSMHost previously did not have a presence.

HMSHost also acquired or renewed contracts that are worth nearly Usd 1,400 million over time. This amount can be broken down as follows:

- extension until 2020 of the contract for operation of six restaurants on the Garden State Parkway. Against a total investment of approximately Usd 8 million, the new agreement will generate sales of approximately Usd 800 million over the life of the agreement
- extension until 2009 of the contract for catering service activities inside the Cincinnati/Northern Kentucky international airport, where more than 22 million passengers transit every year (in 2000, source: ACI). The company estimates that the seven locations will generate sales of Usd 90 million over the eight years of the contract
- award of the tender for four restaurant locations and two retail locations in the airport at Halifax, Canada (3 million passengers in 2000, source: ACI) for ten and five years, respectively: it is estimated that the six locations will generate revenues of approximately Usd 55 million over the entire life of the contract
- award of the tender for operation of catering services at the San Antonio international airport in Texas. This contract has a term of seven years, and the bid based on an assumption of 3.5 million passengers transiting through the airport every year (in 2000, source: ACI) will generate a total of Usd 28 million in sales
- award of a ten-year contract for the operation of catering activities at the international airport in Portland, Oregon (13.8 million passengers in 2000, source: ACI), from which the Company expects to realize sales of Usd 30 million over the life of the contract
- early renewal of the contract for operation of restaurants along the Florida Turnpike, one of the most important American motorways with more than 200 million persons transiting it. Sales are estimated to total Usd 300 million over the next eight years
- extension until 2011 of the contract for retail activities at the NASA Johnson Space Center in Houston. Over the next 10 years, the company expects that it will generate sales of over Usd 50 million.

Just as important were the awards it received in 2001. In particular, the **Physicians Committee for Responsible Medicine** awarded the airports of San Francisco, Minneapolis-St. Paul, and Chicago O'Hare for the quality of the catering services offered there, noting that their food and beverage products satisfied the highest nutritional and dietary standards.

In August the IATA mentioned six airports operated by HMSHost as among of the best in the world in terms of the catering services offered to consumers:

- Minneapolis-St. Paul international airport (34 million passengers annually) was declared the best in the world in all categories of catering activities
- in the category of airports serving more than 25 million passengers, after the Minneapolis-St. Paul airport, the airports of Amsterdam, Seattle, and Atlanta placed 3rd, 4th, and 5th, respectively. Amsterdam was declared the best in Europe
- in the category of airports serving 15-25 million passengers, the Vancouver airport came in 4th place
- in the category of airports with less than 15 million passengers a year, the Montreal Dorval airport came in sixth place
- finally, for retail activities only, the Minneapolis-St. Paul airport was awarded yet again, coming in 3rd place in the category of airports serving more than 25 million passengers.

The crisis triggered by September 11 hit when the travel industry was already suffering from the effects of recession in North America.

During 2001 HMSHost posted total sales of Usd 1,528.1 million, down 4.6% after withdrawal from unprofitable contracts and in consequence of unfavorable conditions on the American market. For comparable outlets only, the decrease was limited to 0.5%.

The channels in which the company operates performed as follows:

Airports

The recession in the United States and the events of September 11 caused a 2% decrease in sales on a comparable basis. This decrease must be interpreted in the context of an 8% decrease in air traffic for all of 2001 (source: ATA).

Motorways

On a comparable basis, revenues increased by 6%, with respect to a 3% increase in motor traffic. This result reflects the decision taken by HMSHost to continue introducing brand products on United States motorways.

Shopping Malls

Sales totaled Usd 55.8 million, up 0.3% from the previous fiscal year. On a comparable basis, the increase was 1%.

Measures taken after acquisition of the company have improved margins and generated cash flow notwithstanding the recession and terrorist attacks. In particular, Ebitda reached Usd 183.2 million, for a 12% return on sales (against 11.4% in 2000).

Acceleration of projects for cost reductions and efficiency improvements originally scheduled for 2003 will permit the company to continue increasing its revenues.

During 2001 investments totaled Usd 60.1 million, down by Usd 34.9 from the previous fiscal year. The ratio of investments to revenues (3.9% against 5.9% in 2000) reflected changed scheduling and efficiency measures taken in the previous fiscal year, which had no effect on the company's capacity for development.

Over 24,000 persons work for HMSHost Corp. group companies.

Analysis by channel

In addition to economic data by geographical area, analysis of the principal aggregates by channel is the second key to interpreting economic and financial results. The following table illustrates the breakdown of revenues:

(in m€)	European Union			Switzerland	HMSHost			net change in exchange rates	Group			net change in exchange rates
	2001	2000	% change	2001	2001	2000	% change		2001	2000	% change	
Motorways	1,099.8	1,045.8	5.2%	50.8	354.2	371.0	(4.5%)	(7.4%)	1,504.8	1,416.8	6.2%	4.8%
Airports	34.3	28.0	22.5%	48.7	1,289.8	1,303.4	(1.0%)	(4.0%)	1,372.8	1,331.4	3.1%	(0.1%)
Stations	62.2	57.3	8.5%	18.5	-	-	-	-	80.7	57.3	40.8%	36.4%
Others	167.2	175.3	(4.6%)	75.5	65.5	60.3	8.5%	5.3%	308.2	235.6	30.8%	35.9%
Total	1,363.5	1,306.4	4.4%	193.5	1,709.5	1,734.7	(1.5%)	(4.4%)	3,266.5	3,041.1	7.4%	5.6%

These results illustrate not only the positive performance of the core channels in Europe and North America but also the effects of initiatives for development in the airport and station channels in Europe.

The revenue performance of HMSHost in the motorway channel was influenced by its withdrawal from an agreement at the end of 2000.

Other information

According to the nature of its activity, the Group invests in product innovation and improvement and development of the quality of its service and operating systems. On the other hand, it does not engage in technological research per se.

Research and development activities

The transactions among Group companies and related parties are summarized pursuant to Article 2359 Italian Civil Code and International Accounting Standard no. 24.

Transactions among Group companies and related parties

Transactions among Group companies and related parties are executed to further Group activities and negotiated at market conditions.

Relations with controlling companies

The Group is controlled by Edizione Holding S.p.A., which holds an absolute majority (57.09%) of the voting rights. The remaining shares are held by institutional investors - both Italian and foreign - and numerous investors and Group employees.

During fiscal 2001, the relationship with Edizione Holding S.p.A. consisted almost exclusively of participation in a Group insurance plan to hold down relative costs. The transactions executed during fiscal 2001 and balances at December 31, 2001 can be summarized as follows:

(in k€)	Edizione Holding S.p.A.
Statement of income:	
Cost of services	39
Balance sheet:	
Trade payables	35

Principal relationships with companies subject to common control:

(in k€)	Edizione Finance International S.A.	Benetton Group S.p.A.	Edizione Property S.p.A.	Verde Sport S.r.l.
Statement of income:				
Sales and service revenues	-	-	-	74
Other income and revenues	-	-	-	24
Financial expenses	6,354	-	-	-
Purchases	-	311	-	-
Costs for services	-	-	-	-
Lease and rental costs	-	17	20	15
Balance sheet:				
Trade payables	-	3	-	-
Trade receivables	-	-	-	21

Transactions with the subsidiaries of Edizione Holding S.p.A. can be summarized as follows:

- Benetton Group S.p.A. supplied Autogrill S.p.A. with uniforms for sales personnel
- Edizione Finance International S.A. granted short-term financing to Autogrill S.p.A.
- Edizione Property S.p.A. made a property lease agreement for a sales unit under construction. The receivable reflects the charge for reimbursement of costs incurred by Autogrill on behalf of Edizione Property
- a commercial affiliation relationship is pending with Verde Sport S.p.A. for the operation of catering services in a sports center that it operates in Treviso.

No significant transactions were executed with other non-independent parties. According to their significance, relations with Concessioni e Costruzioni Autostrade S.p.A. and Grandi Stazioni S.p.A., in which Edizione Holding S.p.A. holds an indirect interest of 18% and 12.6%, respectively, are described.

The Autostrade Group - which operates 48% of the Italian motorway network - granted Autogrill S.p.A. direct concessions for the operation of catering and non-oil retail activities at 93 motorway service areas, nine of which are operated by affiliates. Direct revenues from customer sales generated by Autogrill S.p.A. in 2001 totaled 325 million euros.

Autogrill S.p.A. and Autogrill Café S.r.l. operate catering activities at the Roma Termini train station in the form of a sub-concession from Grandi Stazioni S.p.A. with direct operating revenues of 4.2 and 0.8 million euros, respectively. The following table illustrates the operating highlights for fiscal 2001:

(in k€)	Autostrade S.p.A.	Grandi Stazioni S.p.A.
Statement of income:		
Sales and service revenues	15	-
Other income and revenues	549	-
Costs for services	842	-
Lease and rental costs	20,192	486
Balance sheet:		
Trade receivables	624	-
Trade payables	11,640	154

Euro

Pursuant to CONSOB memorandum DAC/98079574 of October 9, 1998, previous annual reports discussed the conversion first of Parent Company and then European subsidiary systems to address the “Year 2000 problem” and adjustments necessitated by introduction of the euro.

Furthermore, to evaluate the strategic and operating impact of the introduction of the euro, a special interfunctional committee was set up by the Parent Company at the end of 1997, which then engaged the participation of subsidiaries.

Reflecting the number of employees involved, major resources - primarily human resources - were dedicated to training in use of the new currency during the last quarter of the fiscal year.

In administrative terms, all affected Group companies adopted the euro as their money of account during fiscal 2001.

The costs for realizing the new information system platform were capitalized and amortized over three fiscal years, while the costs for mere adjustments were posted to the statement of income in the year they were incurred.

In concrete terms, the Group proved to be the best operator, demonstrating its ability to guarantee continuity of sales activities after midnight December 31, 2001, using the new currency to give change without any difficulty.

Corporate Governance

At the beginning of 2001, the Board of Directors of Autogrill S.p.A. examined the Group Corporate Governance Report. This report, drafted in accordance with the Company Code of Self-Discipline, was deposited at the stock market operating company, Borsa Italiana S.p.A., on February 20, 2001.

On March 25, 2002 the Board of Directors accepted the new 2002 Corporate Governance report, which takes the higher degree of conformity with the principles of the Code of Self-Discipline into account.

The system adopted by the company can be summarized as follows:

- **The Board of Directors** is distinguished by the following characteristics:

I. Centrality and Unity

The Company Board of Directors is in charge of strategic and organizational policy, as well as ensuring that adequate mechanisms are in place for monitoring company performance. The Board of Directors, which meets on a regular basis (8 meetings in 2001), is provided with periodic reports on significant transactions concluded with others, including those among Group companies and related parties, and any that might have been executed in the course of exercising delegated powers.

II. Balanced composition and Compensation Committee

The Board of Directors includes members who are non-executive independents capable of exerting major weight on the board decision-making process, contributing their own experience and skills to debate over decisions to be taken in the company's interest. On May 15, 2001, the Board of Directors resolved to set up the Compensation Committee. This committee is mainly composed of non-executive Directors and intended to tighten the links between pay and value creation. The Compensation Committee was delegated the responsibility of making proposals to the Board of Director for the compensation to be paid the Chief Executive Officer and Directors that hold specific positions. The Committee is also informed of the criteria for compensation of top company management.

- An internal procedure was issued to govern **treatment of confidential information and shareholder relations**. This procedure envisages, among other things: (I) prompt, punctual communication to the company investor relations and external relations offices of all events that might influence the value of the financial instruments issued by the company, (II) the responsibility of these structures to communicate information to the public upon prior approval by the Chief Executive Officer, and (III) the responsibility of the external relations office to manage the company Internet site and keep it constantly up to date.
- In regard to the composition of the **Board of Statutory Auditors**, the company, in conformity with Legislative Decree no. 58/98, introduced provisions in its articles of association so that a statutory auditor may be elected by the voting list mechanism.
- In regard to **internal control**, a Group organizational structure was adopted in 2001 that envisages the internal auditing function reporting directly to the Chief Executive Officer. Furthermore, Group policies and directives applicable to periodic reporting, authorization of investment spending, management of matters of significance to the value of shares, and confidentiality were supplemented. The presence of Autogrill executives on the self-governance bodies of its subsidiaries completes, together with responsibilities for supervision and coordination of corporate functions, the range of management and control systems. The role and functions of the control systems are complemented by the activities of the independent auditor.

Investments held by Directors, Statutory Auditors, and general managers

In application of CONSOB Regulation no. 11971/1999, the following table provides the required information, taken from the register of Stockholders and statements made by the interested parties.

As better specified elsewhere, the title of general manager is given to executives with functional responsibilities and thus not subject to the rule in question.

surname and name	Company owned	number of shares			
		owned at 12.31.2000	purchased	sold	owned at 12.31.2001
Livio Buttignol	Autogrill S.p.A.	34,250	95,000	-	129,250
	Autogrill International S.A.	1	-	1	-
	Holding de participations Autogrill S.A.S	-	1	-	1
	Autogrill Côté France S.A.	1	-	-	1
	Autogrill Restauration Services S.A.	1	-	-	1

Treasury stock

The ordinary Stockholders' meeting of April 27, 2001 authorized the Board of Directors to acquire and then possibly sell up to a maximum of one million Autogrill ordinary shares.

After performing the appropriate studies and controls, the company acquired a total of 533,200 shares between September 20 and November 21, 2001 at unit prices between 6.111 euros and 9.651 euros. The entire block of shares purchased was sold between December 5 and 21 at unit prices between 10.108 euros and 10.650 euros.

Therefore, at December 31, 2001, the Company did not hold treasury stock.

Significant events occurring since the end of the fiscal year

The year 2002 began with the introduction of the euro as the official currency of the European Union. The Group and its operators efficiently contributed to the change-over. The Autogrill catering service units were among the first to start using the new currency immediately after midnight on December 31.

Excellent planning of the activities and training of personnel resulted in perfect execution of the introduction of the new currency.

During the new year, the Group stepped up its efforts to reinforce its market shares in the leading countries and channels.

This strategy translated into the following operations:

- an important new position at Swiss airports upon acquisition of the catering services at the Basel airport
- creation of a strong operating base in the high-speed railway stations of Spain, upon acquisition of an initial stake of 70% in Receco S.A.
- in Italy, the agreement concerning Ristop S.r.l., which will be concluded after the Antitrust Authority issues its decisions, will permit a better territorial balance of Italian motorway operations
- the partnership with Pastarito S.p.A., a dynamic company specializing in an original restaurant formula with table service, is destined to add more energy to the development of the brand and increase the Group's potential
- the opening of motorway activities in a new country, Canada, thanks to acquisition of a local operator (SMSI travel centres) concentrated in Ontario
- expansion of Italian operations at the Turin airport and the Campagnola service area

The railway station channel in Italy also received a boost from a commercial project that led to agreement with Grandi Stazioni S.p.A. for the introduction of a wide range of Group concepts at both the remodeled Termini railway station and the other 12 stations to be remodeled soon.

In addition to intense investment and development activities, the Group reinforced its management structure by introducing new general managers in Italy and Switzerland and a strategic marketing director at the Group level.

Business outlook

In the first twelve weeks of 2002, revenues exceeded expectations, fully recovering their level in the corresponding period of the previous year. In particular, performance was positive on the company's principal markets, including the United States, while a downturn was reported in the Central European countries - partly in consequence of streamlining of Swiss activities at the end of 2001.

Productivity gains were also realized.

Therefore, although the first quarter historically represents the low season of the year, performance in 2002 seems to offer good promise, albeit in the face of divergent trends in different areas of activity.

Moreover, past acquisitions have boosted revenues and margins in absolute terms over the short-term, notwithstanding the percentage impact of the margins and net result in relation to the costs of integration and amortization of consolidation differences. Afterwards, they will ensure growth in the economic indicators consistently with the overall parameters of the Group.

Furthermore, the expanded operating base improves the chances of the company in winning new tenders and renewal of concessions, as well as renegotiation of loans expiring between 2003 and 2004.

Consolidated balance sheet

(in k€)	12.31.2001	12.31.2000	change
ASSETS			
A) Amounts due from stockholders for shares subscribed but not called			
B) Fixed assets			
I - Intangible fixed assets			
1) Start-up and expansion costs	260	240	20
4) Concessions, licenses, trademarks, and similar rights	23,523	17,438	6,085
5) Goodwill	695,692	751,971	(56,279)
5 bis) Consolidation difference	266,213	144,400	121,813
6) Work in progress and advances	5,756	4,541	1,215
7) Other intangibles:			
a) leasehold improvements	271,247	267,117	4,130
b) miscellaneous intangibles	23,612	23,791	(179)
Total	1,286,303	1,209,498	76,805
II - Property, plant, and equipment			
1) Land and buildings	113,095	80,307	32,788
2) Plant and machinery	56,037	28,745	27,292
3) Industrial and commercial equipment	138,721	143,216	(4,495)
3 bis) Assets returnable at no cost	94,169	90,965	3,204
4) Other assets	14,110	9,556	4,554
5) Construction in progress	70,494	59,538	10,956
Total	486,626	412,327	74,299
III - Financial fixed assets			
1) Equity investments in:			
a) unconsolidated subsidiaries	-	134,137	(134,137)
b) affiliated companies	12,903	3,704	9,199
c) other companies	941	21	920
2) Receivables:			
b) from affiliated companies	45,665	-	45,665
d) from others			
* portion due within one year	1,649	1,057	592
* portion due beyond one year	23,454	19,653	3,801
Other securities	828	2,163	(1,335)
Total	85,440	160,735	(75,295)
Total fixed assets	1,858,369	1,782,560	75,809
C) Current assets			
I - Inventories			
1) Raw materials and supplies	90,292	82,112	8,180
5) Advances	(0)	281	(281)
Total	90,292	82,393	7,899
II - Receivables			
1) Trade receivables	70,123	71,923	(1,800)
3) From affiliates	1,342	2,023	(681)
5) From others			
a) deferred tax assets			
* portion due within one year	38,393	33,470	4,923
* portion due beyond one year	117,775	112,167	5,608
b) miscellaneous receivables	52,640	106,812	(54,172)
Total	280,273	326,395	(46,122)
III - Financial assets not held as fixed assets			
6) Other securities	2,913	17,528	(14,615)
Total	2,913	17,528	(14,615)
IV - Cash			
1) Bank and post office accounts	213,742	74,325	139,417
3) Cash on hand	58,131	42,119	16,012
Total	271,873	116,444	155,429
Total current assets	645,351	542,760	102,591
D) Accrued income and prepaid expenses			
a) bond issue discounts	102,974	110,192	(7,218)
b) other accrued income and prepaid expenses	30,958	23,336	7,622
Total	133,932	133,528	404
TOTAL ASSETS	2,637,652	2,458,848	178,804

Consolidated balance sheet

(in k€)	12.31.2001	12.31.2000	change
LIABILITIES			
A) Stockholders' equity			
I) Capital stock	132,288	131,387	901
II) Additional paid-in capital	-	-	-
III) Revaluation reserve	13,618	14,519	(901)
IV) Legal reserve	1,712	1,512	200
V) Reserve for treasury stock	-	-	-
VI) Statutory reserves	-	-	-
VII) Other reserves	81,339	78,316	3,023
VIII) Retained earnings	-	-	-
IX) Net income (loss)	(12,852)	14,879	(27,731)
Group interest in stockholders' equity	216,105	240,613	(24,508)
Minority interest in stockholders' equity	20,182	16,558	3,624
Total stockholders' equity	236,287	257,171	(20,884)
B) Various liabilities and risk reserves			
1) Reserve for pensions and similar obligations	12,933	13,570	(637)
2) Income tax reserves	61,049	46,997	14,052
3) Other reserves	35,972	29,457	6,515
Total	109,954	90,024	19,930
C) Reserve for employee severance indemnities	86,851	82,086	4,765
D) Payables			
2) Convertible bonds	471,055	471,055	-
3) Borrowings from banks:			
* portion due within one year	91,888	175,882	(83,994)
* portion due beyond one year	956,896	571,197	385,699
4) Other financial payables:			
* portion due within one year	6,045	220,581	(214,536)
* portion due beyond one year	6,981	2,400	4,581
5) Advances	474	118	356
6) Trade payables	433,242	386,898	46,344
9) Payables to affiliated companies due beyond one year	5,656	-	5,656
10) Payables to controlling companies	35	23	12
11) Taxes payable	29,746	24,250	5,496
12) Payables to social security institutions	15,931	15,494	437
13) Other payables:			
* portion due within one year	129,664	113,507	16,157
* portion due beyond one year	29,098	14,819	14,279
Total payables	2,176,711	1,996,224	180,487
E) Accrued expenses and deferred income	27,849	33,343	(5,494)
TOTAL LIABILITIES	2,637,652	2,458,848	178,804

MEMORANDUM ACCOUNTS	12.31.2001	12.31.2000	change
Unsecured guarantees	26,793	27,321	(528)
Secured guarantees			
* obligations other than liabilities	-	385	(385)
* payables posted on the balance sheet	15,742	16,237	(495)
Purchase and sale commitments	1,024,696	2,190,022	(1,165,326)
Other commitments	41,711	23,796	17,915
TOTAL MEMORANDUM ACCOUNTS	1,108,942	2,257,761	(1,148,819)

Consolidated statement of income

(in k€)	2001	2000	change
A) Value of production			
1) Sales and service revenues	3,295,401	3,041,130	254,271
5) Other revenues and income	90,804	75,480	15,324
Total	3,386,205	3,116,610	269,595
B) Costs of production			
6) Raw materials, supplies, and merchandise	1,169,790	1,059,670	110,120
7) Services	315,951	296,728	19,223
8) Leases and rentals	442,218	422,175	20,043
9) Personnel:			
a) salaries and wages	837,847	743,822	94,025
b) social security contributions	133,670	124,967	8,703
c) employee severance indemnities	15,066	14,602	464
d) pension and similar obligations	2,440	5,750	(3,310)
e) other personnel costs	50,300	42,603	7,697
10) Amortization, depreciation, and writedowns:			
a) amortization of intangible fixed assets	182,212	172,059	10,153
b) depreciation of property, plant, and equipment	88,005	70,213	17,792
c) writedowns of fixed assets	2,636	783	1,853
d) writedowns of receivables among current assets	4,861	4,990	(129)
11) Change in raw materials, supplies, and merchandise inventories	(635)	12,609	(13,244)
12) Provisions for risks	1,412	2,977	(1,565)
13) Other provisions	6,060	4,632	1,428
14) Other operating costs	36,862	34,831	2,031
Total	3,288,695	3,013,411	275,284
Net production value (A-B)	97,510	103,199	(5,689)
C) Financial income and expenses			
15) Investment income	200	349	(149)
16) Other financial income:			
b) securities held as fixed assets other than equity investments	203	373	(170)
c) securities held as current assets other than equity investments	2,914	3,090	(176)
d) other financial income	88,585	126,051	(37,474)
17) Interest and other financial expenses paid to:			
a) credit institutions	(44,318)	(46,328)	2,010
c) third parties	(11,583)	(14,441)	2,858
d) others	(91,302)	(133,906)	42,604
Total	(55,301)	(64,812)	9,511
D) Adjustments to financial assets			
19) Writedowns of:			
a) equity investments	(1,139)	-	(1,139)
c) securities held as current investments other than equity investments	(47)	(296)	249
Total	(1,186)	(296)	(890)
E) Extraordinary income and expenses			
20) Other income	1,502	6,272	(4,770)
21) Other expenses	(21,016)	(2,770)	(18,246)
Total	(19,514)	3,502	(23,016)
Income (loss) before taxes	21,509	41,593	(20,084)
Income taxes	(29,212)	(21,679)	(7,533)
Net income (loss)	(7,703)	19,914	(27,617)
Minority interest in net income	5,149	5,035	114
Group net income	(12,852)	14,879	(27,731)

Notes to the consolidated financial statements

Significant accounting policies

The amounts shown in the notes are expressed in thousands or millions of euros. The symbol Usd indicates the United States dollar.

The consolidated financial statements have been prepared in accordance with the provisions of Legislative Decree no. 127/1991, Title III, which implemented EEC Directive VII.

The purpose of the notes is to explain, analyze, and, in some cases, provide supplementary information for the balance sheet figures. The notes contain the information required by Article 38 and other provisions of Legislative Decree no. 127/1991. The valuation criteria used to prepare the consolidated financial statements at December 31, 2001 are consistent with those used to draft the financial statements at December 31, 2000.

Furthermore, in order to facilitate valid comparisons with the consolidated financial statements at December 31, 2001, some items on the previously published consolidated financial statements at December 31, 2000 have been reclassified without changing the amounts shown for stockholders' equity and net income for the fiscal year closed at December 31, 2000.

These reclassifications involved the following items:

- *other revenues and income; costs for services; costs for leases and rentals, and other operating costs*, to eliminate relative reimbursements from sublessees and condominium tenants for the costs incurred by the Group on their behalf
- *financial income and expenses*, to eliminate the foreign exchange differences relative to hedged positions
- *accrued income and expenses, payables and receivables*, for consistency with classification of exchange risk hedging transaction differences by the Edizione Holding S.p.A. group.

Group activities

Autogrill S.p.A., a worldwide operator in the travel catering and services industry and the modern fast food industry (Quick Service Restaurant), operates directly and through its subsidiary companies in high consumer traffic locations.

Contents and format of the consolidated financial statements

Pursuant to Article 26 of Legislative Decree no. 127/1991, the consolidated financial statements include the financial statements at December 31, 2001 of Autogrill S.p.A. and all companies in which the Parent Company directly or indirectly holds a majority of voting rights or possesses a dominant influence. This last category includes: Soborest S.A., Sorebo S.A., Soberest S.A., and, since fiscal 2001, Volcarest S.A., which are controlled by virtue of a 50% interest in company capital stock and a contract conferring management of the business on the Group.

HMSHost Corp. and its subsidiaries close their fiscal year on the Friday closest to December 31 and break it down into 13 accounting periods that are four weeks long each (except, possibly, the last one). The respective financial statements included in the consolidated financial statements shown here thus refer to the period December 30, 2000 - December 28, 2001, while the comparative situations refer to the period January 1 - December 29, 2000.

Autogrill Nederland B.V. and its respective subsidiaries, which closed their fiscal year on the Wednesday closest to the end of the calendar year, changed the closing date to December 31 starting in fiscal 2001. The respective financial statements included in the consolidated financial statements shown here thus refer to the period December 28, 2000 - December 31, 2001, while the comparative situations refer to the period December 30, 1999 - December 27, 2000.

The companies included in the scope of consolidation are listed in the appendix on page 64.

The financial statements of the subsidiary companies have been reclassified as necessary to bring their formats into compliance with the criteria adopted by the Parent Company.

Differently from the financial statements at December 31, 2000, the scope of consolidation now includes Autogrill Schweiz AG (the new name of Passaggio Holding AG) and its subsidiaries, as well as Aviogrill S.r.l. and Volcarest S.A. The former represents approximately 6% of consolidated revenues and assets. Aviogrill S.r.l., in which control was obtained in 2000 before it started commercial activity, generated 5 million euros in revenues during the year. At December 31, 2000, the Group held a 40% interest in Volcarest S.A., valued according to the equity method. On June 11, 2001 (effective January 1, 2001) an additional 10% interest was acquired. During the fiscal year, it generated revenues of 6.2 million euros.

Furthermore, during fiscal 2001, the scope of consolidation of Autogrill Schweiz AG itself changed following the acquisition of minority interests in the capital Flughafen Restaurant AG, which had formerly been consolidated proportionately, and disposal of the controlling interest in Passaggio Rail AG.

Considering the limited significance of the equity investments, comparative proforma statements were not prepared.

The balance sheets of the newly consolidated companies at their acquisition date follows below:

(in m€)	Autogrill Schweiz AG				Volcarest S.A.	Aviogrill S.r.l.
	initial perimeter (1)	Flughafen Restaurant AG (50%)	Passaggio Rail AG	final perimeter		
Fixed assets	67.4	8.7	(7.3)	68.9	4.1	0.1
Working capital	(24.2)	(3.5)	3.5	(24.2)	(1.9)	0.1
Net invested capital	43.3	5.2	(3.8)	44.7	2.2	0.2
Group's interest in stockholders' equity	18.6	6.2	(1.5)	23.4	1.0	-
Minority interest in stockholders' equity	4.0		(1.0)	3.0	1.0	-
	22.6	6.2	(2.5)	26.4	2.0	-
Medium/long-term net indebtedness	23.5	1.4		24.9	0.8	-
Short-term net financial position	(2.9)	(2.4)	(1.3)	(6.6)	(0.6)	0.2
Net financial position	20.6	(1.0)	(1.3)	18.3	0.2	0.2
Total	43.3	5.2	(3.8)	44.7	2.2	0.2
Purchase cost/net sales revenue	150.8	13.2	(8.0)	156.0	0.8	0.8
Consolidation difference ⁽²⁾	142.4	7.0	(6.5)	142.9	0.7	0.8
Average term of concessions				20	21	20

(1) Consolidated; with respect to the situations reported in the notes to the interim reports, the situation shown here includes the results of audits of the acquired financial statements.

(2) Consolidation difference at the acquisition date (including internal consolidation differences)	142.9
Sale price of office building in Olten	(1.1)
To consolidation differences	141.8
Effect of adjustments to foreign exchange rates at 12.31.2001	3.9
Consolidation differences at 12.31.2001	145.7

The consolidation difference for Autogrill Schweiz AG is amortized over 20 years, corresponding to the average term of the concessions - weighted according to the values attributed to the distinct channels in which it operates - which was prudently rounded down.

In regard to the price paid to Bon Appetit Gastronomie Holding AG for purchase of this investment, an arbitration proceeding was undertaken to obtain a significant revision of the sales agreement due to discrepancies found in the fiscal 2000 figures. Therefore, payment of a Chf 20 million tranche of the purchase price, was blocked until this proceeding is resolved. It was deposited in an escrow account guaranteeing the reciprocal contractual obligations. Furthermore, the book value of the investment includes the estimated contractual adjustment in the purchase price, equal to Chf 6.5 million, that is due after 2002.

In any event, the development programs - based on the renewal and expansion of existing concessions, and the measures taken to recover profitability - justify expectations that the residual consolidation difference, reduced by over Chf 20 million with respect to the original amount of approximately Chf 190 million, will be recovered.

The consolidation differences relative to Aviogrill S.r.l. and Volcarest S.A. are amortized over the term of the concessions, for 20 and 21 years, respectively.

Finally, ISIC S.p.A. was eliminated from the scope of consolidation. This company had been inactive for some time upon conclusion of its voluntary liquidation, which led Autogrill S.p.A. - the sole stockholder - to acquire all its assets and liabilities.

Principles of consolidation

Following below is a list of the most significant principles of consolidation used to prepare the consolidated financial statements:

a) The financial statements of the consolidated companies are merged according to the global integration method, with elimination of the book value of equity holdings owned by the parent company and the other consolidated companies.

If elimination of the value of the equity holding results in a positive difference in the first fiscal year that a company is included in the consolidated financial statements, this difference is allocated, when applicable, to the assets of that equity holding. Any excess is allocated to the item "Consolidation difference" under assets.

Instead, if there is a negative difference, this amount is posted to the "Consolidation reserve for future risks and charges" under liabilities if it results from expected future losses; otherwise, it is allocated to stockholders' equity, at the item "Consolidation reserve."

The consolidation differences are amortized in equal installments for the useful life of the asset, corresponding to the average residual term of the concessions held by the respective companies.

b) The entries for payables and receivables, costs and revenues, and all transactions of a significant amount amongst consolidated companies are eliminated, including dividends distributed within the Group.

Furthermore, any profits that have not yet been realized and capital gains and losses resulting from transactions amongst Group companies are also eliminated.

c) The effects of postings made strictly in compliance with tax laws are eliminated.

d) The balance sheets of subsidiary companies belonging to countries that are not a part of the EMU are converted into euros by applying the exchange rate in effect on the date of the financial statements, while their statements of income are converted by applying the average exchange rate for the entire period. Exchange rate differences resulting from conversion of the initial value of stockholders' equity and

2001 net income at the exchange rate in effect on December 31, 2001 are directly posted to stockholders' equity under "Other reserves."

The exchange rates used to convert into euros the financial statements of subsidiaries denominated in other currencies are as follows:

	fiscal 2001		fiscal 2000	
	year-end	average	year-end	average
Usd	0.8813	0.8955	0.9305	0.9234
Chf ⁽¹⁾	1.4829	1.5105	1.5253	1.5581
Greek Drachma ⁽²⁾	-	-	2.9347	2.9709

⁽¹⁾ The exchange rate for fiscal 2000 refers to the exchange rate for acquisition of Passaggio Holding AG (now Autogrill Schweiz AG) stock, on December 28, 2000.

⁽²⁾ Since January 1, 2001, Greece has used the euro as its money of account.

f) Standardization of valuation and classification criteria amongst the various companies included in the scope of consolidation.

Valuation criteria

Following below are the valuation criteria applied to the most important postings on the financial statements. They are unchanged with respect to those used at December 31, 2000.

Intangible fixed assets

Intangibles are posted at their purchase or production cost, inclusive of any directly allocable ancillary costs, and are subject to amortization according to the length of their useful life. Amortization of leasehold improvement costs has been computed according to the shorter of the following: the useful life of the costs incurred or the residual term of the lease.

Other intangibles are normally amortized over a period of five years, corresponding to their presumed useful life. The valuation and amortization criteria applied to goodwill and concessions, licenses, and trademarks are separately discussed below. If, independently of previously booked amortization, there is a lasting loss in value, the asset is written down by a corresponding amount. If the reasons for the write-down cease to exist in subsequent fiscal years, it is cancelled.

Property, plant, and equipment

Property, plant, and equipment are posted at their purchase or construction cost, except as provided by law for inflation adjustments, and are depreciated at rates corresponding to the presumed useful life of the various asset classes. In the case of assets that are returnable at no cost, these rates are replaced by those appearing on the financial amortization schedule, if they are higher. If, independently of previously booked depreciation, there is a lasting loss in value, the asset is written down by a corresponding amount. If the reasons for the writedown cease to exist in subsequent fiscal years, it is cancelled.

Finance leasing

Finance leasing agreements are posted according to the financial method. The property, plant, or equipment covered by the agreement are posted at their contract value, and a liability equal to the residual debt on the principal is also posted. The amount of interest payable during the fiscal year is posted to the statement of income under interest paid. The contract value is amortized according to the same criteria applied to owned assets.

Equity investments

Equity investments in affiliated enterprises are valued according to the equity method. Equity holdings in other enterprises are valued according to the LIFO

	<p>method (last in, first out) with annual installments. This is reduced for lasting losses in value and is restored when the reasons for the writedown no longer exist.</p>
Inventories	<p>Inventories are posted at the lesser of purchase and production costs, inclusive of directly allocable ancillary costs, and the presumable salvage value that can be estimated on the basis of market prices. The purchase cost is determined according to the FIFO method (first in, first out).</p> <p>The United States subsidiaries calculate the cost of inventories of products for resale by applying the retail method, which is similar to FIFO due to the high level of inventory rotation.</p>
Receivables and payables	<p>Receivables have been posted at their presumed salvage value. Payables are reported at their face value. Short-term receivables and payables denominated in currencies other than the euro are expressed in euros upon conversion at the exchange rate in effect on the closing date of the fiscal year. The profits and losses resulting from conversion of individual receivables and liabilities have been respectively credited and charged to the statement of income in accordance with the provisions of Accounting Principle no. 26.</p>
Securities	<p>Those securities that do not constitute financial fixed assets are valued at the lesser of their cost and market value, as determined by the arithmetic average of the daily quotations for the last month. Their cost is calculated according to the LIFO method with annual installments, charging the average cost for the year to the annual increases.</p> <p>Any writedowns taken to adjust the value of the securities to market values are cancelled if the reasons for the writedown cease to exist in subsequent fiscal years.</p> <p>The bonds and public debt securities that the company intends to hold until maturity, and the securities that have been pledged as collateral are classified as financial fixed assets and valued at their purchase cost as adjusted for the portion of the trading spread allocable to the period according to the maximum term of the loan. Furthermore, the value of callable bonds has been adjusted for the possible capital loss that would result in the event of early repayment.</p>
Accruals and deferrals	<p>Portions of income and expenses that are spread out over two or more fiscal years are posted here according to their temporal allocation.</p> <p>When concession agreements provide for increasing rents over time, these rents are averaged over the lifetime of the contract by entering the specific accrued expenses.</p>
Reserves for employee severance indemnities	<p>This item expresses the amount payable to employees for the indemnities that they have accrued at the date of the financial statements in compliance with applicable laws and contractual agreements.</p>
Various liabilities and risk reserves	<p>Reserves are set aside to cover the potential liabilities of the Group on the basis of realistic estimates of the liabilities resulting from their settlement. The reserves for charges include specific reserves for charges that, in the expectation that the normal rate and extent of maintenance work will continue, are assumed will be sustained upon expiration of current contracts in compliance with the obligation to relinquish assets returnable at no cost and those constituting a part of leased businesses, pursuant to legal and contractual requirements.</p>
Recognition of costs and revenues	<p>Revenues from the sale of merchandise and the costs for purchase of same are posted at the time ownership changes hands. Revenues and costs for services are posted according to the time when they are performed. Interest earned and paid and</p>

other revenues and costs are recorded and posted according to the principle of temporal allocation, with posting of accruals and payables as appropriate.

Income taxes

These are recorded by each consolidated company according to a reasonable estimate of taxable income in compliance with current law. National accounting principle no. 25 is applied. On the basis of this principle, and pursuant to the principle of prudence, the deferred tax assets and liabilities resulting from temporal differences between the statutory values and tax values of balance sheet items are posted, as well as losses that can be carried forward. Furthermore, deferred taxes resulting from consolidation adjustments are also set aside. These allocations are made pursuant to the tax rules applicable when the tax falls due, as far as they are known.

Derivative financial instruments

Off-budget financial instruments used to manage exchange rate and interest rate risks are posted to the memorandum accounts at the nominal value of the relative contracts on the dates said contracts are made. In particular, contracts for the purchase or sale of foreign currency are posted at their countervalue in euro at the exchange rate applying on the expiration date of the contract, while IRS contracts are posted at their countervalue in euro at the reference date of the accounting statement in question. The proceeds and expenses resulting from these contracts are posted to the statement of income for the applicable year during the life of the contract, with contra-entries for accruals and deferrals on the balance sheet.

Memorandum accounts

In addition to the notional value of the derivative financial instruments described hereinabove, the principal criteria for accounting are as follows:

- unsecured guarantees: these are posted in the amount of the assumed commitment
- secured guarantees: if they consist of a pledge on bonds, public debt securities, or unlisted shares, they are posted at their book value; if they consist of a pledge on listed shares, they are listed at their market value; if they consist of real property, they are posted in the amount of the registered mortgage value
- other commitments: if these involve rented property or property held in bailment, they are posted at the value assigned to it by the owner, but if they involve commitments to acquire fixed assets, they are posted at their purchase value

Other information

- *Derogations pursuant to subsection 4, Article 2423 Italian Civil Code:* none

- *Impact of changes in exchange rates:* The Group follows a policy of exchange rate risk management that is implemented by financing its principal net assets in a currency other than the euro - in particular, the United States dollar and Swiss franc - with loans denominated in the same currency, or by engaging in foreign currency transactions that produce the same effect.

These exchange rate risk management policies do not neutralize the effects of changes in the exchange rate at the level of individual items on the financial statements of foreign subsidiaries operating outside the euro zone.

If these are significant, they are described in the notes for the items in question.

Balance sheet - analysis of assets

Intangible fixed assets

Intangible fixed assets total 1,286,303 thousand euros. The reader is referred to the table of changes on page 46 for changes since December 31, 2000.

In particular, changes in the scope of consolidation caused an increase of 143,894 million euros, largely due to the difference originating in the consolidation of Autogrill Schweiz AG. The conversion differences caused an increase of 50,553 thousand euros.

This item is broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Start-up and expansion costs	260	240	20
Concessions, licenses, trademarks, and similar rights	23,523	17,438	6,085
Goodwill	695,692	751,971	(56,279)
Consolidation differences	266,213	144,400	121,813
Work in progress and advances	5,756	4,541	1,215
Other intangibles	-	-	-
leasehold improvements	271,247	267,117	4,130
miscellaneous intangibles	23,612	23,791	(179)
Total	1,286,303	1,209,498	76,805

“Goodwill” refers to the residual value of the sums paid for this purpose upon acquisition of catering activities. It includes commercial goodwill in the amount of 95,910 thousand euros, originally 158,644 thousand euros. In fiscal 1997, the deficit resulting from the merger by incorporation of Autogrill S.p.A. and Finanziaria Autogrill S.p.A. in the Parent Company was allocated to this item on the basis of their respective balance sheets at December 31, 1996. This largely represents the goodwill connected with business operated under concession on Italian motorways and is thus amortized over a period of 12 years, corresponding to the average residual term of the concessions at the time of the merger.

This item also includes the goodwill acquired from HMSHost Corp. at the time it was merged with Autogrill Acquisition Co. It has been amortized over a period of ten years on the basis of growth prospects existing at the time of the acquisition, while the underlying residual value of concessions was approximately eight years at the time of acquisition. On the basis of schedules updated after the September 11 terrorist attacks, it was confirmed that the residual value (Usd 529 million of the original Usd 690 million, equal to 600,139 thousand euros) could be recovered.

The item “Consolidation differences” fully accounts for the differences between the price paid for acquisition of equity investments and the respective stockholders’ equity value at the time of purchase that were allocated to goodwill. Generally speaking, the amortization period corresponds to the residual weighted term of the concessions held by the respective company at the time of acquisition.

An exception is represented by the consolidation difference for the companies acquired by Autogrill

Nederland B.V., which is prudently amortized over a period of 30 years, while the average term of the concessions granted to it was over 70 years long.

The item “Consolidation differences” is broken down as follows:

(in k€)	amortization period (years)	gross value	accumulated amortization	net value
Autogrill Schweiz AG	20	145,725	6,920	138,805
Autogrill Côté France S.A.	13	80,379	24,783	55,596
Autogrill Nederland B.V.	30	28,916	3,848	25,068
Autogrill Restauration Services S.A.	7	36,745	15,745	21,000
Autogrill Belgie N.V.	15	23,863	6,363	17,500
Autogrill España S.A.	10	19,528	13,670	5,858
Autogrill Deutschland GmbH	9	3,125	3,125	-
Autogrill Gare de Tours S.A.	10	924	92	832
Aviogrill S.r.l.	20	774	39	735
Volcarest S.A.	10	668	66	602
Nuova Sidap S.r.l.	5	574	459	115
Nuova Estral S.r.l.	5	509	407	102
Total		341,730	75,517	266,213

Audits of the recoverability of residual goodwill values not connected with the American and Swiss assets, as discussed above, led to full writedowns of the consolidation difference of Autogrill Deutschland GmbH.

Leasehold improvements, which are included under the item “Other intangibles,” refer to costs incurred to build or remodel real properties and businesses operated under lease. These costs include expenses sustained to set up retail operations in airports, along motorways, and at shopping malls in the United States, as well as numerous European retail locations. The increases in “Other intangibles” are to be attributed to the investment and renovation activities that are described in terms of their nature and geographic distribution in the report on operations.

“Work in progress and advances” are also largely connected with the costs of remodeling leased properties not completed by the end of the year. Most work in progress at December 31, 2000 came into service during 2001.

The following amortization periods are used:

Start-up and expansion costs	5 years
Concessions, licenses, trademarks	5 years; 30 years for surface rights, corresponding to the term of the right; term of the license for the costs of permits to resell monopoly goods; 3 years for software user licenses
Goodwill	12 and 10 years, respectively, for the goodwill covering deficits from mergers with the Parent Company (1997) and HMSHost Corp.(1999); maximum of 10 years for the goodwill pertaining to individual locations
Consolidation differences	generally speaking, the residual duration of the concessions upon acquisition of the equity holding
Other intangibles:	
leasehold improvements	The lesser of their useful life and the residual term of the lease
Custom-made software applications	3 years
Miscellaneous intangibles	5 years

Property, plant, and equipment

This item is broken down as follows:

(in k€)	12.31.2001			12.31.2000		
	historical cost	depreciation	net value	historical cost	depreciation	net value
Land and buildings	172,900	59,805	113,095	117,828	37,521	80,307
Plant and machinery	159,342	103,305	56,037	80,517	51,772	28,745
Industrial and commercial equipment	523,659	384,938	138,721	492,296	349,080	143,216
Assets returnable at no cost	259,211	165,042	94,169	243,247	152,282	90,965
Other assets	45,923	31,813	14,110	35,059	25,503	9,556
Construction in progress and advances	70,494	-	70,494	59,538	-	59,538
Total	1,231,529	744,903	486,626	1,028,485	616,158	412,327

Changes in the scope of consolidation and exchange rates resulted in an increase of 61,402 thousand euros and 7,998 thousand euros, respectively.

A total of 47,134 thousand euros are represented by construction in progress at sites in the United States, mainly in the airport channel.

In accordance with the financial method of accounting, this item includes the contractual value of an industrial property held by the Parent Company under a finance lease. The relevant figures are shown in the following table:

(in k€)	12.31.2001			12.31.2000		
	historical cost	depreciation	net value	historical cost	depreciation	net value
Land and buildings	3,709	990	2,719	3,709	770	2,939
Plant and machinery	757	622	135	757	484	273
Total	4,466	1,612	2,854	4,466	1,254	3,212

The values shown include the effects of inflation adjustments to Italian assets pursuant to Law no. 72 of March 13, 1983 and Law no. 413 of December 30, 1991, in the following amounts:

(in k€)	Law no. 72/83			Law no. 413/91		
	revaluation	depreciation	net value	revaluation	depreciation	net value
Land and buildings	147	-	147	308	-	308
Industrial land and buildings	895	(631)	264	3,382	(2,362)	1,020
Plant and machinery	403	(403)	-	-	-	-
Industrial and commercial equipment	1,159	(1,159)	-	-	-	-
Assets returnable at no cost	3,266	(3,266)	-	12,030	(11,857)	173
Other assets	23	(23)	-	-	-	-
Total	5,893	(5,482)	411	15,720	(14,219)	1,501

Mortgages for 15,742 thousand euros have been registered on land and buildings to secure loans. For a discussion of increases and decreases during the period, please refer to the report on operations and, for changes in this item, the table on page 46.

The principal rates used by Group companies to depreciate their property are as follows:

	percentage rate
Buildings	3
Plant and machinery	10-30
Industrial and commercial equipment	15-33.3
Furniture and furnishings ⁽¹⁾	10-20
Vehicles ⁽¹⁾	25

⁽¹⁾ classified under "Other assets"

Financial fixed assets**Equity investments in unconsolidated subsidiaries**

This item was reduced to zero (from 134,137 thousand euros at December 31, 2000) upon inclusion of Autogrill Schweiz A.G. and Aviogrill S.r.l. in the scope of consolidation.

Equity investments in affiliated companies

This item represents the holdings listed below:

name	head office	currency	capital stock (million)	stockholders' equity (in k€)	profit/(loss) (in k€)	quota owned (%)	book value (in k€)
S.R.S.R.A S.A.	Saint Rambert d'Albon (F)	Frfr	3.2	4,073	204	40.73	1,414
Isardrome S.A.	Saint Rambert d'Albon (F)	Frfr	0.2	940	82	41.87	392
Union Services S. à r.l.	Luxembourg (L)	Eur	0.051	69	27	50.00	34
AAI Airfoods, Inc.	Washigton (USA)	Usd	5	3,324	(837)	25.00	11,092
Dewina Host Sdn Bhd.	Kuala Lumpur (Malaysia)	Myr	250	(2,088)	(216)	49.00	(1,069)
HMSC - AIAL Ltd	Auckland, (New Zealand)	Nzd	111.9	2,012	212	50.00	1,040
Total							12,903

With respect to December 31, 2000, this item reflects changes in the stockholders' equity of the listed companies following the acquisition of Anton Airfood by HMSHost and line-by-line consolidation of Volcares S.A., which had been posted in the amount of 795 thousand euros.

Equity investments in other companies

The value of this item is broken down as follows:

name	head office	currency	capital stock (million)	stockholders' equity (in k€)	profit/(loss) (in k€)	quota owned (%)	book value (in k€)
Convivium 2000 S.p.A.	Roma (I)	Eur	130	130	0	14.28	21
MS Gestioni	Torino (I)	Eur	25	25	n.a.	15	7
Consorzio Autostrade Italiane Energia	Roma (I)	Eur	88	88	n.a.	13.5	12
Unique Airport /FIG	Zurich	Chf	245,615	561,816	(23,995)	0.11	898
Others not detailed							3
Total							941

The 920 thousand euro increase is due to the changed scope of consolidation, particularly inclusion of the investment in Unique Airport AG, held by the Autogrill Schweiz Group. The latter was subject to value adjustments of 1,161 thousand euros.

Receivables from affiliated companies

The sum of 45,665 thousand euros consists of 44,096 thousand euros for the interest-bearing loan granted to Anton Airfood Inc. due February 1, 2005, convertible at any time for 24% of the ordinary shares of that company.

Receivables from others

These total 25,103 thousand euros. The principal components are listed as follows:

(in k€)	12.31.2001		12.31.2000	
	due within one year	due beyond one year	due within one year	due beyond one year
Interest bearing accounts with oil companies	-	4,500	-	4,166
Security deposits	292	10,450	488	6,256
Advance payments to the Italian Treasury	-	4,813	-	5,882
Other receivables	1,357	3,691	569	3,349
Subtotals	1,649	23,454	1,057	19,653
Total receivables from others		25,103		20,710

The advance payments to the Italian Treasury have been revalued according to the same criteria applied to the employee severance indemnities set aside by the Parent Company (2.7% annually in 2001). Recovery of these payments started in 2000. However, the portion that can be recovered in one year cannot be calculated and has thus not been separated from the total amount.

On the basis of the expected evolution of the relationships associated with them, the amounts included in the item "Interest bearing accounts with oil companies" will be fully collected some time after fiscal 2006. The "Security deposits" and "Other receivables" will be collected after fiscal 2006 in the respective amounts of 1,262 thousand euros and 1,333 thousand euros.

Other securities

These total 828 thousand euros, down 1,335 from December 31, 2000. This item refers to bonds that are held mainly by the Parent Company, which it intends to hold until maturity, or are restricted by collateral agreements under which the Parent Company is contractually obligated.

Bonds that are paid above par, some of which may be repaid by drawing of lots, are listed in the net amount of 37 thousand euros (90 thousand euros at December 31, 2000), set aside to cover the capital loss expected if they are called early. Its reduction by 53 thousand euros reflects bonds repaid during 2001.

Table of changes in fixed asset accounts during the fiscal year

(in k€)	12.31.2000			Changes in gross value					
	Gross value	Amortization	Net value	Perimeter change	Exchange rate differences	Increases	Decreases	Other movements	Total
Intangible fixed assets									
Start-up and expansion costs	2,386	(2,146)	240	716	-	52	(14)	-	754
Concessions, licenses, trademarks, and similar rights	42,470	(25,032)	17,438	1	4	687	(718)	10,004	9,978
Goodwill	920,689	(168,718)	751,971	-	41,158	543	-	1,161	42,862
Consolidation differences	194,564	(50,164)	144,400	143,251	3,914	-	-	-	147,165
Work in progress	4,541	-	4,541	-	-	5,565	-	(4,350)	1,215
Other intangibles	705,645	(414,737)	290,908	618	30,135	63,676	(35,907)	(932)	57,590
Total	1,870,295	(660,797)	1,209,498	144,586	75,211	70,523	(36,639)	5,883	259,564

(in k€)	12.31.2000			Changes in gross value					
	Gross value	Depreciation	Net value	Perimeter change	Exchange rate differences	Increases	Decreases	Other movements	Total
Property, plant, and equipment									
Land and buildings	117,828	(37,521)	80,307	54,786	-	4,086	(4,029)	229	55,072
Plant and machinery	80,517	(51,772)	28,745	61,206	-	21,543	(4,199)	275	78,825
Industrial and commercial equipment	492,296	(349,080)	143,216	160	16,335	36,320	(25,104)	3,652	31,363
Assets returnable at no cost	243,247	(152,282)	90,965	4,922	-	11,038	(3,633)	3,637	15,964
Other assets	35,059	(25,503)	9,556	13,609	329	6,551	(9,078)	(547)	10,864
Construction in progress and advances	59,538	-	59,538	4,695	2,656	22,302	(8,134)	(10,563)	10,956
Total	1,028,485	(616,158)	412,327	139,378	19,320	101,840	(54,177)	(3,317)	203,044

(in k€)	12.31.2000			Changes in gross value					
	Gross value	Amortization	Net value	Perimeter change	Exchange rate differences	Increases	Decreases	Other movements	Total
Financial fixed assets									
Equity investments in unconsolidated subsidiaries	134,137	0	134,137	(134,137)	-	-	-	-	(134,137)
Equity investments in affiliated companies	3,704	-	3,704	(1,633)	(7)	12,107	(308)	(960)	9,199
Equity investments in other companies	76	(55)	21	1,335	-	1,172	(364)	-	2,143
Other securities	2,163	-	2,163	152	-	16	(1,503)	-	(1,335)
Receivables from others	20,710	-	20,710	23	499	9,176	(5,305)	-	4,393
Receivables from affiliated companies	-	-	-	-	-	44,705	-	960	45,665
Total	160,790	(55)	160,735	(134,260)	492	67,176	(7,480)	-	(74,072)

Changes in amortization						12.31.2001		
Perimeter change	Exchange rate differences	Increases	Decreases	Other movements	Total	Gross value	Amortization	Total
(545)	-	(203)	14	-	(734)	3,140	(2,880)	260
-	(25)	(4,611)	1,507	(764)	(3,893)	52,448	(28,925)	23,523
-	(6,538)	(91,931)	309	(981)	(99,141)	963,551	(267,859)	695,692
-	-	(25,352)	-	-	(25,352)	341,729	(75,516)	266,213
-	-	-	-	-	-	5,756	-	5,756
(147)	(18,095)	(62,106)	33,497	(6,788)	(53,639)	763,235	(468,376)	294,859
(692)	(24,658)	(184,203)	35,327	(8,533)	(182,759)	2,129,859	(843,556)	1,286,303

Changes in depreciation						12.31.2001		
Perimeter change	Exchange rate differences	Increases	Decreases	Other movements	Total	Gross value	Depreciation	Total
(20,361)	(67)	(6,836)	4,775	205	(22,284)	172,900	(59,805)	113,095
(44,923)	(68)	(10,006)	3,467	(3)	(51,533)	159,342	(103,305)	56,037
(125)	(10,970)	(53,484)	23,524	5,197	(35,858)	523,659	(384,938)	138,721
(1,560)	-	(14,007)	3,173	(366)	(12,760)	259,211	(165,042)	94,169
(11,007)	(217)	(4,317)	8,312	919	(6,310)	45,923	(31,813)	14,110
-	-	-	-	-	-	70,494	-	70,494
(77,976)	(11,322)	(88,650)	43,251	5,952	(128,745)	1,231,529	(744,903)	486,626

Value adjustments						12.31.2001		
Perimeter change	Exchange rate differences	Increases	Decreases	Other movements	Total	Gross value	Amortization	Total
-	-	-	-	-	-	-	0	0
-	-	-	-	-	-	12,903	0	12,903
(62)	(22)	(1,139)	-	-	(1,223)	2,219	(1,278)	941
-	-	-	-	-	-	828	0	828
-	-	-	-	-	-	25,103	0	25,103
-	-	-	-	-	-	45,665	0	45,665
(62)	(22)	(1,139)	-	-	(1,223)	86,718	(1,278)	85,440

Current assets

Inventories

Inventories total 90,292 thousand euros, reflecting an increase of 7,899 thousand euros. This amount includes 5,576 thousand euros contributed by newly consolidated businesses and 2,183 thousand euros attributed to conversion differences. The residual portion of the increase is connected with evolution in the level of activities.

They are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Catering services and retail	85,170	76,866	8,304
Merchandise and sundry items	5,122	5,246	(124)
Advances	-	281	(281)
Total	90,292	82,393	7,899

The amounts shown are net of inventory writedowns totaling 3,985 thousand euros (including 2,969 thousand euros set aside in reserves for the year) reflecting the determination by management that some items could not be sold and slow rotation of stocks.

Receivables

Trade receivables: these total 70,123 thousand euros, including 3,471 thousand euros contributed newly consolidated businesses. They are 1,800 thousand euros lower than at the end of the previous fiscal year.

Receivables are largely accounted for by agreements for purveyance and commercial affiliation agreements.

The balance sheet figure also includes receivables under litigation totaling 5,192 thousand euros (4,294 thousand euros at December 31, 2000) and net of writedowns for 9,546 thousand euros (8,836 thousand euros at December 31, 2000). Provisions to the allowances for doubtful accounts in fiscal 2001 totaled 4,861 thousand euros.

Receivables from others: at December 31, 2001 this item is broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Prepaid taxes	156,168	145,637	10,531
Treasury for advance tax payments	10,487	15,561	(5,074)
Vendors	17,678	10,703	6,975
Treasury and government agencies	845	335	510
Personnel	2,639	2,100	539
Foreign exchange differences	5,899	58,665	(52,766)
Other debtors	15,092	19,448	(4,356)
Total	208,808	252,449	(43,641)

The increase in receivables from vendors is due to an increase in promotional activities during the fiscal year.

Of the prepaid taxes, 125,073 thousand euros are attributable to the HMSHost Group (128,293 thousand euros in 2000). This sum largely resulted from the different period of amortization of leasehold improvements and taxed provisions set aside for concession fees. Net of the exchange rate effect (+7,162 thousand euros), this item decreased by 10,382 thousand euros from its level at December 31, 2000. During the year, prepaid taxes were also posted to reflect tax losses that can be carried forward on the balance sheet of the Parent Company (6,803 thousand euros). Verification of the recoverability of the deferred tax assets in question, on the basis of the Parent Company's and each subsidiary's future tax liabilities, as deduced

from their updated business plans, led to the writedown - with a contra-entry being made on the Statement of Income - 364 thousand euros in the deferred tax assets attributable to Autogrill Deutschland GmbH. In regard to the deferred tax assets attributable to HMSHost, the plans updated after the events of September 11 confirmed the forecast of adequate future tax liabilities.

The resolution of temporary differences and use of tax losses that can be carried forward, which underlie the deferred tax assets, is deferred over time. In particular, the amount that will flow back during the next fiscal year is estimated to be approximately 38.4 million euros. Approximately 67 million euros of the posted deferred tax asset can be recovered after fiscal 2006. However, further net deductible differences might be generated in the meantime, particularly by the United States companies.

Receivables resulting from foreign exchange risk hedging differences decreased significantly in relation to the change in financing policy for activities whose money of account is other than the euro, with increased use of dollar denominated domestic credit facilities to finance United States activities with respect to financing denominated in other currencies.

Financial assets not held as fixed assets

These assets represent the investment of temporary excesses in Group liquidity. They consist of bonds issued by highly rated issuers and Italian public debt instruments.

They are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Securities held by the Parent Company	1,109	12,223	(11,114)
Securities held by other companies	1,804	5,305	(3,501)
Total	2,913	17,528	(14,615)

During the fiscal year, these investments continued to be unwound as opportunities arose on the market and when it was possible to refinance borrowings from third parties.

Valuation at market prices of financial assets not held as fixed assets resulted in writedowns of 47 thousand euros with respect to their purchase costs.

Cash

Cash totaled 271,873 thousand euros, representing an increase of 155,429 thousand euros with respect to the total at December 31, 2000. Of this amount, 8,155 thousand euros is attributable to the newly consolidated companies.

Total bank and post office account balances (213,742 thousand euros) largely consist of short-term deposits made to invest excess cash generated at the end of the fiscal year.

The item "Cash on hand" (58,131 thousand euros) includes not only the physical cash on hand at retail outlets but also sums being credited.

The increase in balances with respect to the previous year is attributable not only to the change in the scope of consolidation but also to a temporary accumulation of cash in the sales networks of countries involved in the euro changeover.

Accrued income and prepaid expenses

At December 31, 2001, these totaled 133,932 thousand euros, representing an increase of 404 thousand euros from December 31, 2000.

(in k€)	12.31.2001	12.31.2000	change
Accrued income:			
interest on securities	575	1,207	(632)
interest on exchange and interest rate risk hedging	2,702	3,150	(448)
other accrued income	2,203	352	1,851
Total accrued income	5,480	4,709	771
Issue discounts on bonded loans	102,974	110,192	(7,218)
Other prepaid expenses:			
finance leasing fees	820	1,207	(387)
lease and concession fees	21,107	11,178	9,929
other	3,551	6,242	(2,691)
Total other prepaid expenses	25,478	18,627	6,851
Total accrued income and prepaid expenses	133,932	133,528	404

The increase in “other accrued income” is attributable to the newly consolidated businesses.

With respect to the originally published financial statements for 2000, the positive conversion differences for exchange rate risk hedging (58,665 thousand euros) were classified under “Other receivables,” with the item being comprised solely of accrued interest income on hedging of financial risks. The figures for fiscal 2000 has thus been adjusted for the sake of comparison.

The “Issue discounts on bonded loans” refer to the convertible zero coupon bond issued by Autogrill Finance S.A. at a discount off its face value (so-called “OID”). They are amortized over the fifteen-year term of the loan - adjusting the amount of this item as a contra-entry under financial expenses - in increasing installments to reflect capitalization of the implicit interest.

The prepaid lease and concession fees stem from advance payment of fees, which are largely subject to subsequent adjustment on a monthly or annual basis.

The accrued income and prepaid expenses listed above will expire within the next twelve months, with the exception of 4,133 thousand euros for rent and leasing payments due between 2002 and 2006, and 95,586 thousand euros for issue discounts on the convertible bond (for 72,583 thousand euros, due after 2006).

Balance sheet - analysis of liabilities

Stockholders' equity

Capital stock

The capital stock of Autogrill S.p.A., which is fully subscribed and paid in, pursuant to the resolution for redenomination in euros passed by the Stockholders' meeting of April 27, 2001, totals 132,288 thousand euros and is represented by 254,400,000 ordinary shares with a unit value of 0.52 euro (formerly Itl 1000).

A total of 901 thousand euros from the monetary revaluation reserves was used to execute this resolution.

The Stockholders' meeting of April 30, 1999 resolved to increase company capital through issuance of a maximum of 33,500,000 ordinary shares to service the convertible bond issue with a par value of 471,055,000 euros issued by the subsidiary Autogrill Finance S.A. on June 15, 1999. This issue generated receipts of 349,993,865 euros, net of implicit interest and gross of issue costs.

This transaction was subjected to the condition that a maximum of 24,475,000 shares be issued to service conversion of the loan. The conversion right may be exercised by the bearer of the bonds at any time during the term of the loan.

Revaluation reserve

This totals 13,618 thousand euros and represents the positive balance of inflation adjustments pursuant to Law no. 413/1991. This amount reflects a decrease from the level at December 31, 2000 due to its use to service the redenomination of capital stock in euros, as resolved by the Stockholders' meeting of April 27, 2001.

Legal reserve

This totals 1,712 thousand euros, representing an increase of 200 thousand euros since December 31, 2000, following allocation of a portion of fiscal 2000 income, as resolved by the Stockholders' meeting of April 27, 2001.

Other reserves

These total 81,339 thousand euros and include the conversion reserve, which had a negative balance of 2,460 thousand euros.

The company's shares have been traded on the online market of the Italian Stock Exchange since August 10, 1997.

The table of changes in consolidated stockholders' equity during the fiscal year is found on page 52. The following table instead shows the reconciliation of Autogrill S.p.A. stockholders' equity and income with the corresponding figures for the Group at December 31, 2001.

(in k€)	net income	stockholders' equity
Autogrill S.p.A. balance sheet	(25,456)	146,469
Elimination of tax-related items posted by Parent Company	412	23,676
Adjustment of valuation criteria applied	28	18
Effect of transfer of intercompany profits upon disposal of fixed assets	72	(1,791)
Effect of consolidation of financial statements of subsidiaries, adjusted to bring their valuation criteria in line with those of the Parent	12,092	47,733
Group consolidated balance sheet	(12,852)	216,105

(in k€)	capital stock	revaluation	reserve	other reserves and retained earnings	net income	total
Balances at 12.31.1999	131,387	14,519	1,431	66,027	25,940	239,304
Allocation of 1999 income	-	-	81	15,348	(25,940)	(10,511)
Conversion differences and other movements	-	-	-	(3,059)	-	(3,059)
1999 income	-	-	-	-	14,879	14,879
Balances at 12.31.2000	131,387	14,519	1,512	78,316	14,879	240,613
Allocation of 2000 income	-	-	200	4,168	(14,879)	(10,511)
Redenomination of capital stock in euros	901	(901)	-	-	-	-
Conversion differences and other movements	-	-	-	(1,145)	-	(1,145)
2000 income	-	-	-	-	(12,852)	(12,852)
Balances at 12.31.2001	132,288	13,618	1,712	81,339	(12,852)	216,105

Various liabilities and risk reserves

The breakdown and movements in the various liabilities and risk reserves for the period ended at December 31, 2001 are illustrated in the following table. The amounts shown in the column “other movements” refer to the change in the scope of consolidation and conversion difference with respect to initial balances.

(in k€)	balance at 12.31.2000	other movements	provisions	uses	balance at 12.31.2001
Reserves for pensions and similar obligations	13,570	677	2,440	(3,754)	12,933
Income tax reserves	46,997	6,449	10,171	(2,568)	61,049
Other reserves:					
reserves for restoration costs	15,757	-	4,894	(3,166)	17,485
reserves for litigation and other risks	9,118	94	1,729	(3,328)	7,613
reserves for sundry costs	4,582	4,291	5,658	(3,657)	10,874
Total other reserves	29,457	4,385	12,281	(10,151)	35,972
Total	90,024	11,511	24,892	(16,473)	109,954

A Belgian affiliate is contesting a lawsuit for damages filed against it by the company that sold its catering service activities in shopping malls in Belgium and Luxembourg at the beginning of 1998. Mention is made of the claimed damages (over 10 million euros), as no specific provisions have been set aside in reserves, given that the risk of losing is considered remote by company legal counsel. In February 2002 the plaintiff deposited its replies at the civil court. The action should be concluded by the end of fiscal 2002.

A portion of the provisions (4.8 million euros) was posted on the statement of income under extraordinary expenses.

Reserves for pensions and similar obligations

The changes posted during the year particularly reflect the liquidation of pensions due to the personnel of shopping malls that were sold in Belgium and Luxembourg.

Income tax reserves

These include deferred tax liabilities posted to cover consolidation adjustments (43,458 thousand euros) and revaluation of Dutch properties executed before their acquisition by the Group (7,024 thousand euros). They also include 2,968 thousand euros set aside for pending audits of United States companies and 930 thousand euros prudently set aside by the Parent Company to cover any tax liabilities for fiscal years not yet closed with the Tax Authorities.

The amount of 6,032 thousand euros regards subsidiaries in 2001 and, in particular, consolidation adjustments to them.

Use of these reserves during the fiscal year largely involved payment of prior-year taxes by the Swiss subsidiary.

Reserves for restoration costs

These represent the expected liability to ensure preservation of the contractually agreed condition of transferable or leased assets.

Changes in this item are illustrated in the following table. The item "other movements" refers to the conversion difference with respect to initial balances.

(in k€)	12.31.2001	12.31.2000
Initial balance	82,086	80,272
Increase due to provisions over the year	15,066	14,602
Decreases due to uses and reversals during year	(10,745)	(13,280)
Other movements	444	492
Final balance	86,851	82,086

Reserve for employee severance indemnities

Payables

Payables totaled 2,176,711 thousand euros (1,996,224 thousand euros at December 31, 2000). The individual components comprising this item are described as follows.

Convertible bonds

These total 471,055 thousand euros and represent the face value of the loan issued by Autogrill Finance S.A. on June 15, 1999. This corresponds to the amount to be paid upon maturity, scheduled 15 years after issue. Since the issue does not include a coupon, its placement generated proceeds net of the implicit yield (so-called "OID"), set in the nominal amount of 2% annually with capitalization every six months.

Subscribers may request conversion at any time, with the exception of several technical suspension periods.

The loan may be repaid early on the issuer's initiative starting on the fifth anniversary of the issue, and on the bearer's initiative between the fifth and the tenth anniversaries. In these cases, the value matured up to the time the option is exercised will be repaid to guarantee the originally agreed annual yield of 2%.

In particular, on the fifth anniversary, June 15, 2004, the amount to be paid for full reimbursement of the loan would be 386.4 million euros, while the conversion price would be 15.789 euros per share.

The likelihood of exercise of the various options are connected with the performance of the conversion share on the stock market with respect to the conversion price.

At December 31, 2001 the conversion price represented a premium of 45% over the stock price, which was still severely depressed in consequence of the events of September 11. In fact, on March 18, 2002 the premium - which had fallen from the original 30% to 13% at the end of 2000 - was 22%.

The amount of interest payable in periods after the period being reported here is subject to a discount of 102,974 thousand euros at December 31, 2001.

Borrowings from banks

These total 1,048,784 thousand euros, up 301,705 thousand euros from December 31, 2000. This figure reflects the change in the Usd/Euro conversion rate (6,353 thousand euros) and expansion of the scope of consolidation (13,296 thousand euros).

(in k€)	balance at 12.31.2001			balance at 12.31.2000		
	within	beyond	total	within	beyond	total
	one year	one year		one year	one year	
Bank account and short-term loans	13,102	-	13,102	15,283	-	15,283
Collateralized loans	819	23,790	24,609	1,215	17,550	18,765
Unsecured medium/long-term loans	77,967	933,106	1,011,073	159,384	553,647	713,031
Total	91,888	956,896	1,048,784	175,882	571,197	747,079

The collateralized loans pertain to units operating in The Netherlands, Belgium, and Switzerland.

Installments due beyond 2006 total 18,872 thousand euros.

At December 31, 2001 the bank credit facilities granted to the Group had been drawn down by 75%.

In fiscal 2001 management of loan agreements continued to be dominated by the search for the best interest rates and terms. In particular, medium-term credit facilities totaling 800 million euros were renewed, with another 200 million euros in new credit facilities. The residual average term of current loans is approximately 18 months. In particular, approximately 300 million euros will come due at the end of 2002, approximately 1,000 million euros will come due in 2003, and approximately 50 million euros will come due in 2005.

Bank borrowings are repaid at variable rates according to changes on the financial markets.

In accordance with the Group financial policy to manage risks stemming from fluctuations in interest rates, the Group used financial instruments acquired under contracts made with leading financial counterparties. As a result of existing contracts and the hedged portion of debt, including that of subsidiaries, the average interest rate for the fiscal year was approximately 4.50%. Provided that market conditions remain the same, they should remain at the same level for the next three years. For more information on the notional value of contracts pending at December 31, 2001 and the Group financial risk management policy, the reader is referred to the notes on Memorandum Accounts.

Other financial payables

These total 13,026 thousand euros, down 209,955 thousand euros from December 31, 2000, principally due to repayment in full of the loan granted by Edizione Finance International S.A.

They include payables for finance leasing and interest-free financing for purchase of computer equipment by the Parent Company.

Of the total, 6,981 thousand euros will fall due beyond one year, and of this, 3,694 thousand euros will fall due after 2006.

Payables to affiliated companies

The amount of 5,656 thousand euros refers to a clause in the agreement that led to acquisition of the equity holding in Anton Airfood Inc.; the liability in question will fall due in the first half of 2003.

Trade payables

These total 433,242 thousand euros up 46.344 thousand euros from December 31, 2000, reflecting the expanded scope of consolidation (+15,668 thousand euros) and higher volumes of activity.

Taxes payable

These total 29.746 thousand euros and are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Income taxes	6,815	1,491	5,324
Withholding taxes	10,403	9,413	990
VAT and indirect taxes	8,845	8,297	548
Other payables	3,683	5,049	(1,366)
Total	29,746	24,250	5,496

The principal component of the item “VAT and indirect taxes” is the current liability for indirect taxes on United States activities and the VAT liability of the Parent Company.

The change in the scope of consolidation contributed 1,701 thousand euros to the total change.

Payables to social security institutions

These payables are entirely of a current nature and are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
INPS and other Italian institutions	12,845	11,196	1,649
Various foreign social security institutions	3,086	4,298	(1,212)
Total	15,931	15,494	437

Other payables

These consist of:

(in k€)	12.31.2001	12.31.2000	change
Payables to personnel	101,051	91,860	9,191
Others:			
customers for credit notes to be issued	2,568	1,626	942
exchange rate risk hedging differentials			
miscellaneous payables	10,128	11,207	(1,079)
miscellaneous payables	45,015	23,633	21,382
Total others	57,711	36,466	21,245
Total	158,762	128,326	30,436

In accordance with the classification guidelines adopted by the Edizione Holding Group, the conversion differential on exchange rate risk hedging transactions is included here. In fiscal 2000, this sum was originally posted under accrued expenses. The figure for fiscal 2000 has thus been adjusted for the same of comparison.

The item "miscellaneous payables" increased mainly on account of components of the purchase price paid for Passaggio Holding AG (now Autogrill Schweiz AG) with deferred payment or settlement dates. These consisted of Chf 20 million deposited on an escrow account - restricted until settlement of the arbitration proceeding undertaken in 2001 - and settlement of the price - to be completed by the first half of 2003 - for assignment of concessions at the Bern railway station, estimated at Chf 6.5 million. This item also includes payables totaling 7,330 thousand euros for the personnel incentive plans of the Host Marriott Corporation, the company that originally controlled HMSHost and that had made a specific agreement with the latter, which was cancelled when Autogrill acquired HMSHost. This liability will be gradually paid off over time, as the rights thereto held by Host Marriott Corporation employees mature.

This item includes 29,098 thousand euros in payables falling due beyond one year.

These are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Accrued expenses:			
insurance premiums	1,316	284	1,032
interest charges	7,729	4,963	2,766
interest on exchange and interest rate risk hedging contracts	1,147	1,442	(295)
rents	8,058	14,046	(5,988)
others	4,841	8,849	(4,008)
Total accrued expenses	23,091	29,584	(6,493)
Deferred income	4,758	3,759	999
Total deferred income	4,758	3,759	999
Total	27,849	33,343	(5,494)

The deferred rental expenses result from the standardization of minimum guaranteed rents for some American concessions, which increase by agreement over time. The decrease in payables with respect to fiscal 2000 is attributable to periodic adjustment of this item.

The portion due beyond one year totals 8,497 thousand euros, with 5,683 thousand euros of this being connected with the aforementioned rents for American concessions.

Accrued expenses and deferred income

Memorandum accounts

This item is broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Suretyships granted to others	26,793	27,321	(528)
Collateral for obligations other than payables	-	385	(385)
Collateral for payables posted on the balance sheet	15,742	16,237	(495)
Purchase and sale commitments	1,024,696	2,190,022	(1,165,326)
Other memorandum accounts	41,711	23,796	17,915
Total	1,108,942	2,257,761	(1,148,819)

The commitments consist of:

- 348,699 thousand euros (1,485,027 thousand euros at December 31, 2000) for the notional value of exchange rate risk hedging contracts
- 675,997 thousand euros (701,225 thousand euros at December 31, 2000) for the notional value of interest rate risk hedging contracts

The decrease from December 31, 2000 in exchange rate hedging contracts reflects increase recourse by HMSHost to the domestic market for financing of its activities.

Group financial policy considers the management and control of financial risks to be of particular importance as they can significantly influence Group profits. The Group has adopted a series of guidelines for management of the risks stemming from fluctuations in foreign exchange and interest rates.

In accordance with this policy, the use of derivative financial instruments is limited to the management of exchange and interest rate risks connected with cash flows and monetary assets and liabilities. The financial instruments utilized by the Group largely consist of the following types of contracts: "currency futures," "interest rate swaps," "forward rate agreements," "interest rate options," and possible combinations of the foregoing instruments.

The aforementioned notional value of contracts open at December 31, 2001 does not constitute a measure of risk exposure, which is limited strictly to the flows of interest that are periodically collected. The derivative contracts have been made with the most financially sound counterparties to reduce the risk of breach of contract to a minimum.

The exchange rate risk management policy envisages full hedging of loans denominated in currencies other than the money of account. The financial instruments used for this purpose are futures contracts for the purchase and sale of currency.

Group policy for the management and monitoring of interest rate risk aims to achieve the envisaged level of exposure and reduce the financial expenses connected with its borrowings. At December 31, 2001, open contracts had an average residual term of 3.4 years and, at current market conditions, make it possible to keep the average cost of debt at approximately 4.5%. The market value of these contracts at the aforesaid date showed a loss of 18.4 million euros.

The other "Memorandum accounts" refer to the value of rented goods or assets of third parties in bailment at Group companies, as well as the initial supply of euro bank notes.

Statement of income - analysis

Value of production

Sales and service revenues

Revenues totaled 3,295,401 thousand euros, of which 231,457 thousand euros are represented by the newly consolidated businesses. They are broken down by business sector, as follows:

(in k€)	2001	2000	change
Catering services	2,461,600	2,301,712	159,888
Retail	773,500	688,331	85,169
Hotel and other services	25,892	21,021	4,871
Sales to others and affiliates	34,409	30,066	4,343
Total	3,295,401	3,041,130	254,271

The item "Retail" includes proceeds from the sale of oil products totaling 28,946 thousand euros, largely at motorway service areas in Switzerland.

The reader is referred to the Report on Operations for comments on sales trends and analysis of revenues by geographical area.

Other revenues and income

The newly consolidated businesses contributed 6,609 thousand euros to the final balance.

They are broken down as follows:

(in k€)	2001	2000	change
Promotional contributions by vendors	37,136	24,233	12,902
Compensation for newspaper distribution	17,683	16,102	1,581
Business lease income	9,760	7,010	2,751
Affiliation fees	5,251	5,305	(54)
Recovery of expenses from others	1,491	1,817	(326)
Other income	19,483	21,013	(1,530)
Total	90,804	75,480	15,324

The increase in promotional contributions by vendors are attributable to renewal of commercial agreements.

The item "Other income" largely refers to operation of activities characterized by premium income.

With respect to the originally published results for fiscal 2000, the figures for affiliation and business lease fees are shown stripped of the amounts that merely involved charges passed on to sublessees, which have been eliminated from the relative costs.

Costs of production

Raw materials, supplies, and merchandise

These total 1,169,790 thousand euros, of which 92,704 thousand euros can be attributed to the newly consolidated businesses. They are broken down as follows:

(in k€)	2001	2000	change
Catering service and retail activities	1,088,607	982,584	106,023
Sundry materials	81,183	77,086	4,097
Total	1,169,790	1,059,670	110,120

The changes in this item are consistent with revenue changes.

Services, leases, and rentals

These are broken down as follows:

(in k€)	2001	2000	change
Energy	67,298	61,557	5,741
Maintenance costs	46,292	41,086	5,206
Sanitorial and pest control services	27,173	25,079	2,094
Professional advice and services	23,872	24,041	(169)
Advertising and market research	23,301	21,720	1,581
Travel expenses	21,434	20,756	678
Warehousing and transport costs	16,152	14,602	1,550
Insurance	14,419	12,861	1,558
Commissions on credit card receipts	12,811	11,287	1,524
Postage and telephone	12,440	11,934	506
Temporary workers	5,432	4,911	521
Transport of cash	4,235	3,753	482
Security guard service	4,096	4,265	(169)
Recruiting costs	3,939	3,778	161
Banking fees	3,586	3,364	222
Employee training	2,874	3,883	(1,009)
Other services	26,597	27,851	(1,254)
Total services	315,951	296,728	19,223
Costs for rentals and concessions	376,793	355,522	21,271
Rental and leasing of movable property	20,901	22,855	(1,954)
Royalties for use of trademarks	44,524	43,798	726
Total leases and rentals	442,218	422,175	20,043
Total	758,169	718,903	39,266

The newly consolidated businesses contributed 25,267 thousand euros in service costs - mainly accounted for by energy (4,707 thousand euros), maintenance costs (3,314 thousand euros), professional advice (2,935 thousand euros), and advertising (2,932 thousand euros) - and leases and rentals totaling 15,315 thousand euros, almost entirely attributable to rentals and concessions.

The increase in "Costs for energy," in regard to the portion exceeding the proportional increase in revenues, is attributable to higher fees charged in Italy.

The increase in "Costs for rentals and concessions" is in proportion to the changes in revenues, to which they are indexed by contract.

Personnel costs

Personnel costs totaled 1,039,323 thousand euros. Among the newly consolidated businesses - which contributed 96,117 thousand euros to the balance - Autogrill Schweiz AG is characterized by a relatively high concentration of labor. Therefore, this item increased more than in proportion to revenues.

(in k€)	2001	2000	change
Wages and salaries	837,847	743,822	94,025
Social security contributions	133,670	124,967	8,703
Employee severance indemnities and similar	15,066	14,602	464
Other costs	52,740	48,353	4,387
Total	1,039,323	931,744	107,579

The increase in the item “Other costs” is attributable to an increase in health insurance costs for HMSHost personnel.

The average number of employees, expressed in terms of full time equivalents, rose by 2,417 to 41,097 workers.

Amortization, depreciation, and writedowns

These items increased by 29,669 thousand euros to 277,714 thousand euros, of which 15,668 thousand euros attributable to the expanded scope of consolidation. They are broken down as follows:

(in k€)	2001	2000	change
Amortization and depreciation:			
Amortization of intangible fixed assets	182,212	172,059	10,153
Depreciation of property, plant, and equipment	74,505	58,365	16,140
Depreciation of property, plant, and equipment returnable at no cost	13,500	11,848	1,652
Writedown of property, plant, and equipment and intangible fixed assets	2,636	783	1,853
Writedowns of receivables among current assets	4,861	4,990	(129)
Total	277,714	248,045	29,669

Amortization of intangible fixed assets include the amounts attributable to goodwill and consolidation differences, 117,283 thousand euros. These increased by 2,295 thousand euros due to changes in the euro/dollar exchange rate and by 7,383 thousand euros due to newly consolidated businesses.

The remainder is principally represented by leasehold improvements of commercial locations.

Depreciation of property, plant, and equipment increased by 7,481 thousand euros due to the change in the scope of consolidation and by 1,052 thousand euros due to changes in the euro/dollar exchange rate.

Depreciation of property, plant, and equipment returnable at no cost was determined on the basis of economic and technical criteria and thus based on the presumed useful life of each asset or, if less, the residual term of the concession.

Provisions for risks and other provisions

The provisions set aside during the period are detailed as follows:

(in k€)	2001	2000	change
For litigation and other risks	1,412	2,977	(1,565)
Other provisions for:			
restoration costs	4,894	4,456	438
miscellaneous costs	1,166	176	990
Total other provisions	6,060	4,632	1,428
Total	7,472	7,609	(137)

Other operating costs

These total 36,862 thousand euros. The increase includes 614 thousand euros stemming from the change in the scope of consolidation.

They are broken down as follows:

(in k€)	2001	2000	change
Indirect taxes and taxes allocable to the fiscal year	20,182	20,134	48
Cash deposit differences	5,335	5,404	(69)
Losses on disposals or conversions	468	853	(385)
Other costs	10,877	8,440	2,437
Total	36,862	34,831	2,031

Financial income and expenses

The decrease of over 9 million euros in net financial expenses with respect to the previous year is mainly attributable to favorable trends on the financial markets. The benefits of these changes more than offset the higher financial exposure resulting from acquisition of Autogrill Schweiz AG on December 28, 2000 and the non-recurrence of proceeds realized by investing a portion of European liquidity in the notes of a subsidiary of HMSHost Corp., which were reimbursed in May 2000.

Other financial income

This totals 91,702 thousand euros and is broken down as follows:

(in k€)	2001	2000	change
Interest and other income from securities:			
interest, premiums, and income from securities held as fixed assets	203	373	(170)
interest, premiums, and income from securities held as current assets	2,914	3,090	(176)
Total	3,117	3,463	(346)
Income different from the preceding:			
bank interest earned	1,964	1,426	538
foreign exchange gains	65,998	112,981	(46,983)
proceeds from interest rate risk hedging	7,164	7,100	64
proceeds from exchange rate risk hedging	11,673	3,705	7,968
others	1,786	839	947
Total	88,585	126,051	(37,466)
Total	91,702	129,514	(37,812)

Interest and other financial expenses

These consist of:

(in k€)	2001	2000	change
Interest on bonds	7,235	12,331	(5,096)
Interest on medium/long-term loans and financing	43,665	44,005	(340)
Interest on bank accounts and short-term financing	653	2,323	(1,670)
Others	4,348	2,110	2,238
Total	55,901	60,769	(4,868)
Expenses other than the preceding:			
foreign exchange losses	62,624	110,996	(48,372)
expenses for interest rate risk hedging	13,041	4,261	8,780
expenses for exchange rate risk hedging	12,882	16,435	(3,553)
others	2,755	2,214	541
Total	91,302	133,906	(42,604)
Total	147,203	194,675	(47,472)

Exchange rate risk hedging transactions resulted in the settlement of negative differences, which were posted to “Foreign exchange losses.” Settlement of positive differences was reported between “Foreign exchange gains” and “Financial income”.

Extraordinary income and expenses

Changes in a number of accounting rules had produced net income of 4 million euros in fiscal 2000.

Fiscal 2001 was instead subjected to net expenses of 19.5 million euros, mainly due to restructuring of North American activities.

In particular, extraordinary expenses consisted of approximately 11 million euros in costs for the early termination of employment relationships, largely involving staff positions.

Income taxes

These totaled 29,212 thousand euros, of which 3,733 thousand euros are represented by deferred tax liabilities and 25,479 thousand euros by current taxes. Irap, the Italian regional tax on productive activity, whose taxable basis is substantially equal to the sum of operating income and labor costs, totaled 13,304 thousand euros (12,437 thousand euros in 2000).

Compensation of Directors, Statutory Auditors, and general managers

The following information is provided pursuant to Article 78 of CONSOB Resolution no. 11971/1999:

1. The title of general manager is assigned to executives in charge of divisions. Therefore, the Group does not believe that they are subject to the aforesaid rule.
2. The Group does not dispose of an executive committee.
3. The directors are not granted stock options. The Chief Executive Officer is paid a variable annual amount according to achievement of annual and three-year targets and appreciation in the value of the company.

The following table summarizes the compensation accrued in fiscal 2001:

name	position (surname and name)	term	compensation	non-monetary benefits	bonuses and other incentives
Benetton Gilberto	Chairman of the Board of Directors	01.01-12.31.01	35,119.07	-	-
Buttignol Livio	Chief Executive Officer	01.01-12.31.01	516,456.90	-	103,291.38
Benetton Alessandro	Director	01.01-12.31.01	34,086.15	-	-
Brunetti Giorgio	Director	01.01-12.31.01	35,119.07	-	-
Bulgheroni Antonio	Director	01.01-12.31.01	34,086.15	-	-
Desiderato Marco	Director	01.01-12.31.01	35,119.07	-	-
Erede Sergio	Director	01.01-12.31.01	33,569.69	-	-
Mion Gianni	Director	01.01-12.31.01	35,119.07	-	-
Morazzoni Gaetano	Director	04.27-12.31.01	23,550.43	-	-
Total directors			782,225.60	-	103,291.38
Ponzellini Gianluca	Chairman of the Board of Statutory Auditors	01.01-12.31.01	35,842.25	-	-
Reboa Marco	Statutory Auditor	01.01-12.31.01	22,724.20	-	-
Tosi Ettore Maria	Statutory Auditor	01.01-12.31.01	22,930.78	-	-
Total statutory auditors			81,497.23	-	-
Total			863,722.83	-	103,291.38

Appendix

List of subsidiaries and other equity investments at December 31, 2001

AUTOGRILL S.p.A.

Companies consolidated line-by-line:

name	head office	currency	capital stock	%	stockholders
Parent Company					
• Autogrill S.p.A.	Novara	Eur	132,288,000	57.093	Edizione Holding S.p.A.
Subsidiaries					
• Autogrill Café S.r.l.	Novara	Eur	25,000	100.000	Autogrill S.p.A.
• Aviogrill S.r.l.	Bologna	Eur	10,000	51.000	Autogrill S.p.A.
• Nuova Estral S.r.l.	Novara	Eur	10,000	100.000	Autogrill S.p.A.
• Nuova Sidap S.r.l.	Novara	Eur	10,000	100.000	Autogrill S.p.A.
• Autogrill Finance S.A.	Luxembourg	Eur	250,000	99.996	Autogrill S.p.A.
• Autogrill International S.A.	Luxembourg	Eur	42,300,000	99.999	Autogrill S.p.A.
• Autogrill Overseas S.A.	Luxembourg	Eur	60,650,000	99.999	Autogrill S.p.A.
• Autogrill Austria AG	Gottesbrunn	Eur	7,287,283	100.000	Autogrill International S.A.
• Autorest Hungaria Kft in liquidation	Budapest	Huf	1,000,000	100.000	Autogrill Austria AG
• Autogrill Belgie S.A.	Antwerpen	Bef	230,000,000	99.999	Autogrill International S.A.
				0.001	Ac Restaurants & Hotels S.A.
• Ac Arlux S.A.	Arlon	Bef	50,757,000	99.998	Autogrill Belgie S.A.
				0.002	Ac Restaurants & Hotels S.A.
• Ac Restaurants & Hotels Beheer S.A.	Antwerpen	Bef	16,819,814	99.999	Autogrill Belgie S.A.
				0.001	Ac Restaurants & Hotels S.A.
• Ac Restaurants & Hotels S.A.	Luxembourg	Luf	5,000,000	99.995	Autogrill Belgie S.A.
				0.005	Ac Restaurants & Hotels Beheer S.A.
• Ac Restaurants & Hotels Beteiligungs GmbH	Niederzissen	Dem	150,000	95.000	Ac Restaurants & Hotels S.A.
				5.000	Ac Holding NV
• Ac Restaurants & Hotels Betriebs GmbH	Niederzissen	Dem	50,000	100.000	Ac Restaurants & Hotels Beteiligungs GmbH
• Autogrill Deutschland GmbH	München	Eur	205,000	100.000	Autogrill International S.A.
• Autogrill España S.A.	Madrid	Eur	1,800,000	100.000	Autogrill International S.A.
• Autogrill Hellas EPE	Avlona Attikis	Grd	408,530,000	100.000	Autogrill International S.A.
• Host International (Hellas) Ltd	Pallini Attica	Grd	35,000,000	99.970	Autogrill International S.A.
				0.030	Autogrill S.p.A.
• Autogrill Nederland B.V.	Breukelen	Eur	6,371,074	100.000	Autogrill International S.A.
• Maison Ledeboer B.V.	Zaandam	Eur	69,882	100.000	Autogrill Nederland B.V.
• Ac Holding NV	Breukelen	Nlg	300,000	100.000	Maison Ledeboer B.V.
• The American Lunchroom Co B.V.	Zaandam	Eur	18,151	100.000	Ac Holding NV
• Ac Apeldoorn B.V.	Apeldoorn	Nlg	100,000	100.000	The American Lunchroom Co B.V.
• Ac Bodegraven B.V.	Bodegraven	Nlg	40,000	100.000	The American Lunchroom Co B.V.
• Ac Heerlen B.V.	Heerlen	Nlg	51,000	100.000	The American Lunchroom Co B.V.
• Ac Hendrik Ido Ambacht B.V.	Hendrik Ido Ambacht	Nlg	35,000	100.000	The American Lunchroom Co B.V.
• Ac Holten B.V.	Holten	Nlg	75,000	100.000	The American Lunchroom Co B.V.
• Ac Leiderdorp B.V.	Leiderdorp	Nlg	40,000	100.000	The American Lunchroom Co B.V.
• Ac Meerkerk B.V.	Meerkerk	Nlg	40,000	100.000	The American Lunchroom Co B.V.

name	head office	currency	capital stock	%	stockholders
• Ac Nederweert B.V.	Weert	Nlg	75,000	100.000	The American Lunchroom Co B.V.
• Ac Nieuwegein B.V.	Nieuwegein	Nlg	40,000	100.000	The American Lunchroom Co B.V.
• Ac Oosterhout B.V.	Oosterhout	Nlg	40,000	100.000	The American Lunchroom Co B.V.
• Ac Restaurants & Hotels B.V.	Oosterhout	Eur	90,756	100.000	The American Lunchroom Co B.V.
• Ac Sevenum B.V.	Sevenum	Nlg	40,000	100.000	The American Lunchroom Co B.V.
• Ac Vastgoed B.V.	Zaandam	Eur	18,151	100.000	The American Lunchroom Co B.V.
• Ac Vastgoed I B.V.	Zaandam	Eur	18,151	100.000	The American Lunchroom Co B.V.
• Ac Veenendaal B.V.	Veenendaal	Nlg	40,000	100.000	The American Lunchroom Co B.V.
• Ac Zevenaar B.V.	Zevenaar	Nlg	125,000	100.000	The American Lunchroom Co B.V.
• Holding de Participations Autogrill Sas	Marseille	Eur	74,741,136	99.999	Autogrill International S.A. 0.001 Autogrill S.p.A.
• Autogrill Côté France S.A.	Marseille	Eur	31,579,526.40	99.999	Holding de Participations Autogrill Sas
• Hotelimar S.A.	Marseille	Eur	1,125,000	79.975	Autogrill Côté France S.A.
• Société Berrichonne de Restauration S.A. (Soberest)	Marseille	Eur	288,000	49.989	Autogrill Côté France S.A.
• Société Bordelaise de Restauration S.A. (Soborest)	St. Savin	Eur	560,000	49.992	Autogrill Côté France S.A.
• Société de Construction de la Porte d'Alsace S.A. (Socopal)	Marseille	Eur	208,800	67.889	Autogrill Côté France S.A.
• Société de la Porte de Champagne S.A. (SPC)	Perrogney Les Fontaines	Eur	153,600	51.470	Autogrill Côté France S.A.
• Les Fontaines Société de Restauration Autoroutière Dromoïse S.A. (SRAD)	Marseille	Eur	1,136,000	49.996 49.997	Autogrill Côté France S.A. SRSRA S.A.
• Société de Restauration de Bourgogne S.A. (Sorebo)	Marseille	Eur	144,000	49.967	Autogrill Côté France S.A.
• Société de Restauration de Troyes - Champagne S.A. (SRTC)	Marseille	Eur	1,440,000	69.978	Autogrill Côté France S.A.
• Volcares S.A.	Chatelguyon	Eur	288,000	49.983	Autogrill Côté France S.A.
• Autogrill Restauration Services S.A.	Marseille	Eur	30,041,460	99.999	Holding de Participations Autogrill Sas
• Autogrill Gares de Tours S.A.	Marseille	Eur	40,000	99.760	Autogrill Restauration Services S.A. 0.040 Holding de Participations Autogrill Sas
• Autogrill Gare Chateauroux S. à r.l.	Marseille	Eur	8,000	100.000	Autogrill Restauration Services S.A.
• Autogrill Gare Lyon Part Dieu S. à r.l.	Marseille	Eur	32,000	100.000	Autogrill Restauration Services S.A.
• Autogrill Gare Lyon Perrache S. à r.l.	Marseille	Eur	160,000	100.000	Autogrill Restauration Services S.A.
• Autogrill Gare Toulon S. à r.l.	Marseille	Eur	8,000	100.000	Autogrill Restauration Services S.A.
• Autogrill Gares des Alpes S. à r.l.	Marseille	Eur	8,000	100.000	Autogrill Restauration Services S.A.
• Autogrill Gare Paris Nord S. à r.l.	Marseille	Eur	32,000	100.000	Autogrill Restauration Services S.A.
• Autogrill Gare Paris Saint Lazare S. à r.l.	Marseille	Eur	1,226,850	100.000	Autogrill Restauration Services S.A.
• Autogrill Gare Paris Est S. à r.l.	Marseille	Eur	16,000	100.000	Autogrill Restauration Services S.A.
• Autogrill Gare Nevers Snc	Marseille	Eur	1,600	99.000	Autogrill Restauration Services S.A. 1.000 Autogrill Gare Paris Est S. à r.l.
• Autogrill Gares Ile de France Snc	Marseille	Eur	1,600	99.000	Autogrill Restauration Services S.A. 1.000 Autogrill Gare Paris Est S. à r.l.
• Autogrill Gares Lille Snc	Marseille	Eur	40,000	99.960	Autogrill Restauration Services S.A. 0.040 Autogrill Gare Paris Est S. à r.l.
• Autogrill Schweiz AG	Zürich	Chf	10,000,000	100.000	Autogrill Overseas S.A.
• Autogrill Restaurants AG	Zürich	Chf	10,000,000	100.000	Autogrill Schweiz AG
• Flughafen Restaurant AG	Zürich	Chf	4,800,000	100.000	Autogrill Schweiz AG

name	head office	currency	capital stock	%	stockholders
• ARH Management AG	Zug	Chf	700,000	96.572	Flughafen Restaurant AG
• Autogrill Pieterlen AG	Zürich	Chf	2,000,000	100.000	Autogrill Restaurants AG
• Raststätte Pratteln AG	Pratteln	Chf	3,000,000	95.000	Autogrill Restaurants AG
• Restoroute de Bavois S.A.	Bavois	Chf	2,000,000	70.000	Autogrill Restaurants AG
• Restoroute de la Gruyère S.A.	Avry devant Pont	Chf	1,500,000	54.300	Autogrill Restaurants AG
• SSG Schweizerische Speisewagen Gesellschaft	Zurich	Chf	100,000	100.000	Autogrill Restaurants AG
• Vorstadt Egerkingen AG	Egerkingen	Chf	2,000,000	100.000	Autogrill Restaurants AG
• HMSHost Corporation	Bethesda	Usd	225,000,000	100.000	Autogrill Overseas S.A.
• AAI Investments Inc.	Bethesda	Usd	100,000,000	100.000	HMSHost Corp
• HMSHost Tollroads Inc.	Bethesda	Usd	125,000,000	100.000	HMSHost Corp
• Host International Inc.	Bethesda	Usd	125,000,000	100.000	HMSHost Corp
• Sunshine Parkway Restaurants Inc.	Bethesda	Usd	125,000,000	50.000	HMSHost Corp
				50.000	Gladioux Corp
• Cincinnati Terminal Services Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• Cleveland Airport Services Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• HMS-Airport Terminal Services Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• HMS-Airport Terminal Services (Christchurch branch) Inc.	Bethesda	Usd	125,000,000	100.000	HMS-Airport Terminal Services Inc.
• HMS B&L Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• HMS Holdings Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• HMSHost Family Restaurants Inc.	Bethesda	Usd	125,000,000	100.000	HMS Holdings Inc.
• HMSHost Family Restaurants LLC	Bethesda	Usd	125,000,000	100.000	HMSHost Family Inc.
• Gladioux Corporation	Bethesda	Usd	125,000,000	100.000	HMS Holdings Inc.
• Host (Malaysia) Sdn Bhd	Kuala Lumpur	Ringgit	100,000	100.000	Host International Inc.
• Host Gifts Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• Host International of Canada Ltd	Vancouver	Cad	4,600,000	100.000	Host International Inc.
• Host International of Kansas Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• Host International of Maryland Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• HMSHost USA Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• Host International (Poland) Sp zo o	Warsaw	Plz	6,557,600	100.000	HMSHost USA Inc.
• Host of Holland B.V.	Haarlemmermeer	Nlg	200,000	100.000	Host International Inc.
• Horeca Exploitatie Maatschappij Schiphol B.V.	Schiphol	Nlg	100,000	100.000	Host of Holland B.V.
• Host Services (France) Sas	Paris	Frfr	250,000	100.000	Host International Inc.
• Host Services Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• Host Services of New York Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• Host Services Pty Ltd	North Cairns	Aud	12	100.000	Host International Inc.
• Las Vegas Terminal Restaurants Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• Marriott Airport Concessions Pty Ltd	Tullamarine	Aud	999,998	100.000	Host International Inc.
• Michigan Host Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• Shenzen Host Catering Company Ltd	Shenzen	Usd	2,500,000	90.000	Host International Inc.
• The Gift Collection Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.
• Turnpike Restaurants Inc.	Bethesda	Usd	125,000,000	100.000	Host International Inc.

Companies carried at equity:

name	head office	currency	capital stock	%	stockholders
• Union Services S. à r.l.	Luxembourg	Eur	51,000	20.000	Autogrill International S.A. 20.000 Autogrill Overseas S.A. 10.000 Autogrill Finance S.A.
• Société Régionale de Saint Rambert d'Albon S.A. (SRSRA)	St. Rambert d'Albon	Eur	512,000	40.731	Autogrill Côté France S.A.
• Isardrome S. à r.l.	St. Rambert d'Albon	Eur	30,800	94.750	SRSRA S.A. 4.500 Autogrill Côté France S.A.
• Theater Gastro AG	Zurich	Chf	200,000	25.000	Autogrill Restaurants AG
• Anton Airfood Inc. (AAI)	Washington	Usd	1,000	25.000	AAI Investments Inc.
• AAI Terminal 7 Inc.	Washington	Usd	1,000	100.000	Anton Airfood Inc.
• AAI Terminal One Inc.	Washington	Usd	200	100.000	Anton Airfood Inc.
• Airport Architects Inc.	Washington	Usd	1,000	100.000	Anton Airfood Inc.
• Anton Airfood JFK Inc.	Washington	Usd	1,000	100.000	Anton Airfood Inc.
• Anton Airfood of Bakersfield Inc.	Washington	Usd	1,000	100.000	Anton Airfood Inc.
• Anton Airfood of Cincinnati Inc.	Washington	Usd	1,000	100.000	Anton Airfood Inc.
• Anton Airfood of Minnesota Inc.	Washington	Usd	10	100.000	Anton Airfood Inc.
• Anton Airfood of New York Inc.	Washington	Usd	1,000	100.000	Anton Airfood Inc.
• Anton Airfood of North Carolina Inc.	Washington	Usd	10	100.000	Anton Airfood Inc.
• Anton Airfood of Ohio Inc.	Washington	Usd	1,000	100.000	Anton Airfood Inc.
• Anton Airfood of Rhode Island Inc.	Washington	Usd	1,000	100.000	Anton Airfood Inc.
• Anton Airfood of Texas Inc.	Washington	Usd	100,000	100.000	Anton Airfood Inc.
• Anton Airfood of Virginia Inc.	Washington	Usd	1,000	100.000	Anton Airfood Inc.
• Palm Springs AAI Inc.	Washington	Usd	1,000	100.000	Anton Airfood Inc.
• Lee Airport Concession Inc.	Washington	Usd	1,600	25.000	Anton Airfood Inc.
• Dewina Host Sdn Bhd	Kuala Lumpur	Ringgit	250,000	49.000	Host International Inc.
• HMSC-AIAL Ltd	Auckland	Nzd	111,900	50.000	Host International Inc.

Companies carried at cost:

name	head office	currency	capital stock	%	stockholders
• M.S. Gestioni S.r.l.	Torino	Eur	25,000	15.000	Autogrill S.p.A.
• Convivium 2000 S.p.A.	Roma	Eur	130,147	14.286	Autogrill S.p.A.

Auditors' report



Auditors' Report on the Consolidated Financial Statements in Accordance with Article 156 of Legislative Decree no. 58 of February 24, 1998

Arthur Andersen SpA
Via della Moscova 3
20121 Milano
www.andersen.com

To the Stockholders of Autogrill S.p.A.:

We have audited the consolidated financial statements of Autogrill S.p.A. and its subsidiaries at December 31, 2001. These consolidated financial statements are the responsibility of the directors of Autogrill S.p.A. Our responsibility is to express a professional opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the auditing standards and criteria recommended by CONSOB. Those standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the financial statements are free of material misstatement and, taken as a whole, are reliable. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our opinion.

For the opinion on the consolidated financial statements of the prior period, which are presented for comparative purposes as required by law, reference is made to the report issued by Arthur Andersen S.p.A. dated March 29, 2001.

In our opinion, the consolidated financial statements of Autogrill S.p.A. and its subsidiaries at December 31, 2001 comply with the laws governing the criteria for their preparation. Accordingly, they provide a true and accurate presentation of the financial position and results of operations of the Company and its subsidiaries.

Milan, March 26, 2002

Arthur Andersen SpA


Eugenio Colucci (Partner)

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Bari Bologna Brescia Firenze
Genova Milano Napoli Padova
Roma Torino Treviso Verona

Autogrill S.p.A.

Annual report
at December 31, 2001

Report on operations

Unless otherwise indicated, the posted amounts are expressed in thousands and millions of euros. The symbol Usd indicates the U.S. dollar. The changes refer to the comparative figures for fiscal 2000.

Operating performance

The fiscal year ended with revenues up by 4.2% at 985.5 million euros. The gross operating margin grew by 1.9% to 130.5 million euros. The net loss for the period was 25.5 million euros, compared with net income of 4 million euros in the previous year.

Cash flow, calculated as the sum of net income (loss), amortization, depreciation, and writedowns of fixed assets, grew by 3.4% to 135.5 million euros.

The net financial assets of the company increased by 34.7 million euros to 168 million euros, after investments of 51.2 million euros on the Italian network and, through capitalization of subsidiaries, 79.6 million euros in the development of foreign activities.

The consolidated financial statements offer a complete picture of the operating performance of the Group, which posted revenues of 3.266,5 million euros in fiscal 2001, up 7.4%, and its financial position, characterized by net indebtedness of approximately 1.1 billion euros as the result of acquisitions over the previous two years.

The company's operating activities made progress in terms of volume and efficiency, particularly in the catering services sector, where revenues grew by 6.5% overall, a higher rate than that for the overall consumer market for meals away from home. The company's penetration of the motorway channel advanced, with overall revenue growth of 4.4%, driven by the 5.6% growth in catering service activities, against a 3.7% increase in traffic on the network.

Thanks in part to investments in communication, the Quick Service Restaurant sector continued growing at a fast rate: chain sales were up +26.5%, inclusive of sales by affiliates, with an increase of 22.8% at Spizzico and 43.8% at Burger King. The two concepts continued to expand in fiscal 2001, with openings of 11 and 4 new units, respectively, reaching a total of 184 units overall at the end of the fiscal year, 141 of which under direct management.

At the international level, the company focused on streamlining the number of activities it operates - particularly in Switzerland and Benelux - and reacting to the crises that followed one after another during the year: food emergencies in Europe (foot-and-mouth disease and "mad cow" disease) in the first quarter, the terrorist attacks in the United States on September 11, and the financial crisis of SwissAir had varying impact on the operating conditions of the Group, while it did not miss opportunities for further development.

Certainly the most significant achievements were realized on the North American market, where the Group is the leader in airport catering services. In the midst of a recession, the events of September 11 triggered a sudden, major contraction in passenger traffic, which shrank at an 8% annual rate. Thanks to the prompt adoption of countermeasures, the revenues generated in the channel of comparable units decreased by a modest 0.5% and, most importantly, the ordinary aggregate profit margins of HMSHost improved to 12% of sales, compared with 11.4% in the previous fiscal year. Further measures to streamline operating models were also launched, leading to the posting of extraordinary expenses of Usd 15 million.

Thanks in part to the rational scheduling and calibration of investments, net cash flow improved by Usd 3.5 million to Usd 26.5 million, notwithstanding a total of Usd 49 million in acquisitions. At the same time, major renewals and new concessions were realized, consolidating the company's presence on the North American market.

The products and operating and organizational structure of Swiss catering service

activities, acquired on December 28, 2000, were subjected to streamlining. Disposals of activities in non-core channels (“on train” and “on boat” catering services and most pastry shops) were accompanied by investments of over 21 million euros, principally in the airport, motorway, and railway station channels. The year’s performance also reflected the costs for starting up and then disposing the “German Language Region” organizational structure. Inclusive of the financial expenses connected with the acquisition and amortization of goodwill, the Swiss activities contributed a loss of approximately 20 million euros to the net loss for the year.

During the year, award of new concessions for catering service activities in the airport channel (in Basel and Zurich) and station channel (Bern) laid the basis for achieving a critical mass of core activities in Switzerland.

Evolution in the internal organizational structure during 2001 reflected the changed competitive environment, consistently with the changes in the size and strategy of the Group. Plans call for simultaneous pursuit of local development and overall efficiency.

Investments made in support of Italian activities totaled 49.6 million euros. Overall, 18.8 million euros were invested to develop commercial activities, with 7.3 million euros being dedicated to new openings. The company also earmarked 1.6 million euros for investments to support corporate functions and contributed 79.6 million euros in capital to subsidiaries to support their international development. At December 31, 2001, the national operating network, including the retail outlets leased by affiliates, counted 453 locations, two more than at the end of fiscal 2000. Of these, 108 (+1) were operated by affiliates.

During the fiscal year, directly operated restaurants generated food and beverage revenues that were up +6.5% from fiscal 2000, while the growth in retail revenues was limited to +3.7%, largely on account of further contraction in the sale of lottery tickets. On the Italian market, the Group thus realized an increase of +4.9% in direct revenues, to 989.4 million euros. Systemwide sales increased by 4.6% to 1,064.7 million euros.

Development proceeded in all channels. Obviously, the greatest increases were those posted by the most recent acquisitions: railway stations (+24.4% to 8.5 million euros) and airports (+13.5% to 31.8 million euros).

In the motorway channel, where 80% of Italian revenues are generated, comparable locations posted +5.5% growth in food and beverage sales, increasing their market penetration, which grew by 3.7% during the period. Sales prices increased within the limits of the inflation rate for principal cost factors and were frozen during the last quarter in accordance with commitments made for introduction of the euro.

Labor costs increased by 7.2%, while the average number of employees, expressed in full time equivalents, increased by +6.5% to 8,538 persons. The limited increase of +0.7% in the average unit labor cost derived from evolution in the mix of professional levels and steady reduction in the average age of workers, as well as a reduction in mandatory social security contributions by 1% of pay.

Ebitda, which measures the profitability of ordinary operations, grew by 9% to 153.3

million euros, and its margin as a percentage of sales increased by 0.6 percentage points to 15.5%.

The highlights of the year's earnings figures are as follows:

Highlights from the statement of income

(in m€)	2001	2000	change
Sales and service revenues	985.5	945.4	40.1
Other revenues and income	45.1	38.7	6.4
Value of production	1,030.6	984.1	46.5
Primary cost of production	(638.3)	(613.0)	(25.3)
Value added	392.3	371.1	21.2
Personnel costs	(244.2)	(228.3)	(15.9)
Provisions for risks and other provisions	(5.7)	(5.6)	(0.1)
Other operating costs	(11.9)	(9.0)	(2.9)
Gross operating result	130.5	128.1	2.4
Amortization, depreciation, and writedowns	(48.7)	(52.5)	3.8
Operating income	81.8	75.6	6.2
Net financial income	15.4	16.2	(0.8)
Adjustments to financial assets	(119.6)	(73.1)	(46.5)
Result before extraordinary items and taxes	(22.4)	18.7	(41.1)
Extraordinary income and expenses	-	1.5	(1.5)
Income (loss) before taxes	(22.4)	20.2	(42.6)
Income taxes	(3.1)	(16.2)	13.1
Net income (loss)	(25.5)	4.0	(29.5)
Ebitda ⁽¹⁾	153.3	140.7	12.6

⁽¹⁾ Beginning in fiscal 2001, fuel distribution activities were started up at motorway service areas, with revenues of 2.2 million euros and purchases of 2.1 million euros. For better understanding of the overall changes in company income, the "Other revenues and income" shown in this table include only the margins.

⁽²⁾ Earnings before depreciation, amortization, non-recurring expenses/income, financial income/expenses, corporate operating costs, and income taxes.

The breakdown of changes in revenues by service segment is as follows:

(in m€)	2001			2000		
	direct	affiliate	chain	direct	affiliate	chain
Sales to public:						
catering services	581.4	69.6	651.0	550.5	64.2	614.7
retail	372.4	40.8	413.2	366.1	37.6	403.7
hotel and other services	0.5		0.5	0.4	-	0.4
Total direct sales to public	954.3	110.4	1,064.7	917.0	101.8	1,018.8
Sales to others and affiliates	31.2	(28.1)	3.1	28.4	(26.8)	1.6
Total	985.5	82.3	1,067.8	945.4	75.0	1,020.4

The increase in revenues is largely connected with the development of catering service activities, which increased 5.9% overall.

In addition to the aforementioned contribution of Quick Service Restaurants, the revenues generated by the snack bar (+4.5%) and self-service restaurant (+3.3%) formulas increased.

In the retail sector, lottery sales decreased by 6.9 million euros, affecting the overall performance of the sector.

Autogrill S.p.A. thus realized total direct revenues of 985.5 million euros (+4.2% with respect to fiscal 2000).

Aside from the airport and railway station channels, channel by channel analysis shows a 4.1% increase in motorway service area sales of 4.1%, to 788.9 million euros. This performance, which includes the decrease in lottery revenues mentioned above, reflects the higher penetration of food and beverage revenues.

The primary cost of production, which includes the purchase costs of outsourced goods and services, remained largely constant in relation to the value of production. This result reflected greater efficiency in procurement, which was offset by higher prices for electric power and services. The latter were especially affected by increased advertising and promotional costs (9.8 million euros +30% with respect to fiscal 2000) and higher recourse to outsourcing (+60% to 4.6 million euros).

The **value added** during the fiscal year, 392.3 million euros, was 6.9% higher than in the previous year.

Ebitda, which corresponds to gross operating income, excluding non-recurring expenses and income and corporate operating costs, increased by 9% to 153.3 million euros, with a profit margin of 15.6%, compared with 14.9% in the previous year.

Amortization, depreciation, and writedowns totaled 48.7 million euros (52.5 million euros in fiscal 2000), with a reduction of 5.2 million euros in amortization and depreciation charged exclusively in conformity with tax norms (0.7 million euros, compared with 5.9 million euros in fiscal 2000), for leasehold improvements.

Operating income totaled 81.8 million euros (+8.2% with respect to fiscal 2000).

The flow of dividends from equity holdings (14.1 million euros) led to net financial income of 15.4 million euros (-0.8 million euros with respect to fiscal 2000).

Group cash management was progressively shifted to Autogrill

Finance S.A. for financing of European activities, while HMSHost expanded its direct access to the financial markets.

Valuation of equity holdings by the equity method largely accounted for **adjustments to financial assets** totaling a negative 119.6 million euros, while the same item totaled 73.1 million euros in the previous year. The increase stemmed mainly from the addition of new companies, particularly the Swiss subsidiaries.

The net loss did not reflect extraordinary items. In the previous fiscal year, net income included 1.5 million euros in extraordinary income resulting from changes in the criteria for valuation of inventories.

The loss before taxes was -22.4 million euros (20.2 million euros in 2000), while the net loss was -25.5 million euros (+4 million euros in 2000), after charging 13.4 million euros for Irap (12.4 million euros in 2000).

The taxable amount for Irpeg (corporate income tax) was negative. As this could be recovered according to updated schedules, a total of deferred tax assets of 10.3 million euros was posted, with 6.8 million euros resulting from the tax loss that can be carried forward and 3.4 million euros from temporary differences between taxable income and the result reported on the financial statements, largely in consequence of writedowns with deferred deductibility.

The highlights of the balance sheet show:

- a net decrease of 33.9 million euros in fixed assets, caused by a contraction in financial fixed assets, particularly investments in subsidiaries, of 36.3 million euros
- a decrease in working capital of 32.3 million euros
- a decrease of 36.5 million euros in stockholders' equity, connected with the net loss for the year and the distribution of 10.5 million euros in dividends
- an increase in net financial assets of 34.7 million euros

Highlights of the balance sheet

(in m€)	12.31.2001	12.31.2000	change
A) Fixed assets			
Intangible fixed assets	117.4	125.2	(7.8)
Property, plant, and equipment	92.8	82.6	10.2
Financial fixed assets	17.9	54.2	(36.3)
	228.1	262.0	(33.9)
B) Working capital			
Inventories	35.4	33.2	2.2
Trade receivables	44.9	38.8	6.1
Other assets	41.2	62.7	(21.5)
Trade payables	(209.2)	(202.2)	(7.0)
Various liabilities and risk reserves	(14.8)	(8.5)	(6.2)
Other current liabilities	(53.2)	(47.3)	(5.9)
	(155.7)	(123.4)	(32.3)
C) Capital invested, after current liabilities	72.4	138.6	(66.2)
D) Reserve for employee severance indemnities and other medium/long-term non-financial liabilities	(93.9)	(88.9)	(5.0)
E) Capital invested, net	(21.5)	49.7	(71.3)
Financed by:			
F) Stockholders' equity	146.5	183.0	(36.5)
G) Medium/long-term net indebtedness	2.2	2.9	(0.7)
H) Current net financial position			
Current debt	61.9	356.7	(294.8)
Cash and current financial receivables	(232.1)	(492.9)	260.8
	(170.2)	(136.2)	(34.0)
Net financial position (G+H)	(168.0)	(133.3)	(34.7)
I) Total, as in E)	(21.5)	49.7	(71.2)

The following statement of cash flows illustrates the financial changes that transpired during the year:

Statement of cash flows

(in m€)	2001	2000
Opening current net financial position	136.2	150.2
Cash flows from operating activities		
Net income (loss) for the period	(25.5)	4.0
Amortization, depreciation, and writedowns	48.6	50.8
(Gains)/losses on disposal of fixed assets	(0.8)	(0.4)
Writedowns of fixed assets, net of revaluations	112.4	76.2
Provisions for risks, net of uses	8.1	0.7
Change in working capital	26.4	6.5
Net change in employee severance indemnities and other medium/long-term liabilities	3.1	0.5
	172.3	138.3
Cash flows from investing activities		
Purchases of fixed assets		
- intangible fixed assets	(23.2)	(22.4)
- property, plant, and equipment	(28.0)	(28.8)
- financial fixed assets	(79.6)	(95.3)
Disposal of financial fixed assets	3.5	2.7
Disposal price of fixed assets sold	1.0	2.0
Other movements	(0.8)	0.7
	(127.1)	(141.0)
Cash flows from financing activities		
Repayments and current portion of medium/long-term debt	(0.7)	(0.8)
Payment of dividends	(10.5)	(10.5)
	(11.2)	(11.3)
Cash flow during period	34.0	(14.1)
Closing current net financial position	170.2	136.2
Closing medium/long-term net financial indebtedness	(2.2)	(2.9)
Closing net financial assets	168.0	133.3

The activities during the year generated cash flow equal to 16.7% of the value of production; during the previous year it reached 14%.

The financial investments consisted of capital increases at Autogrill Overseas S.A. and Autogrill International S.A. that were carried out to support development of the international operating network.

Investments in the Italian operating network can be summarized as follows according to purpose and channel:

channel	amount (in m€)	quota
Airports	1.5	2.9%
Motorways	28.2	55.1%
Railway stations	1.6	3.1%
Non-concession	10.1	19.7%
Unclassifiable	9.8	19.2%
Total	51.2	100.0%

purpose	amount (in m€)	quota
Development of commercial network ⁽¹⁾	26.9	52.5%
Maintenance of commercial network	15.4	30.1%
Others ⁽²⁾	8.9	17.4%
Total	51.2	100.0%

⁽¹⁾ New units and remodeling with changes in product line.

⁽²⁾ For ICT investments in central procedures and investments at headquarter offices.

Investments in motorway service areas were concentrated on the remodeling of locations at Stura Ovest, Piani d'Invrea Sud, Turchino E., Conero E. and Brughiera E.; completion of remodeling of the grills at Ponte Brembo and Limena and construction of the new Autobar Calaggio Nord.

In the airport channel, the principal investment is represented by construction of the new food court at the G. Marconi airport in Bologna, operated by the subsidiary Aviogrill S.p.A., construction of the first Drugstore in Terminal A at Rome's Fiumicino airport.

Investments in the railway station channel were concentrated at Roma Termini.

Aside from concessions (mainly in city centers and shopping malls), major investments were made at dual-brand locations in Padua (Via Tommaseo), Rome (Via Nazionale), and Genoa Fiumara; the new Vercelli Drive cottage model and installation of the Spizzico stand at Cinecittà 2.

A total of 7 million euros was spent on upgrading cash registers and back-office applications throughout the network to improve the quality of customer service and operating efficiency.

A total of 5.3 million euros were invested in 2001 to complete the new headquarters at Assago, which also houses the Group headquarters.

Human resources and organization

In fiscal 2001 the company increased its number of employment positions by an additional 678 persons, bringing the total at year-end to 11,166 employees, 6,087 of them part-time (+474). Of these, 10,736 employees worked in the sales network (+689 persons), and 430 were employed at the central service units and corporate offices (-11 employees).

Principal subsidiaries

Autogrill S.p.A. has steadily expanded its scope of activities, especially abroad, through the acquisition of equity holdings. For a complete overview of these holdings, please refer to the table on page 99 and the Appendix.

Autogrill Overseas S.A.

At the end of the fiscal year, the Luxembourg company, which formerly coordinated the non-European operations of the Group through HMSHost Corp., acquired full ownership of Autogrill Schweiz AG from Autogrill International S.A. In fiscal 2001 Autogrill Overseas S.A. made another capital grant to the United States subsidiary to support its development programs. The financial expenses connected with this capital grant, and, in particular, the effect of valuing the subsidiary by the equity method, resulted in its posting a 56.2 million euro decrease in stockholders' equity.

Autogrill International S.A.

This company coordinates the strategy and financing of equity holdings operating in Europe. Having abandoned during the year its original plan to integrate Passaggio Holding AG - the Swiss group acquired on December 28, 2000 and now named Autogrill Schweiz AG with its pre-existing Austrian and German equity holdings, it sold it to Autogrill Overseas S.A. at the end of the fiscal year.

The company brought suit against Bon Appetit Gastronomie Holding AG over the former's purchase of full ownership in Passaggio Holding AG, due to major discrepancies between the expected figures and final results posted on the financial statements for 2000 of Passaggio Holding. A significant revision in the purchase price has been requested and Autogrill International S.A. has forbidden the escrow agent to pay a Chf 20 million installment against the purchase price until conclusion of the arbitration proceeding. Furthermore, another portion of the purchase price, estimated at Chf 6.5 million, will be payable only in the first half of 2003. As a prudent measure, the company has not assumed any recovery in its valuation of the holding, which would be transferred in any event to Autogrill Overseas S.A.

As a result of the method used to value its own equity holdings and financial expenses incurred, the financial statements for 2001 show a 58.6 million euro decrease in stockholders' equity.

Autogrill Finance S.A.

Established in the first half of 1999 to concentrate borrowing activities in support of Group development, this company raised 350 million euros in June 1999 through issuance of a 15-year bonded loan without coupon and an implicit yield of 2% annually, convertible into shares of Autogrill S.p.A. The bond may be redeemed early at the fifth and tenth anniversary upon request by the bearer and, starting on the fifth anniversary, upon request by the issuer.

During fiscal 2001, the company allocated an increasing amount of its lending to financing of the Group's European subsidiaries in connection with the steadily increasing direct recourse made by HMSHost Corp. to bank financing. At the organizational level, the company progressively concentrated its organization in its Belgian branch, set up in fiscal 2000 and staffed by 20 employees at the end of 2001, closing its Swiss branch at the end of 2001.

In regard to its borrowing costs and expanded operations, Autogrill Finance S.A. posted net income of 10.3 million euros, up from the net income of 8.6 million euros posted in 2000. During the year it distributed a total of 14 million euros in dividends, of which 9.4 million euros as an advance.

The performance of the principal indirect subsidiaries in fiscal 2001 is described as follows.

HMSHost Corp.

HMSHost Corp. is the world leader in airport catering services, with exceptional experience in the operation of multi-brand formulas.

In 2001 HMSHost pursued major growth in activity through organic development, acquisitions, renewal of expiring contracts, and participation in new tenders. Nevertheless, the events of September 11 represented a serious shock for company activities.

In June HMSHost signed an agreement for acquisition of 25% of the capital of Anton Airfood Inc. at a price of Usd 6 million, reserving the right to increase its investment to 95% at prices tied to the results posted by the company over the next two years. Anton Airfood is the third largest operator on the United States airport market, with more than 90 restaurants in 11 airports and concessions with an average residual term of eight years. The position of the company is particularly interesting: it specializes in small and medium-sized airports (3-5 million passengers annually), a market segment with strong growth trends in which HMSHost previously did not have a presence.

HMSHost also acquired or renewed contracts that are worth nearly Usd 1,400 million over time. This amount can be broken down as follows:

- extension until 2020 of the contract for operation of six restaurants on the Garden State Parkway. Against a total investment of approximately Usd 8 million, the new agreement will generate sales of approximately Usd 800 million over the life of the agreement.
- extension until 2009 of the contract for catering service activities inside the Cincinnati/Northern Kentucky international airport, where more than 22 million passengers transit every year (in 2000, source: ACI): the company estimates that the seven locations will generate sales of Usd 90 million over the eight years of the contract
- award of the tender for four restaurant locations and two retail locations at the Halifax, Canada airport (3 million passengers in 2000, source: ACI) for ten and five years, respectively: it is estimated that the six locations will generate revenues of approximately Usd 55 million over the entire life of the contract
- award of the tender for operation of catering services at the San Antonio international airport in Texas. This contract has a term of seven years, and the bid based on an assumption of 3.5 million passengers transiting through the airport every year (in 2000, source: ACI) will generate a total of Usd 28 million in sales.
- award of a ten-year contract for the operation of catering activities at the international airport in Portland, Oregon (13.8 million passengers in 2000, source: ACI), from which the Company expects to realize sales of Usd 30 million over the life of the contract
- early renewal of the contract for operation of restaurants along the Florida Turnpike, one of the most important American motorways with more than 200 million persons transiting it. Sales are estimated to total Usd 300 million over the next eight years.

Extension until 2011 of the contract for retail activities at the NASA Johnson Space Center in Houston. Over the next 10 years, the company expects that it will generate sales of over Usd 50 million.

Just as important were the awards it received in 2001. In particular, the **Physicians Committee for Responsible Medicine** awarded the airports of San Francisco, Minneapolis-St. Paul, and Chicago O'Hare for the quality of the catering services offered there, noting that their food and beverage products satisfied the highest nutritional and dietary standards.

In August the **IATA** mentioned six airports operated by HMSHost as among of the best in the world in terms of the catering services offered to consumers:

- Minneapolis-St. Paul international airport (34 million passengers annually) was declared the best in the world in all categories of catering activities.
- In the category of airports serving more than 25 million passengers, after the Minneapolis-St. Paul airport, the airports of Amsterdam, Seattle, and Atlanta placed 3rd, 4th, and 5th, respectively. Amsterdam was declared the best in Europe.
- In the category of airports serving 15-25 million passengers, the Vancouver airport came in 4th place.
- In the category of airports with less than 15 million passengers a year, the Montreal Dorval airport came in sixth place.
- Finally, for retail activities only, the Minneapolis-St. Paul airport was awarded yet again, coming in 3rd place in the category of airports serving more than 25 million passengers.

The crisis triggered by September 11 hit when the travel industry was already suffering from the effects of recession in the United States.

During 2001 HMSHost posted total sales of Usd 1,528.1 million, down 4.6% after withdrawal from unprofitable contracts and in consequence of unfavorable conditions on the American market. For comparable outlets only, the decrease was limited to 0.5%.

The channels in which the company operates performed as follows:

Airports

The recession in the United States and the events of September 11 caused a 2% decrease in sales on a comparable basis. This decrease must be interpreted in the context of an 8% decrease in air traffic for all of 2001 (source: ATA).

Motorways

On a comparable basis, revenues increased by 6%, with respect to a 3% increase in motor traffic. This result reflects the decision taken by HMSHost to continue introducing brand products on United States motorways.

Shopping malls

Sales totaled Usd 55.8 million, up 0.3% from the previous fiscal year. On a comparable basis, the increase was 1%.

Measures taken after acquisition of the company have improved margins and generated cash flow notwithstanding the recession and terrorist attacks. In particular, Ebitda reached Usd 183.2 million, for a 12% return on sales (against 11.4% in 2000).

Acceleration of projects for cost reductions and efficiency improvements originally scheduled for 2003 will permit the company to continue increasing its revenues.

During 2001 investments totaled Usd 60.1 million, down by Usd 34.9 from the previous fiscal year. The ratio of investments to revenues (3.9% against 5.9% in 2000) reflected changed scheduling and the efficiency measures taken in the previous fiscal year, which had no effect on the company's capacity for development.

Over 24,000 persons work for HMSHost Corp. group companies.

After charging for the aforementioned extraordinary expenses and amortization of goodwill, totaling Usd 69 million, the United States company posted a net loss of Usd 43.6 million in fiscal 2001 (Usd 43.2 million in 2000).

Autogrill operates through subsidiaries in France, Spain, Benelux, Switzerland, Austria, Germany, Luxembourg, and Greece.

Its operations are dominated by catering services at motorway service areas. In France, the Group is also the leading provider of catering services at railway stations. In Switzerland, its significant market share in the motorway and railway station channels is flanked by leadership in the airport catering services channel.

In addition to major remodeling work at locations in Italy, France, and Spain, projects undertaken during the year included:

- the opening of a food and beverage unit at the new airport in Athens, Greece, where it is expected that the volume of passengers will steadily increase to the number expected for the 2004 Olympic Games
- the opening of the first Autogrill brand restaurants in Switzerland, at motorway service areas in Bavois and Lully
- the opening of six new or remodeled food and beverage units in the new shop-

ping mall at the La Part Dieu railway station in Lyon, on the new Paris-Lyon-Marseille TGV line

- the opening of two Spizzico stores in the Malley and Letzipark shopping centers in Switzerland
- the opening of the first Italian integrated food and beverage and oil service facility at the Sanzio Ovest service area (Falconara, near Ancona)

Autogrill Schweiz AG

This is the parent company of activities located in Switzerland, which were acquired on December 28, 2000.

Integration of these activities with the Group and a series of measures to streamline the portfolio of activities dominated 2001. The Passaggio Group, now Autogrill Schweiz AG, operates a distribution network in airports, motorways, stations, and shopping malls. In 2001 the on-train and on-boat catering activities were sold, as well as a series of city center locations. Major investments were made in the development and restructuring of the motorway channel and other core channels. Major investments in product line upgrades and expansion were also made in stations and shopping malls, with introduction of new Passaggio concepts and even the opening of two Spizzico restaurants.

In addition to these investments (21 million euros), 52% of the stock in the catering service operator at the Zurich airport was acquired.

Company streamlining and reinforcement measures also involved revision of the organizational model and structure.

During the fiscal year, economic performance was inferior to that of the rest of Group, as expected. This performance was affected both by the streamlining program and the severe crisis that befell Swissair, as well as the consequences of the terrorist attacks on the United States.

The earnings figures by channel are summarized as follows:

(in m€)	motorways	airports	stations	shopping malls	city	closed activities or those being closed	unclassified	total
Sales	50.8	48.7	18.5	21.1	6.0	48.4		193.5
Ebitda ⁽¹⁾	9.5	3.2	0.2	0.8	0.9	0.7	(12.1)	3.2
% of revenues	18.7%	6.6%	1.1%	3.8%	15.0%	1.4%		1.6%

⁽¹⁾ Given the varying degrees of integration of central structure costs in the various channels, the relative costs were not classified by channel. Therefore, the profitability of each channel is not directly comparable with that indicated in other tables of this report.

Furthermore, measures were taken to reduce central costs.

The aim of the operating measures that were implemented and its commercial position (realized in part through the renewal of airport concessions and new contracts at other airports and railway stations) was to progressively align the profit margins of Autogrill Schweiz in line with the rest of the Group.

The activities in the rest of Europe, excluding the operations managed by HMSHost Corp. in The Netherlands and Poland, are highlighted in the following table, which rounds out presentation of the activities directly operated by the Parent Company.

Other european countries

(in m€)	2001									
	Italy	France	Spain	Belgium	The Netherlands	Austria	Germany	Greece	eliminations and unclassified	total
Revenues	989.4	175.8	66.4	38.3	55.3	21.8	11.4	5.9	(0.8)	1,363.5
Ebitda	153.3	23.6	7.5	1.3	5.9	0.2	(1.4)	0.7	(7.0)	184.1
% of revenues	15.5%	13.4%	11.3%	3.4%	10.7%	1.0%	(12.2%)	11.4%		13.5%
Investments	45.6	19.2	5.6	1.6	1.1	0.9	0.5	1.5	4.7	80.7
Amortization and depreciation	34.5	14.4	2.9	2.2	3.3	2.9	0.6	0.4		61.1

(in m€)	2000									
	Italy	France	Spain	Belgium	The Netherlands	Austria	Germany	Greece	eliminations and unclassified	total
Revenues	945.4	161.2	61.9	45.5	57.6	21.9	10.6	2.9	(0.6)	1,306.4
Ebitda	140.7	21.2	8.4	4.9	8.8	2.0	(0.3)	0.1	(3.7)	182.1
% of revenues	14.9%	13.2%	13.6%	10.8%	15.3%	9.1%	(2.8%)	3.4%		13.9%
Investments	46.4	17.9	4.2	1.9	3.5	0.6	0.1	0.1	3.8	78.5
Amortization and depreciation	32.3	11.9	2.9	3.5	3.1	3.0	0.4	0.2		57.3

European Union activities posted sales increases at a rate higher than the reference market and maintained a 13.5% operating return on sales notwithstanding crises in the food industry (“mad cow” disease and foot-and-mouth disease) and the resources dedicated to the changeover to the euro.

Group management costs, which include the specific costs of studies and strategic planning, are posted in the “unclassified” column.

Revision of the business model in the Benelux countries has been undertaken by top management in France.

The Group’s objectives consist mainly in reinforcing the responsibility of countries in the management and competitive development of the business, dedicating the central structures to the quality and efficiency of operations, innovation, and development of core competencies.

Holding de Participations Autogrill S.A.S.

This is the parent company of operations in France, which are based on sector headed by Autogrill Côté France S.A. in the motorway channel and a sector headed by Autogrill Restauration Services S.A. in railway stations, and their subsidiaries. At the French group, 2001 closed with a 9.1% increase in direct sales with respect to 2000, reaching 175.8 million euros.

Performance by channel shows growth of 12.1% to 122.1 million euros in the motorway channel and 2.9% to 53.7 million euros in the railway station channel. Growth in the motorway channel was concentrated on renovated restaurants, while retail outlets in railway stations suffered from railway worker strikes.

Ebitda was up by 11.3% to 23.6 million euros, representing an increase of 0.2 percentage points in terms of return on sales (13.4% in 2001 against 13.2% in 2000).

In particular, labor costs as a percentage of sales decreased by 1.2% with respect to 2000 thanks to reorganization of employees in the station channel and countermeasures taken against the full implementation of the 35-hour work week, in effect since 2000.

In 2001, investments totaled 19.2 million euros, or 11% of sales. Most of this sum

(14 million euros) was dedicated to the remodeling of existing motorway facilities and areas (Phalempin, Porte les Valences, Angres, Beaune, Côte d'Azur Nord, Centre France, La Couline). Railway station work involved Grenoble, Tours, and Brest. Moreover, 0.5 million euros were invested for new openings in the Le Mans and Avignon TGV stations. The residual amount reflects ordinary maintenance.

Employment in 2001 averaged 2,818 workers (2,512 in 2000), changing in relation to revenues.

In fiscal 2001, the French parent company posted a net loss of 6.8 million euros, compared with 6.2 million euros in the previous year. Autogrill Côté France and Autogrill Restauration Service posted net income of 2.2 million euros (3.3 million euros in 2000) and net income of 0.1 million euros (net loss of 0.2 million euros in 2000), respectively.

Autogrill Nederland B.V.

This is the parent company in The Netherlands, which operates through AC Holding N.V. and its subsidiaries.

The Dutch group closed the year with net sales down by 4.2% to 55.3 million euros (-1.1% considering only comparable outlets).

The 2.1% decrease in catering and market sales (which represent 80% of total revenues), due to fewer customers (-3.5%), was partially offset by the 1.5% increase in the average ticket. Motorway traffic grew by 1.5% in 2001, while the rate of penetration decreased by 5.0%.

The principal causes for this decrease were linked to external factors (foot-and-mouth disease, fewer tourists, especially Germans, and lower numbers of business travelers due to lower spending on New Economy company conferences). The structure of products offered showed signs of weakness, a problem that the new management is focusing on to attract new segments of customers.

Hotel revenues (19% of total sales) decreased by 2.7% from 2000 due to a 5.5% decrease in occupancy rates, which averaged 68.5%. This decrease partly compensated for the 2.8% increase in the average price per room.

Ebitda decreased from 15.3% in 2000 to 10.7% of sales in 2001, with a decrease of 2.9 million euros.

Overhaul of the product line and management represent the centerpiece of measures taken to recover customers and profitability.

Employment in 2001 averaged 714 workers (807 in 2000).

Autogrill Nederland B.V. closed fiscal 2001 with a net loss of 1.7 million euros (-1.6 million euros in 2000).

Autogrill Belgie B.V.

This is the parent company of activities in Belgium and Luxembourg. During the year it withdrew from the contract for operation of catering services in Germany.

The subsidiary closed the year with revenues down by 15.8% to 38.3 million euros, but on a comparable location basis, they rose by 0.6%. The net decrease is attributable to the closure of 11 barely profitable units located in shopping malls.

Ebitda for the period decreased to 3.4% of revenues, from 10.8% in 2000, reflecting an absolute decrease of 3.6 million euros. This decrease was largely attributable to increased operating costs, which rose from 15.3% in 2000 to 18.1% of sales in 2001. Changes in the product line and organization are being implemented to improve operating margins.

Employment in 2001 averaged 353 workers (663 in 2000), with the decline due to closure of restaurants in shopping malls. The lessor contested the validity of cancellation of leases at the aforesaid sites. Reassured by its legal counsel, the company set aside no specific provisions for the related litigation risk, which is considered remote.

Autogrill Belgie N.V. closed fiscal 2001 with a net loss of 2 million euros (net income of 0.8 million euros in 2000).

Autogrill España S.A.

The Spanish subsidiary closed fiscal 2001 with sales up 7.3% to 66.4 million euros. The 4.5% growth posted by comparable outlets was supplemented by the greater contributions made by the Castillejo and Benicarlò restaurants, which were opened in 2000.

Revenues generated by restaurants located along toll motorways increased by 7.7%, while restaurants located along freeways posted an 8.4% increase in sales.

Ebitda decreased by 0.9 million euros to 7.5 million euros, for a 11.3% return on sales (13.6% in 2000), which decreased due to new concession fees.

In fiscal 2001 net income was 2.9 million euros (1.6 million euros in 2000).

Average employment in 2001 was 1,057 workers (1,004 in 2000).

Autogrill Austria AG

Sales remained largely stable at 21.8 million euros, while motorway traffic on served segments increased by 2.5%.

During 2001, the central structure - especially the marketing and operation functions - was strengthened, and preliminary evaluations for the turn-around of activities were performed.

Accordingly, Ebitda decreased to 1% of revenues, from 9.1% in 2000.

The fiscal year closed with a net loss of 2.3 million euros (-1.4 million euros in 2000).

Average employment in 2001 was 408 workers (366 in 2000).

Autogrill Deutschland GmbH

The company owns seven restaurants along German motorways, including three adjoining a hotel.

Revenues increased by 7.5% to 11.4 million euros. During the year, specific measures were studied to renew product lines, to be implemented in 2002.

Renovation of units located in the Goettingen East and West service areas was also planned.

To improve operating efficiency, it was decided to withdraw from the concessions in the two northern service areas, while negotiations are underway with the licensor for new concessions better aligned with the rest of the network.

Average employment at the German subsidiary was 155 workers in 2001 (127 in 2000).

A net loss of 2.5 million euros was posted in 2001 (-0.8 million euros in 2000).

Autogrill Hellas E.P.E.

This subsidiary, which operates at just one motorway service area in Greece, generated revenues of 3.5 million euros, posting continued increases in activity (+18.7%) thanks to steady growth in its clientele.

The fiscal year closed with net income of 0.1 million euros, compared with a net loss of 0.1 million euros in 2000.

This company is currently being merged with Host International (Hellas), the company that launched catering service in 2001 at the Athens airport, posting revenues of 2.4 million euros and net income of 0.1 million euros.

Average employment in 2001 totaled 91 workers (46 in 2000).

Research and development activities

According to the nature of its activity, the Group invests in product innovation and improvement and development of the quality of its service and operating systems. On the other hand, it does not engage in technological research.

Other information

Transactions among Group companies and related parties

The transactions among Group companies and related parties are reported pursuant to Article 2359 Italian Civil Code and International Accounting Standard no. 24.

Transactions among Group companies and related parties are executed to further Group activities and negotiated at market conditions.

Relations with controlling companies

The Group is controlled by Edizione Holding S.p.A., which holds an absolute majority (57.09%) of the voting rights. The remaining shares are held by institutional investors - both Italian and foreign - and numerous investors and Group employees. During fiscal 2001, the relationship with Edizione Holding S.p.A. consisted almost exclusively of participation in a Group insurance plan to hold down relative costs. The transactions executed during fiscal 2001 and balances at December 31, 2001 can be summarized as follows:

(in k€)	Edizione Holding S.p.A.
Statement of income:	
Cost of services	39
Balance sheet:	
Trade payables	35

Principal relationships with companies subject to common control

(in k€)	Edizione Finance International S.A.	Benetton Group S.p.A.	Edizione Property S.p.A.	Verde Sport S.r.l.
Statement of income:				
Sales and service revenues	-	-	-	74
Other income and revenue	-	-	-	24
Financial expenses	6,354	-	-	-
Purchases	-	311	-	-
Costs for services	-	-	-	-
Lease and rental costs	-	17	20	15
Balance sheet:				
Trade payables	-	3	-	-
Trade receivables	-	-	-	21

Transactions with the subsidiaries of Edizione Holding S.p.A. can be summarized as follows:

- Benetton Group S.p.A. supplied Autogrill S.p.A. with uniforms for sales personnel
- Edizione Finance International S.A. granted short-term financing to Autogrill S.p.A.

- Edizione Property S.p.A. made a property lease agreement for a sales unit under construction. The receivable reflects the charge for reimbursement of costs incurred by Autogrill on behalf of Edizione Property
- a commercial affiliation relationship is pending with Verde Sport S.p.A. for the operation of catering services in a sports center that it operates in Treviso.

Principal relations with subsidiaries and affiliated companies

These are highlighted in the following table:

(in k€)	HMS Host Corp.	Autogrill Overseas S.A.	Autogrill Finance S.A.	Atg (*) Belgie	Atg (*) Nederland	Atg (*) España	H.P.A.	Atg (*) Deutschland	Atg (*) Austria	Atg (*) Hellas	Atg (*) Schweiz	Nuova Sidap	Nuova Estral	Atg (*) Café	Aviogrill S.r.l.
Statement of income:															
Sales and service revenues	-	-	-	-	23	579	-	-	-	162	-	-	-	340	1,257
Other revenues and operating inflows	134	-	-	99	249	170	263	7	244	120	165	2	2	121	512
Financial income	4,763	248	92	-	-	-	-	-	-	-	-	-	1	6	-
Financial (expenses)	-	-	-	-	-	-	-	-	-	-	-	1	1	-	14
Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Costs for services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease and rental costs	-	-	-	-	-	-	-	-	-	-	-	102	83	-	-
Balance sheet:															
Trade payables	-	-	-	-	-	8	229	-	-	-	-	-	-	-	-
Financial payables	-	-	-	-	-	-	-	-	-	-	-	35	22	-	17
Trade receivables	134	-	-	90	235	176	196	9	110	184	148	16	6	369	379
Financial receivables	105,042	-	450	-	-	-	-	-	-	-	-	-	1	128	-

(*) Autogrill

The most significant amounts of a commercial nature involve the sale of products in the catering business and sales to the public in favor of Autogrill España S.A. Financing granted to HMSHost Corp. was steadily reduced over the year thanks to its increasing recourse to bank loans. Suretyships and unsecured guarantees were granted on behalf of subsidiaries against bank loans they received, which are summarized as follows:

(in k€)	Autogrill Overseas S.A.	Autogrill Finance S.A.	Autogrill Austria AG	Holding de participations Autogrill S.A.S.	Autogrill Côte France S.A.	Autogrill Hellas E.P.E.	Autogrill Belgie
Financial payables	483,418	353,498	15,987	36,861	15,466	1,735	2,541

No significant transactions were executed with other non-independent parties. According to their significance, relations with Concessioni e Costruzioni Autostrade S.p.A. and Grandi Stazioni S.p.A., in which Edizione Holding S.p.A. holds an indirect interest of 18% and 12.6%, respectively, are described.

The Autostrade Group - which operates 48% of the Italian motorway network - granted Autogrill S.p.A. direct concessions for the operation of catering and non-oil retail activities at 93 motorway service areas, nine of which are operated by affiliates. Direct revenues from customer sales generated by Autogrill S.p.A. in 2001 totaled 325 million euros.

Autogrill S.p.A. and Autogrill Café S.r.l. operate catering activities at the Roma Termini train station in the form of a sub-concession from Grandi Stazioni S.p.A. with direct operating revenues of 4.2 and 0.8 million euros, respectively.

The following table illustrates the operating highlights for fiscal 2001:

(in k€)	Autostrade S.p.A.	Grandi Stazioni S.p.A.
Statement of income:		
Sales and service revenues	15	-
Other income and revenues	549	-
Costs for services	842	-
Lease and rental costs	20,192	486
Balance sheet:		
Trade receivables	624	-
Trade payables	11,640	154

Euro

The measures taken to avoid occurrence of the theoretical risks connected with the “millennium bug,” which were confined to the information technology procedures used to support most of the Group’s operating and administrative/accounting processes, were a success.

Moreover, these measures also addressed several adjustments entailed by introduction of the euro. Work yet to be completed in this specific area primarily regards the cash registers installed at several locations or measures whose total cost is negligible.

On the other hand, at the administrative/accounting level, the predominance of receipts collected in the form of cash led to the decision to defer adoption of the euro as the money of account until shortly before the new currency was introduced in circulation.

The costs for realizing the new information system platform were capitalized and amortized over three fiscal years, while the costs for mere adjustments were posted to the statement of income in the year they were incurred.

Pursuant to Legislative Decree no. 213/1998, the capital stock was converted into euros upon approval of the Board of Directors resolution of March 27, 2001. Therefore, each share has a par value of 0.52 euros, and the capital stock totals 132,288,000 euros. In conformity with the provisions set forth in the aforesaid decree, reserves of 901,364.87 euros were used to execute this conversion.

In concrete terms, Autogrill S.p.A. proved to be the best operator, demonstrating its ability to guarantee continuity of sales activities after midnight December 31, 2001, using the new currency to give change without any difficulty.

Investments held by Directors, Statutory Auditors, and general managers

Pursuant to Article 79 of CONSOB Resolution no. 11971/1999, the following table provides the required information, taken from the Register of Shareholders and statements made by the interested parties.

As better specified elsewhere, the title of general manager is given to executives with functional responsibilities and thus not subject to the rule in question.

surname and name	Company owned	number of shares			
		owned at 12.31.2000	purchased	sold	owned at 12.31.2001
Livio Buttignol	Autogrill S.p.A.	34,250	95,000	-	129,250
	Autogrill International S.A.	1	-	1	-
	Holding de participations Autogrill S.A.S	-	1	-	1
	Autogrill Côté France S.A.	1	-	-	1
	Autogrill Restauration Services S.A.	1	-	-	1

No other director or statutory auditor owns or has owned shares in the Parent Company or any of its subsidiaries.

Corporate governance

At the beginning of 2001, the Board of Directors of Autogrill S.p.A. examined the Group Corporate Governance Report. This report, drafted in accordance with the Company Code of Self-Discipline, was deposited at the stock market operating company, Borsa Italiana S.p.A., on February 20, 2001.

On March 25, 2002 the Board of Directors accepted the new 2002 Corporate Governance report, which takes the higher degree of conformity with the principles of the Code of Self-Discipline into account.

The system adopted by the company can be summarized as follows:

- The **Board of Directors** is distinguished by the following characteristics:

I. Centrality and Unity

The Company Board of Directors is in charge of strategic and organizational policy, as well as ensuring that adequate mechanisms are in place for monitoring company performance. The Board of Directors, which meets on a regular basis (8 meetings in 2001), is provided with periodic reports on significant transactions concluded with others, including those among Group companies and related parties, and any that might have been executed in the course of exercising delegated powers.

II. Balanced composition and Compensation Committee

The Board of Directors includes members who are non-executive independents capable of exerting major weight on the board decision-making process, contributing their own experience and skills to debate over decisions to be taken in the company's interest. On May 15, 2001, the Board of Directors resolved to set up the Compensation Committee. This committee is mainly composed of non-executive Directors and intended to tighten the links between pay and value creation. The Compensation Committee was delegated the responsibility of making proposals to the Board of Director for the compensation to be paid the Chief Executive Officer and Directors that hold specific positions. The Committee is also informed of the criteria for compensation of top company management.

• An internal procedure was issued to govern **treatment of confidential information and shareholder relations**. This procedure envisages, among other things: (I)

prompt, punctual communication to the company investor relations and external relations offices of all events that might influence the value of the financial instruments issued by the company, (II) the responsibility of these structures to communicate information to the public upon prior approval by the Chief Executive Officer, and (III) the responsibility of the external relations office to manage the company Internet site and keep it constantly up to date.

- In regard to the composition of the **Board of Statutory Auditors**, the company, in conformity with Legislative Decree no. 58/98, introduced provisions in its articles of association so that a statutory auditor may be elected by the voting list mechanism.
- In regard to **internal control**, a Group organizational structure was adopted in 2001 that envisages the internal auditing function reporting directly to the Chief Executive Officer. Furthermore, Group policies and directives applicable to periodic reporting, authorization of investment spending, management of matters of significance to the value of shares, and confidentiality were supplemented. The presence of Autogrill executives on the self-governance bodies of its subsidiaries completes, together with responsibilities for supervision and coordination of corporate functions, the range of management and control systems. The role and functions of the control systems are complemented by the activities of the independent auditor.

Treasury stock

The Ordinary Stockholders' meeting of April 27, 2001 authorized the Board of Directors to acquire and then possibly sell up to a maximum of one million Autogrill ordinary shares.

After performing the appropriate studies and controls, the company acquired a total of 533,200 shares between September 20 and November 21, 2001 at unit prices between 6.111 euros and 9.651 euros. The entire block of shares purchased was sold between December 5 and 21 at unit prices between 10.108 euros and 10.650 euros. Therefore, at December 31, 2001, the company did not hold treasury stock.

Significant events occurring since the end of the fiscal year

The Year 2002 began with the introduction of the euro as the official currency of the European Union. The Group and its operators efficiently contributed to the change-over. The Autogrill catering service units were among the first to start using the new currency immediately after midnight on December 31.

Excellent planning of the activities and training of personnel resulted in perfect execution of the introduction of the new currency.

During the new year, the Group stepped up its efforts to reinforce its market shares in the leading countries and channels.

This strategy translated into the following operations:

- an important new position at Swiss airports upon acquisition of the catering services at the Basel airport
- creation of a strong operating base in the high-speed railway stations of Spain, upon acquisition of an initial stake of 70% in Receco S.A.
- in Italy, the agreement concerning Ristop S.r.l., which will be concluded after the Antitrust Authority issues its decisions, will permit a better territorial balance of Italian motorway operations
- the partnership with Pastarito S.p.A., a dynamic company specializing in an orig-

inal restaurant formula with table service, is destined to add more energy to the development of the brand and increase the Group's potential

- the opening of motorway activities in a new country, Canada, thanks to acquisition of a local operator (Lettuce Serview Inc.) concentrated in Ontario
- expansion of Italian operations at the Turin airport and the Campagnola service area

The railway station channel in Italy also received a boost from a commercial project that led to agreement with Grandi Stazioni S.p.A. for the introduction of a wide range of Group concepts at both the remodeled Termini railway station and the other 12 stations to be remodeled soon.

In addition to intense investment and development activities, the Group reinforced its management structure by introducing new general managers in Italy and Switzerland and a strategic marketing director at the Group level.

Business outlook

In the first twelve weeks of 2002, revenues exceeded expectations, fully recovering their level in the corresponding period of the previous year. In particular, performance was positive on the company's principal markets, including the United States, while a downturn was reported in the Central European countries - partly in consequence of streamlining of Swiss activities at the end of 2001.

In particular, the company's direct revenues increased by 2.3%, still suffering from the downturn in airport traffic and the price freeze connected with introduction of the euro.

Productivity gains were also realized.

Therefore, although the first quarter represents the least volatile period of the year in historic terms, performance in 2002 seems to offer good promise, albeit in the face of divergent trends in different areas of activity.

Moreover, past acquisitions have boosted revenues and margins in absolute terms over the short-term, notwithstanding the percentage impact of the margins and net result in relation to the costs of integration and amortization of consolidation differences. Afterwards, they will ensure growth in the economic indicators consistently with the overall parameters of the Group. Furthermore, the expanded operating base improves the chances of the company in winning new tenders and renewal of concessions, as well as renegotiation of loans expiring between 2003 and 2004.

Balance sheet

(in k€)	12.31.2001	12.31.2000	change
ASSETS			
A) Amounts due from stockholders for shares subscribed but not called	-	-	-
B) Fixed assets			
I) Intangible fixed assets			
1 Start-up and expansion costs	-	32,114	(32,114)
4 Concessions, licenses, trademarks, and similar rights	2,584,354	2,998,276	(413,922)
5 Goodwill	72,114,207	85,602,512	(13,488,305)
6 Work in progress and advances	5,756,089	4,540,609	1,215,480
7 Other intangibles	36,918,871	32,056,326	4,862,545
Total	117,373,521	125,229,837	(7,856,316)
II) Property, plant, and equipment			
1 Land and buildings	16,844,609	16,352,599	492,010
2 Plant and machinery	5,790,271	5,023,432	766,839
3 Industrial and commercial equipment	28,834,505	25,981,410	2,853,095
3 bis Assets returnable at no cost	25,031,531	23,904,276	1,127,255
4 Other assets	6,474,501	3,921,668	2,552,833
5 Construction in progress and advances	9,842,530	7,433,381	2,409,149
Total	92,817,947	82,616,766	10,201,181
III) Financial fixed assets			
1 Equity investments in:			
a) subsidiaries	6,584,677	39,592,004	(33,007,327)
b) other companies	42,725	21,194	21,531
2 Other receivables:			
* portion due within one year	318	2,043	(1,725)
* portion due beyond one year	10,735,126	12,570,870	(1,835,744)
3 Other securities	518,567	1,969,426	(1,450,859)
Total	17,881,413	54,155,537	(36,274,124)
Total fixed assets	228,072,881	262,002,140	(33,929,259)
C) Current assets			
I - Inventories			
1 Raw materials and supplies	35,372,650	33,154,280	2,218,370
Total	35,372,650	33,154,280	2,218,370
II - Receivables			
1 Trade receivables	42,365,878	36,304,958	6,060,920
2 From subsidiaries	107,960,174	448,201,531	(340,241,357)
5 From others			
* portion due within one year	16,327,843	12,850,322	3,477,521
* portion due beyond one year	14,533,572	4,158,426	10,375,146
Total	181,187,467	501,515,237	(320,327,770)
III. Financial assets not held as fixed assets			
6 Other securities	1,108,535	12,223,207	(11,114,672)
Total	1,108,535	12,223,207	(11,114,672)
IV - Cash			
1 Bank and post office accounts	86,348,818	1,464,855	84,883,963
3 Cash on hand	39,368,191	30,626,722	8,741,469
Total	125,717,009	32,091,577	93,625,432
Total current assets	343,385,661	578,984,301	(235,598,640)
D) Accrued income and prepaid expenses	10,303,968	45,715,324	(35,411,356)
TOTAL ASSETS	581,762,510	886,701,765	(304,939,255)

Balance sheet

(in k€)	12.31.2001	12.31.2000	change
LIABILITIES			
A) Stockholders' equity			
I - Capital stock	132,288,000	131,386,635	901,365
II - Additional paid-in capital	-	-	-
III - Revaluation reserve	13,617,577	14,518,942	(901,365)
IV - Legal reserve	1,711,753	1,512,111	199,642
V - Reserve for treasury stock	-	-	-
VI - Statutory reserves	-	-	-
VII - Other reserves	24,308,311	31,606,307	(7,297,996)
VIII - Retained earnings	-	-	-
IX - Net income (loss)	(25,456,193)	3,992,821	(29,449,014)
Total stockholders' equity	146,469,448	183,016,816	(36,547,368)
B) Various liabilities and risk reserves			
2 Income tax reserves	929,622	929,622	-
3 Other reserves	30,139,489	22,081,818	8,057,671
Total	31,069,111	23,011,440	8,057,671
C) Reserve for employee severance indemnities	77,577,017	74,447,004	3,130,013
D) Payables			
3 Borrowings from banks:			
* portion due within one year	5,368,203	12,055,902	(6,687,699)
* portion due beyond one year	51,645,690	261,741,337	(210,095,647)
4 Other financial payables			
* portion due within one year	4,922,033	80,061,344	(75,139,311)
* portion due beyond one year	2,199,304	2,932,405	(733,101)
5 Advances	74,886	-	74,886
6 Trade payables	209,043,568	202,191,392	6,852,176
8 Payables to subsidiaries	284,789	209,651	75,138
11 Taxes payable			
* portion due within one year	9,397,499	9,198,173	199,326
* portion due beyond one year	-	165,566	(165,566)
12 Payables to social security institutions	12,775,729	11,188,939	1,586,790
13 Other payables:			
* portion due within one year	26,632,121	22,761,786	3,870,335
* portion due beyond one year	-	413,166	(413,166)
Total	322,343,822	602,919,661	(280,575,839)
E) Accrued expenses and deferred income	4,303,112	3,306,844	996,268
TOTAL LIABILITIES	581,762,510	886,701,765	(304,939,255)

MEMORANDUM ACCOUNTS	12.31.2001	12.31.2000	change
Unsecured guarantees	1,383,524,804	857,933,582	525,591,222
Secured guarantees			
* obligations other than liabilities	-	384,760	(384,760)
Purchase and sale commitments	110,939,000	391,667,519	(280,728,519)
Other memorandum accounts	378,500,762	388,796,150	(10,295,388)
Total memorandum accounts	1,872,964,566	1,638,782,011	234,182,555

Statement of income

(in k€)	2001	2000	change
A) Value of production			
1 Sales and service revenues	987,715,170	945,369,474	42,345,696
5 Other revenues and income			
* contributions for operating expenses	6,866	331,087	(324,221)
* others	45,144,696	38,378,341	6,766,355
Total	1,032,866,732	984,078,902	48,787,830
B) Costs of production			
6 Raw materials, supplies, and merchandise	478,758,271	454,008,762	24,749,509
7 Services	71,861,196	67,372,491	4,488,705
8 Leases and rentals	92,221,378	86,149,166	6,072,212
9 Personnel:			
a) salaries and wages	175,375,285	162,115,404	13,259,881
b) social security contributions	53,911,084	51,053,683	2,857,401
c) employee severance indemnities	13,862,576	12,847,590	1,014,986
e) other personnel costs	1,060,614	2,294,209	(1,233,595)
10 Amortization, depreciation, and writedowns:			
a) amortization of intangible fixed assets	31,287,724	35,310,725	(4,023,001)
b) depreciation of property, plant, and equipment	17,325,685	15,527,213	1,798,472
d) writedowns of receivables among current assets	663,141	1,710,505	(1,047,364)
11 Changes in raw materials, supplies, and merchandise inventories	(2,218,370)	5,466,719	(7,685,089)
12 Provisions for risks	214,588	1,165,628	(951,040)
13 Other provisions	4,894,157	4,456,266	437,891
14 Other operating costs	11,856,125	9,036,620	2,819,505
Total	951,073,454	908,514,981	42,558,473
Net production value (A-B)	81,793,278	75,563,921	6,229,357
C) Financial income and expenses			
15 Investment income from subsidiaries	14,063,518	4,644,201	9,419,317
16 Other financial income:			
b) securities held as fixed assets other than equity investments	172,948	362,066	(189,118)
c) securities held as current assets other than equity investments	2,913,555	2,624,879	288,676
d) other financial income:			
* from subsidiaries	5,103,026	21,342,365	(16,239,339)
* from others	14,225,899	12,142,911	2,082,988
17 Interest and other financial expenses paid to:			
* subsidiaries	(17,810)	(6,638)	(11,172)
* others	(21,064,834)	(24,889,036)	3,824,202
Total	15,396,302	16,220,748	(824,446)
D) Adjustments to financial assets			
18 Revaluation of equity investments	-	3,979,125	(3,979,125)
19 Writedowns of:			
a) equity investments	(119,547,030)	(76,820,151)	(42,726,879)
b) securities held as fixed assets other than equity investments	(24,383)	(296,034)	271,651
Total	(119,571,413)	(73,137,060)	(46,434,353)
E) Extraordinary income and expenses			
20 Income	-	1,722,249	(1,722,249)
21 Expenses	-	(193,139)	193,139
Total	-	1,529,110	(1,529,110)
Income (loss) before taxes	(22,381,833)	20,176,719	(42,558,552)
22 Income taxes	(3,074,360)	(16,183,898)	13,109,538
Net income (loss)	(25,456,193)	3,992,821	(29,449,014)

Notes to the financial statements

The amounts shown in the notes are expressed in thousands and in millions of euros.

Company activities

Autogrill S.p.A. operates in the modern catering services sector in Italy and, through its subsidiaries, in other countries. It specializes in providing catering and related services to travelers, as well as operating fast food restaurants (Quick Service Restaurants) in high consumer traffic locations.

Form and content of the financial statements

The financial statements have been prepared in accordance with applicable norms. They consist of the Balance Sheet (drafted in conformity with the format envisaged in Articles 2424 and 2424 bis Italian Civil Code), the Statement of Income (drafted in conformity with the format envisaged in Articles 2425 and 2425 bis Italian Civil Code), and these Notes to the Financial Statements, which provide the information required pursuant to Article 2427 Italian Code, the other provisions of the Italian Civil Code in the matter of financial statements, and other relevant statutes. In addition, complementary information considered necessary for a true and accurate representation of the company's situation is also provided, even if not required under specific provisions of law.

The valuation criteria used to prepare the financial statements at December 31, 2001 are consistent with those used to draft the financial statements at December 31, 2000. Furthermore, in order to facilitate valid comparisons with the financial statements at December 31, 2001, some items on the previously published financial statements at December 31, 2000 have been reclassified without changing the amounts shown for stockholders' equity and net income for the fiscal year closed at December 31, 2000. These reclassifications involved the following items:

- *other revenues and income; costs for services; costs for leases and rentals, and other operating costs* to eliminate relative reimbursements from sublessees and condominium owners for the costs incurred by the Group on their behalf
- *financial income and expenses*, to eliminate the foreign exchange differences relative to hedged positions
- *accrued income and expenses, payables and receivables*, for consistency with classification by the Edizione Holding S.p.A. group of exchange risk hedging transaction differences.

Valuation criteria and accounting principles

The valuation criteria and accounting principles of the company were adopted in conformity with Article 2426 Italian Civil Code and, as necessary, the accounting principles published by the National Boards of "Dottori Commercialisti and Ragionieri" and the International Accounting Standards Committee (IASC). No derogations pursuant to Subsection 4 of Article 2423 Italian Civil Code were exercised.

The valuation criteria used to prepare the financial statements at December 31, 2001 are consistent with those used to draft the financial statements at December 31, 2000.

Following below are the valuation criteria applied to the most important postings on the financial statements:

- *Intangible fixed assets*: these are posted at their purchase or production cost, inclusive of any directly allocable ancillary costs, and are subject to amortization according to the length of the residual useful life. If, independently of previously booked amortization, there is a lasting loss in value, the asset is written down by a corresponding amount. If the reasons for the writedown cease to exist in subsequent fiscal years, the original value is restored, within the limits of accumulated amortization.

The following schedule illustrates the applicable amortization periods for intangible fixed assets:

Start-up and expansion costs	5 years
Concessions, licenses, trademarks and similar rights	- 3 years for software user licenses - term of the license for the costs of permits to resell monopoly goods
Goodwill	maximum 10 years for goodwill paid on acquisition of individual restaurants 12 years for goodwill covering merger deficits, with the exception of derogations pursuant to Article 2426 Subsection 2 Italian Civil Code exercised in previous years as subsequently reported
Other intangibles: leasehold improvements	the lesser of their useful life and the residual term of the lease, with the exception of derogations pursuant to Article 2426 Subsection 2 Italian Civil Code exercised in previous years as subsequently reported
custom-made software applications	3 years
miscellaneous intangibles	5 years or term of underlying contracts

As previously indicated, in conformity with the provisions of Article 2426 Subsection 2 Italian Civil Code, the following value adjustments were executed in previous years, exclusively in application of tax norms:

- amortization of goodwill, computed at the higher rate of 20% in fiscal 1997 and 10% in fiscal 1998 and 1999
- amortization of expansion and remodeling costs of leased properties incurred in fiscal 1998 and 1999, computed over the shorter period of three years, as allowed under Article 14 of the rider to the 1998 budget act.

The effects of these value adjustments are discussed in the comments on adjustments and provisions set aside exclusively in application of tax norms on page 109.

- *Property, plant, and equipment*: these are posted at their purchase or construction cost, in some cases increased in previous years pursuant to legally mandated inflation adjustments, and depreciated in accordance with the following rates, which reflect the presumed useful life of the various classes of assets.

Industrial buildings	3%
Plant and machinery	10% - 30%
Industrial and commercial equipment	15% - 33%
Furniture and furnishings	10% - 20%
Vehicles	25%
Other assets	12% - 20%

These rates are reduced by half in the first year of service of the asset.

In the case of assets returnable at no cost, these rates are substituted by the rates set forth in the schedule for financial amortization, if higher.

If, independently of previously booked depreciation, there is a lasting loss in value, the asset is written down by a corresponding amount. If the reasons for the write-down cease to exist in subsequent fiscal years, the original value is restored, within the limits of accumulated depreciation.

- *Equity investments:* equity investments in the main subsidiaries are valued according to the equity method as envisaged by Subsection 1, point 4 of Article 2426 Italian Civil Code.

Minority holdings and holdings in subsidiaries that are inactive or of insignificant value are valued according to the LIFO method with annual installments. This value is reduced for lasting losses in value and is restored when the reasons for the writedowns no longer exist.

- *Inventories:* investments are posted at the lesser of purchase and production costs, inclusive of directly allocable ancillary costs, as determined by the FIFO method and the market value. Their value is adjusted by using a special reserve to account for slow rotation or obsolescence.
- *Receivables and Payables:* receivables have been posted at their presumed salvage value. Payables are reported at their face value. Short-term receivables and payables denominated in currencies other than the euro are expressed in euros upon conversion at the exchange rate in effect on the closing date of the fiscal year. The profits and losses resulting from conversion of individual receivables and liabilities have been respectively credited and charged to the statement of income in accordance with the provisions of Accounting Principle no. 26.
- *Securities:* Those securities that do not constitute financial fixed assets are valued at the lesser of their cost and market value, as determined by the arithmetic average of the daily quotations for the last month. Their cost is calculated according to the LIFO method with annual installments, charging the average cost for the year to the annual increases.

The bonds and public debt securities that the company intends to hold until maturity, and the securities that have been pledged as collateral are classified as financial fixed assets and valued at their purchase cost as adjusted for the portion of the trading spread allocable to the period according to the maximum term of the loan.

Furthermore, the value of bonds that may be reimbursed early by drawing of lots is adjusted for the quota determined on a pro-rated basis of the possible capital loss that could be realized in the event of early repayment.

- *Accruals and deferrals:* portions of income and expenses that are spread out over two or more fiscal year are posted here according to their temporal allocation.
- *Reserves for employee severance indemnities:* this item expresses the amount payable to employees for the indemnities that they have accrued at the date of the financial statements in compliance with applicable laws and contractual agreements.

- *Various liabilities and risk reserves*: reserves are set aside to cover the potential liabilities of the Group on the basis of realistic estimates of the liabilities resulting from their settlement. In the case of assets returnable at no cost and those belonging to leased businesses, specific reserves are set up to cover the liabilities that are expected to be incurred on contractual expiration dates in compliance with the restitution of assets returnable at no cost and restoration costs for assets belonging to leased businesses, assuming continuation of the usual frequency and extent of maintenance work.
- *Recognition of costs and revenues*: revenues from the sale of merchandise and the costs for purchase of same are posted at the time ownership changes hands. Revenues and costs for services are posted according to the time when they are performed. Interest earned and paid and other revenues and costs are recorded and posted according to the principle of temporal allocation, with posting of accruals and payables as appropriate.
- *Income taxes*: these are posted according to the taxable income estimated in accordance with applicable norms. Furthermore, national accounting principle no. 25 is applied (which incorporates IAS no. 12). On the basis of this principle and pursuant to the principle of prudence, the deferred tax assets and liabilities resulting from temporal differences between the statutory values and tax values of balance sheet items are posted, as well as the deferred tax assets connected with tax losses that can be carried forward.
- *Financial instruments for hedging of interest and exchange rates*: off-budget financial instruments used to manage exchange rate and interest rate risks are posted to the memorandum accounts at the nominal value of the relative contracts on the dates said contracts are made. In particular, contracts for the purchase or sale of foreign currency are posted at their countervalue in euro at the exchange rate applying on the expiration date of the contract, while IRS contracts are posted at their countervalue in euro at the reference date of the accounting statement in question. The proceeds and expenses resulting from these contracts are posted to the statement of income for the applicable year during the life of the contract, with contra-entries for accruals and deferrals on the balance sheet.
- *Memorandum accounts*: the principal criteria for accounting are as follows:
 - Unsecured guarantees: these are posted in the amount of the assumed commitment; in particular, the guarantee granted in favor of the bearers of bonds convertible in ordinary shares of Autogrill S.p.A. issued by Autogrill Finance S.A. at a discount off its face value (so-called "OID") is shown in the amount corresponding to the amount accrued at the closing date of the financial statements.
 - Secured guarantees: : if they consist of a pledge on bonds, public debt securities, or unlisted shares, they are posted at their book value; if they consist of a pledge on listed shares, they are listed at their market value; if they consist of real property, they are posted in the amount of the registered mortgage value.
 - Purchase and finance leasing commitments: commitments for purchases of fixed assets are posted at their purchase value, while commitments for finance leasing correspond to the total of agreed disbursements.
 - Other commitments: if these involve rented property or property held in bailment, they are posted at the value assigned to it by the owner.

Balance sheet - analysis of assets

B.I. Intangible fixed assets

The total of 117,374 thousand euros reflects a decrease of 7,856 thousand euros from the previous year. They are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Start-up and expansion costs	-	32	(32)
Concessions, licenses, trademarks, and similar rights	2,584	2,998	(414)
Goodwill	72,114	85,603	(13,489)
Work in progress and advances	5,756	4,541	1,215
Other intangibles:			
leasehold improvements	34,371	28,405	5,966
miscellaneous intangibles	2,549	3,651	(1,102)
Total	117,374	125,230	(7,856)

Of “Goodwill,” 68,746 thousand euros refer to the residual value of the deficit to be charged against the merger of Autogrill S.p.A. and Finanziaria Autogrill S.p.A. in Schemaventidue S.p.A. on the basis of their respective balance sheets at December 31, 1996. As in the previous fiscal year, the amortization charge for this item was determined on the basis of a 12-year useful life, corresponding to the average residual term of concessions at the time of the merger. In fiscal 1997 and the two-year period 1998-1999, it was calculated according to the shorter term of five and ten years, respectively, pursuant to Article 2426 Subsection 2 Italian Civil Code.

The same item also includes the residual value of the amounts paid for amortization of new subleases for commercial activities.

“Leasehold improvements” refer to the property and business owned by others that were leased by the company.

The residual item “Miscellaneous intangibles” does not include the types envisaged by Article 2426, Subsection 1, point 5 of the Italian Civil Code.

The net decrease with respect to December 31, 2000 is the result of the movements illustrated in the table on page 102. It is mainly attributable to amortization charges for the fiscal year, which exceeded the increase due to new investments of 23,178 thousand euros, mainly in connection with leasehold improvements.

For the leasehold improvements made in fiscal 1998 and 1999, the amortization rates envisaged in Article 2426, Subsection 2 Italian Civil Code were charged, for a total of 15,170 thousand euros.

B.II. Property, plant, and equipment

At December 31 2001, this item totaled 92,818 thousand euros. It is broken down as follows:

(in k€)	12.31.2001			12.31.2000		
	historical cost	depreciation	net value	historical cost	depreciation	net value
Non-industrial land and buildings	2,042	-	2,042	2,042	-	2,042
Industrial land and buildings	28,375	(13,571)	14,804	27,151	(12,840)	14,311
Plant and machinery	27,023	(21,233)	5,790	25,077	(20,053)	5,024
Industrial and commercial equipment	148,842	(120,007)	28,835	139,331	(113,350)	25,981
Assets returnable at no cost	126,409	(101,378)	25,031	120,130	(96,226)	23,904
Other assets	20,725	(14,250)	6,475	18,699	(14,777)	3,922
Construction in progress and advances	9,841	-	9,841	7,433	-	7,433
Total	363,257	(270,439)	92,818	339,863	(257,246)	82,617

The values shown include the effects of inflation adjustments to Italian assets pursuant to Law no. 72 of March 13, 1983 and Law no. 413 of December 30, 1991, in the following amounts:

(in k€)	Law no. 72/83			Law no. 413/91		
	revaluation	depre- ciation	net value	revaluation	depre- ciation	net value
Land and buildings	147	-	147	308	-	308
Industrial land and buildings	895	(631)	264	3,382	(2,362)	1,020
Plant and machinery	403	(403)	-	-	-	-
Industrial and commercial equipment	1,159	(1,159)	-	-	-	-
Assets returnable at no cost	3,266	(3,266)	-	12,030	(11,857)	173
Other assets	23	(23)	-	-	-	-
Total	5,893	(5,482)	411	15,720	(14,219)	1,501

The advances for property, plant, and equipment include an advance of 3,512 thousand euros against a total price of approximately 5,681 thousand euros paid to Agip Petroli S.p.A. in 1992 for the purchase of two locations on the Great Ring Road (G.R.A.) of Rome, which were operated by the company since their construction. The sale was suspended when the Conference of Services declared that it was illegitimate, having previously permitted the expropriation of the land on which they locations were built. Since that decision, it has been impossible to depreciate the relative fixed assets. The corresponding charge is set aside in the "Allowances for motorway operating risks."

Highlights of the movements in this item during the fiscal year are illustrated in the table on page 102.

The reader is referred to the Report on Operations for commentary on the increases that occurred in 2001, totaling 28,030 thousand euros, while the decreases, for a net value of 224 thousand euros, reflect disposals for normal replacements or remodeling of locations.

Construction in progress increased by 2,408 thousand euros with respect to the previous year, being almost entirely attributable to remodeling and code compliance work not yet completed at December 31, 2001 (5,592 thousand euros), net of the decrease of 3,177 thousand euros upon start-up in 2001 of construction in progress during the previous fiscal year.

B.III. Financial fixed assets

This item totaled 17,881 thousand euros, reflecting a decrease of 36,274 thousand euros with respect to December 31, 2000, due to the events illustrated hereunder that affected the individual items, whose effects are summarized in the table of movements on page 102.

B.III.1. Equity investments**B.III.1.a. In subsidiaries**

These total 6,585 thousand euros, down 33,007 thousand euros from the previous year. They are broken down as follows:

(in k€)	head office	currency	capital stock (2000)	number shares/quotas (2000)	stockholders' equity at 12.31.2001	profit (loss) 2001 ⁽¹⁾	quota owned (%)	book value
Autogrill Overseas S.A.	Luxembourg	Eur	60,650	17,040	4,170	(56,211)	99.99	4,170
Autogrill International S.A.	Luxembourg	Eur	42,300	8,460	(7,767)	(58,569)	99.99	-
Autogrill Finance S.A.	Luxembourg	Eur	250	25		10,285	99.99	1,222
Nuova Sidap S.r.l.	Novara	Eur	10	-	36	11	100.00	151
Nuova Estral S.r.l.	Novara	Eur	10	-	23	8	100.00	141
Holding de Participations								
Autogrill S.A. ⁽²⁾	Marseille	FrF	490,270	490,270	57,312	(6,789)	0.01	-
HMSHost Marriott							0.01	-
Autogrill Café S.r.l. ⁽³⁾	Rome	Itl	25	1	(90)	(114)	100.00	141
Aviogrill S.r.l.	Bologna	Eur	10	10	48	38	51.00	760
Total								6,585

⁽¹⁾ change in stockholders' equity of Autogrill Overseas S.A. and Autogrill International S.A.

⁽²⁾ holding indirectly controlled through Autogrill International S.A.

⁽³⁾ ormerly named La Manza S.r.l.

The decrease results from the algebraic sum of the following movements:

- capitalization of Autogrill Overseas S.A. for 55,685 thousand euros; subsequent direct writedown of the investment by 56,867 thousand euros, of which 56,211 thousand euros with impact on the Statement of Income, in application of the equity method of valuation, and 657 thousand euros allocated to the conversion reserve
- capitalization of Autogrill International S.A. for 23,857 thousand euros; subsequent full, direct writedown of the investment (50,802 thousand euros) and provisions to the reserve for losses to cover the excess (7,767 thousand euros) of the net loss for the period with respect to the initial stockholders' equity, in application of the equity method of valuation
- writedown of Autogrill Finance S.A. for 3,765 thousand euros, in application of the equity method of valuation, after crediting to the Statement of Income of 14,050 thousand euros in dividends collected during the fiscal year, and distribution of profits from previous years in the amount of 4,675 thousand euros and net income for fiscal 2001 totaling 9,375 thousand euros
- liquidation of ISIC S.p.A., a non-operating company, which did not have a significant negative impact on the statement of income (9 thousand euros)
- settlement of losses from the previous year (24 thousand euros), replenishment of capital stock (26 thousand euros), and subsequent writedown by 127 thousand euros of Autogrill Café, in application of the equity method of valuation
- writedown by 19 thousand euros of Aviogrill S.r.l., in application of the equity method of valuation

7. writedown by 448 thousand euros of Nuova Sidap S.r.l., in application of the equity method of valuation
8. writedown by 399 thousand euros of Nuova Estral S.r.l., in application of the equity method of valuation

Application of the equity method of valuation thus involved a total charge of 119,547 thousand euros to the statement of income, corresponding to the decreases in the stockholders' equity reported by its subsidiaries and equity investments on their regularly approved financial statements, in accordance with Article 2426, Subsection 1, point 4, as well as amortization and writedowns of goodwill by Aviogrill S.r.l., Autogrill Café S.r.l., Nuova Sidap S.r.l., and Nuova Estral S.r.l.

The equity method of valuation was also applied to the equity investments in Nuova Sidap S.r.l., Nuova Estral S.r.l., Autogrill Café S.r.l., and Aviogrill S.r.l., which had previously been valued at cost in consideration of their marginal value or inactivity. In consideration of the uncertain renewal of concessions at Nuova Sidap S.r.l. and Nuova Estral S.r.l., 80% of the value exceeding the booked stockholders' equity of these companies was written down.

The decrease in stockholders' equity was adjusted for changes in the conversion rates for financial statements denominated in currencies other than the euro, which were separately posted in the specific reserve under stockholders' equity (657 thousand euros).

In accordance with tax norms governing valuation of equity investments not traded on regulated markets, the amount posted to the Statement of Income substantially conforms to the writedown that can be deducted from the taxable income for the fiscal year.

The residual excess book value with respect to the corresponding to the quota of stockholders' equity is justified by the income generating capacity of the companies.

B.III.1.b. Equity investments in other companies

These total 43 thousand euros, of which 21 thousand euros for Convivium 2000 S.c.p.A., a partnership set up to supply catering services to participants of the 2000 Jubilee celebrations. Its quota was sold at its book value after the close of the fiscal year.

The increase in this item is mainly due to acquisition of minority interests in the Consorzio Autostrade Italiane Energia (12 thousand euros) and MS Stazioni S.r.l. (7 thousand euros).

B.III.2. Other receivables

These total 10,735 thousand euros, reflecting a net decrease of 1,838 thousand euros compared with December 31, 2000. They are broken down as follows:

(in k€)	12.31.2001			12.31.2000			change
	within one year	beyond one year	total	within one year	beyond one year	total	
Interest bearing accounts with oil companies	-	4,499	4,499	-	4,166	4,166	333
Security deposits	-	1,271	1,271	-	2,347	2,347	(1,076)
Interest bearing advances to the Italian treasury	-	4,813	4,813	-	5,882	5,882	(1,069)
Other receivables	-	152	152	2	176	178	(26)
Total	-	10,735	10,735	2	12,571	12,573	(1,838)

The amounts included in the items “Interest bearing accounts with oil companies” and “Security deposits” will presumably be collected after 2006. The decrease in the latter item results from changes in the purchasing procedures for some articles sold to the public.

The “Interest bearing advances to the Italian treasury” made pursuant to Law no. 662/96 were revalued according to the same parameters used to revalue the reserve for employee severance indemnities - at the rate of 3.22% for 2001 - and decreases due to recovery of the employee severance indemnities paid out during the fiscal year. However, the portion that can be recovered in one year cannot be calculated and has thus not been separated from the total amount.

B.III. 3. Other securities held as fixed assets

This item consists exclusively of fixed income bonds that may be repaid by drawing of lots which the company plans to keep until maturity. It totals 519 thousand euros, with a decrease of 1,451 thousand euros compared with December 31, 2000 resulting from reimbursements.

The value of the bonds was adjusted by an amount equal to the possible capital loss that could be realized in the event of repayment upon drawing of lots before the maturity date of the loan. This adjustment totals 37 thousand euros (90 thousand euros at December 31, 2000). The decrease of 53 thousand euros reflects the reimbursement of securities in 2001.

Table of changes in fixed asset accounts during the fiscal year

(in k€)	12.31.2000			Changes in gross value			
	Gross value	Amortization	Net value	Increases	Decreases	Other movements	Total
Intangible fixed assets							
Start-up and expansion costs	1,489	(1,457)	32	-	-	-	-
Concessions, licenses, trademarks, and similar rights	21,055	(18,057)	2,998	417	-	85	502
Goodwill	176,243	(90,640)	85,603	496	-	180	676
Others	126,512	(94,456)	32,056	16,700	(1,655)	4,365	19,410
Work in progress and advances	4,541	-	4,541	5,565	-	(4,350)	1,215
Total	329,840	(204,610)	125,230	23,178	(1,655)	280	21,803

(in k€)	12.31.2000			Changes in gross value			
	Gross value	Amortization	Net value	Increases	Decreases	Other movements	Total
Property, plant, and equipment							
Non-industrial land and buildings	2,042	-	2,042	-	-	-	-
Industrial land and buildings	27,151	(12,840)	14,311	995	-	229	1,224
Plant and machinery	25,077	(20,053)	5,024	2,060	(278)	164	1,946
Industrial and commercial equipment	139,331	(113,350)	25,981	10,297	(1,898)	1,112	9,511
Assets returnable at no cost	120,130	(96,226)	23,904	5,249	(33)	1,063	6,279
Other assets	18,699	(14,777)	3,922	3,837	(2,140)	329	2,026
Construction in progress and advances	7,433	-	7,433	5,592	(7)	(3,177)	2,408
Total	339,863	(257,246)	82,617	28,030	(4,356)	(280)	23,394

(in k€)	12.31.2000			Changes in gross value			
	Gross value	Amortization	Net value	Increases	Decreases	Other movements	Total
Financial fixed assets							
Equity investments in subsidiaries	221,668	(182,076)	39,592	79,592	(192)	-	79,400
Equity investments in other companies	21	-	21	22	-	-	22
Other securities	2,059	(89)	1,970	-	(1,504)	-	(1,504)
Receivables from others	12,573	-	12,573	-	(1,838)	-	(1,838)
Total	236,321	(182,165)	54,156	79,614	(3,534)	-	76,080

Changes in amortization				12.31.2001		
Increases	Decreases	Other movements	Total	Gross value	Amortization	Net value
(32)	-	-	(32)	1,489	(1,489)	0
(916)	-	-	(916)	21,557	(18,973)	2,584
(14,164)	-	-	(14,164)	176,919	(104,804)	72,115
(16,176)	1,628	-	(14,548)	145,922	(109,004)	36,918
-	-	-	-	5,756	-	5,756
(31,288)	1,628	-	(29,660)	351,643	(234,270)	117,373

Changes in depreciation				12.31.2001		
Increases	Decreases	Other movements	Total	Gross value	Amortization	Net value
-	-	-	-	2,042	-	2,042
(731)	-	-	(731)	28,375	(13,571)	14,804
(1,453)	273	-	(1,180)	27,023	(21,233)	5,790
(8,412)	1,755	-	(6,657)	148,842	(120,007)	28,835
(5,175)	23	-	(5,152)	126,409	(101,378)	25,031
(1,554)	2,081	-	527	20,725	(14,250)	6,475
-	-	-	-	9,841	-	9,841
(17,325)	4,132	-	(13,193)	363,257	(270,439)	92,818

Adjustments				12.31.2001		
Increases	Decreases	Other movements	Total	Gross value	Adjustments	Net value
(119,547)	29	7,111	(112,407)	301,068	(294,483)	6,585
-	-	-	-	43	-	43
-	53	-	53	555	(36)	519
-	-	-	-	10,735	-	10,735
(119,547)	82	7,111	(112,354)	312,401	(294,519)	17,882

C. Current assets

C.I. Inventories

Inventories total 35,373 thousand euros, reflecting an increase of 2,218 thousand euros since December 31, 2000. They are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Food and beverage and retail products	27,265	24,535	2,730
Monopoly items, lottery tickets, and newspapers	6,697	7,702	(1,005)
Merchandise and sundry items	1,411	918	493
Total inventories	35,373	33,155	2,218

The net increase in inventories at December 31, 2001 is largely attributable to the expansion in sold product lines.

The inventory value is net of provisions to the merchandise obsolescence reserves totaling 136 thousand euros, which were set aside in fiscal 2001 to compensate for the lower market value of certain items in terms of their current utility or functionality.

C.II. Receivables

These totaled 181,187 thousand euros. They were 320,328 thousand euros lower than at December 31, 2000 and are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
C.II.1. Trade receivables	42,366	36,305	6,061
C.II.2. Receivables from subsidiaries	107,960	448,202	(340,242)
C.II.5. Receivables from others	30,861	17,008	13,853
C.II. Total receivables	181,187	501,515	(320,328)

C.II.1. Trade receivables

Trade receivables total 42,366 thousand euros, representing a net increase of 6,061 thousand euros with respect to December 31, 2000. This increase is mainly due to major promotional contributions by vendors. The item is broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Receivables from others	45,084	38,567	6,517
Receivables subject to litigation	2,682	2,720	(38)
Allowances for doubtful accounts	(5,400)	(4,982)	(418)
C.II.1 Total trade receivables	42,366	36,305	6,061

The increase in the allowances for doubtful accounts reflects provisions of 663 thousand euros set aside during the year against new litigation, and the use of 245 thousand euros to cover losses stemming from bad debts ascertained during the year.

The full amount of the posted receivables will fall due within the next 12 months.

C.II.2. Receivables from subsidiaries

These total 107,960 thousand euros. The decrease is connected with the reduction in financing provided to the subsidiary HMSHost Co., which partly repaid its obligations with cash flow generated during the year and partly with the funds obtained from new loans granted directly by banks. The balance includes interest-bearing loans to HMSHost

at market conditions in the amount of Jpy 12,100 million. The relative exchange rate risk was fully covered by the sale of currency futures.

C.II.5. Receivables from others

These total 30,862 thousand euros, up 13,853 thousand euros from December 31, 2000.

(in k€)	12.31.2001	12.31.2000	change
Vendors	10,745	8,454	2,291
Treasury, social security institutions, and government agencies	751	565	186
Prepaid taxes	14,534	4,158	10,376
Personnel	1,959	1,598	361
Other debtors	2,872	2,233	639
Total	30,861	17,008	13,853

The item “Receivables from vendors” mainly consists of lease fees and advances paid before their due date and credit memoranda to be received for year-end premiums and returns.

The item “Prepaid taxes” represents the deferred tax asset posted in application of national accounting principle no. 25. The increase during the year consists of 6,803 thousand euros for the tax benefit resulting from the tax losses of 18.9 million euros accumulated in fiscal 2001 that can be carried forward until fiscal 2006. On the basis of updated forecasts of taxable income, this receivable can be recovered over the next three years.

The item “Other debtors” includes receivables from issuers of credit cards for transactions executed during the year but not yet credited (1,787 thousand euros) and receivables from insurance companies (211 thousand euros).

With the exception of this last asset, receivables falling due beyond 12 months were classified under financial fixed assets.

C.III. Financial assets not held as fixed assets

These assets total 1,109 thousand euros and entirely represent “Other securities.” The item decreased by 11,115 thousand euros from December 31, 2000. This decrease is related to the massive sums invested in capitalization of subsidiaries during the fiscal year (79.6 million euros) to support development of the Group’s international activities.

C.III.6. Other securities

These consist of government securities or securities guaranteed by the government, and securities issued by supranational entities and other entities.

The value of securities showing a loss with respect to their average quotations in December were adjusted to reflect those prices, entailing a writedown of 24 thousand euros.

C.IV. Cash

Cash totaled 125,717 thousand euros, representing a 93,625 thousand euro increase with respect to December 31, 2000. It is broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
C.IV.1. Bank and post office accounts	86,349	1,465	84,884
C.IV.3. Cash on hand	39,368	30,627	8,741
C.IV. Cash	125,717	32,092	93,625

The increase in “Bank and post office accounts” is largely attributable to short short-term deposits made to take advantage of favorable conditions for excess liquidity generated at the end of the fiscal year.

The item C.IV.3 “Cash on hand” includes 32,668 thousand euros (22,119 thousand euros in the previous fiscal year) from year-end receipts collected from retail locations but not yet credited at the bank. The amount of this item is subject to major changes between the various reporting dates according the frequency of collections performed by specialized services.

The residual amount of item C.IV.3, 6,700 thousand euros, reflects the cash on hand at retail locations and central warehouses (8,507 thousand euros in the previous fiscal year). Of the net reduction since December 31, 2000, approximately 3,101 thousand euros are attributable to the shorter period of time cash is kept on hand at retail locations.

The first supply of euros (14,857 thousand euros), which was delivered to retail outlets by December 31, 2001, was reclassified under memorandum accounts in the item “Other commitments.”

These total 10,304 thousand euros, compared with 45,715 thousand euros at December 31, 2000. They are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Accrued income	6,546	41,148	(34,602)
Prepaid expenses:			
lease and concession fees	548	817	(269)
finance leasing fees	3,134	3,649	(515)
other	76	101	(25)
Total prepaid expenses	3,758	4,567	(809)
Total accrued income and prepaid expenses	10,304	45,715	(35,411)

The decrease of 34,602 thousand euros in accrued income is mainly due to the reduction in accrued interest income and foreign exchange differences accrued on interest and exchange rate risk hedging positions that were open at December 31, 2000 and expired during fiscal 2001 without being renewed, involving financial receivables and payables.

The item “Finance leasing fees” includes 2,262 thousand euros for fees allocable to fiscal 2003-2005.

The item “Leasing and concession fees” includes the quotas maturing in fiscal 2003-2022 totaling 521 thousand euros (of which 360 thousand euros falling due after 2006).

D. Accrued income and prepaid expenses

Balance sheet - analysis of liabilities

Stockholders' equity

At December 31, 2001 stockholders' equity totaled 146,470 thousand euros, down by 36,547 thousand euros from the previous fiscal year. The changes over the last two fiscal years are highlighted in the table on page 109.

Pursuant to the resolution passed by the Stockholders' meeting on April 27, 2001, dividends totaling 10,511 thousand euros were distributed, corresponding to Irl 80 lire (approximately 0.04 euro) per share.

A.I. Capital stock

The capital stock, which was fully subscribed and paid in at December 31, 2001, is represented by 254,400,000 ordinary shares with a par value of 0.52 euro each. This item increased with respect to December 31, 2000 as the result of conversion of the par value of company stock into euros. The capital increase, which was necessary in order to round the par value up to the next highest euro cent, was executed in the form of a bonus issue, pursuant to Article 2443 Italian Civil Code, by fully drawing down the Law no. 72/1983 revaluation reserve, in the amount of 753,559.39 euros, and 147,805.348 euros from the Law no. 413/1991 revaluation reserve.

The Stockholders' meeting of April 30, 1999 resolved to increase company capital through issuance of a maximum of 33,500,000 ordinary shares to service the convertible bond issue with a par value of 471,055,000 euros issued by the subsidiary Autogrill Finance S.A. in June 2000. This issue generated receipts of 350,000,000 euros, net of implicit interest and gross of issue costs.

This transaction was subjected to the condition that a maximum of 24,475,000 shares be issued to service conversion of the loan. The conversion right may be exercised by the bearer of the bonds at any time during the term of the loan.

The shares constituting the capital stock have been traded on the online market of the Italian Stock Exchange since August 1, 1997.

A.III. Revaluation reserve

This totals 13,618 thousand euros and represents the positive balance of inflation adjustments pursuant to Law no. 413/1991. The item is 901 thousand euros lower than at December 31, 2000 due to rounding up of the par value per share of capital stock upon conversion from Irl 1,000 to 0.52 euro, as previously mentioned.

A.IV. Legal reserve

This totals 1,712 thousand euros, representing an increase of 200 thousand euros with respect to December 31, 2000, following allocation of the net income for 2000 resolved by the Stockholders' meeting on April 27, 2001.

A.VII. Other reserves

These total 24,308 thousand euros and are broken down as follows:

Reserve for accelerated amortization and depreciation (5,505 thousand euros): this was established in accordance with the resolution of the Stockholders' meeting of April 27, 2001 that allocated a portion of the net income for 2000 corresponding to the benefit connected with accelerated amortization and depreciation deducted from taxable income for the fiscal year.

Reserve for share swap surplus: this consists of the residual value of the share swap surplus resulting from the merger of Finanziaria Autogrill S.p.A. after replenishing the reserves for deferred tax liabilities. It totaled 12,908 thousand euros, down 16,202 thousand euros from December 31, 2000 following distribution of the fiscal 2000 dividend (10,511 thousand euros) and reclassification under the reserves for accelerated amortization and depreciation (5,505 thousand euros) and the valua-

tion reserve for investments carried at equity (186 thousand euros), as resolved by the Stockholders' meeting on April 27 2001.

Contributions of capital - available quotas: these too derive from the merger of Finanziaria Autogrill S.p.A. and total 1,455 thousand euros, up 77 thousand euros from December 31, 2000 upon transfer from the unavailable quotas of the amount corresponding to the amortization and depreciation charged during the year for fixed assets for whose purchase the contribution in question was disbursed. They mainly involve the contribution made to construct the mill in Anagni, for which the final concession decree was issued on November 19, 2001.

Valuation reserve for investments carried at equity: totaling 981 thousand euros, this reserve was posted in application of the method used to value investments in foreign subsidiaries. It reflected an increase of 215 thousand euros with respect to December 31, 2000 due to allocation of the net income for fiscal 2000 resolved by the Stockholders' meeting of April 27, 2001 (3,793 thousand euros, corresponding to unrealized income) and subsequent reclassification to the available reserve of dividends collected during fiscal 2001. The amount of the reserve at December 31, 2001 corresponds to the Autogrill Finance S.A. profits not distributed at that date.

Conversion reserve for investments carried at equity: this totals -305 thousand euros. Compared with the amount of 351 thousand euros at the end of fiscal 2000, it changed due to variations in the exchange rate for the euro against the currencies used to denominate the financial statements of its indirectly controlled subsidiaries.

Value adjustments executed in conformity with tax norms (Article 2426 Italian Civil Code, Subsection 2)

As indicated in the section "Valuation Criteria and Accounting Principles," the intangible fixed assets were subject to value adjustments in application of tax norms to the extent allowed under the cited norm.

This led to posting of stockholders' equity that is 23,666 thousand euros lower than in the previous year, net of the tax effect, and a 402 thousand euros in higher losses for the fiscal year, as set forth in the table on the following page.

These value adjustments were eliminated on the consolidated financial statements by posting the correlated reserve for deferred tax liabilities, as prudently calculated according to the maximum applicable tax rate.

Tax credit on the distribution of profits and reserves

The breakdown of the "baskets" resulting from the last income tax return, filed in 2001, is as follows:

Full tax credit (basket A)	7,474 thousand euros
Limited tax credit (basket B)	3,828 thousand euros

Therefore, up to 13,287,111 euros in profits and reserves would be distributed with a full tax credit.

Effect of value adjustments executed in conformity with Article 2426, Subsection 2 Italian Civil Code

(in k€)	at 12.31.2000			fiscal 2001			at 12.31.2001	
	gross amount of taxes	tax effect (*)	net amount of taxes	gross amount of taxes	tax effect	net amount of taxes	net amount of taxes	
Higher amortization charges for commercial goodwill (formerly merger deficit)	23,797	9,340	14,457	-	-	-	14,457	
Higher amortization charges for leasehold improvements	14,497	5,690	8,807	672	40.25%	270	9,209	
Total	38,294	15,030	23,264	672		270	23,666	

(*) updated according to the Irpeg corporate tax rate of 36%, in addition to, as applicable, Irap of 4.25%.

(in k€)	capital stock	revaluation reserves	legal reserve	other reserves/ unallocated profits	net income (loss)	total
Balances at December 31, 1999	131,387	14,519	1,431	39,856	1,620	188,813
Allocation of 1999 income	-	-	81	(8,972)	(1,620)	(10,511)
Increase in available quota of capital contributions	-	-	-	77	-	77
Change in conversion differences for equity investments carried at equity	-	-	-	645	-	645
Net income 2000	-	-	-	-	3,993	3,993
Balances at December 31, 2000	131,387	14,519	1,512	31,606	3,993	183,017
Allocation of 2000 income	-	-	200	(6,718)	(3,993)	(10,511)
Increase in available quota of capital contributions	-	-	-	77	-	77
Conversion of capital stock into euros	901	(901)	-	-	-	-
Change in conversion differences for equity investments carried at equity	-	-	-	(657)	-	(657)
Net loss 2001	-	-	-	-	(25,456)	(25,456)
Balances at December 31, 2001	132,288	13,618	1,712	24,308	(25,456)	146,470

B. Various liabilities and risk reserves

The breakdown and movements in the various liabilities and risk reserves for the period ended at December 31, 2001 are illustrated in the following table:

(in k€)	balance at 12.31.2000	other movements	provisions	uses	balance at 12.31.2001
B.2. Income tax reserves	930	-	-	-	930
B.3. Other reserves:					
for costs of:					
losses by subsidiaries	-	-	7,767	-	7,767
restoration of assets returnable at no cost	10,615	-	4,413	(3,442)	11,586
restoration of third party goods held under lease	4,269	-	481	-	4,750
motorway/city center operations	2,427	-	-	-	2,427
capital contributions - unavailable quotas	438	(79)	-	-	359
litigation risks	4,172	-	80	(1,230)	3,022
other minor items	160	-	68	-	228
Total other reserves	22,081	(79)	12,809	(4,672)	30,139
Total various liabilities and risk reserves	23,011	(79)	12,809	(4,672)	31,069

Item B.2."Income tax reserves" refers to the provisions prudently set aside to cover possible liabilities for fiscal years still subject to auditing by the Tax Authorities, as follows:

company	year of incorporation	fiscal years
Autogrill S.p.A. (formerly Schemaventidue S.p.A.)	1995	1996 and later
Finanziaria Autogrill S.p.A. (merged in 1997)	1996	1996 and 1997
Autogrill S.p.A. (merged in 1997)	1977	from 1996 to 1997

The "Reserve for costs of losses by subsidiaries" represents the net losses by Autogrill International S.A. in excess of its initial stockholders' equity, as previously described at item B.III.1 "Investments in subsidiaries".

The item "Reserve for costs of restoration of assets returnable at no cost" includes the pro-rata costs that are expected to be incurred under contract upon return of assets installed during the term of concessions.

The item "Reserve for costs of restoration of third party goods held under lease" refers to the assets constituting a part of leased businesses that the lessee is obliged to replace if necessary. The periodic provisions are calculated by applying the same depreciation rates to the book value of the assets reported by the lessors as applied to company owned assets.

The item "Reserve for costs of motorway/city center operations" mainly consists of the amortization and depreciation charges that would be applicable to two motorway locations that are already being used but whose transfer of ownership was not yet complete.

C. Reserve for employee severance indemnities

This item totaled 74,557 thousand euros and increased by 3,130 thousand euros with respect to the previous fiscal year. The following table illustrates the movements in this item:

(in k€)	12.31.2001	12.31.2000	change
Initial balance	74,447	73,927	520
Provisions during the year	13,863	12,848	1,015
Uses and reversals during the year	(9,947)	(11,597)	1,650
Quota of pension fund/ supplementary pension fund	(786)	(731)	(55)
Final balance	77,577	74,447	3,130

The number and breakdown of registered employees at December 31, 2001 were as follows, with part-time employees representing a significant proportion of total personnel:

	12.31.2001	12.31.2000	change
Executives	41	36	5
White collar	1,777	1,845	(68)
Blue collar	9,348	8,607	741
Total	11,166	10,488	678
of whom part-time	6,087	5,613	474

D. Payables

These totaled 322,344 thousand euros, down 280,576 thousand euros from December 31, 2000. They are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
D.3. Borrowings from banks	57,014	273,797	(216,783)
D.4. Other financial payables	7,121	82,994	(75,873)
D.5. Advances	75	-	75
D.6. Trade payables	209,044	202,191	6,853
D.8. Payables to subsidiaries	285	210	75
D.11. Taxes payable	9,397	9,364	33
D.12. Payables to social security institutions	12,776	11,189	1,587
D.13. Other payables	26,632	23,175	3,457
D. Total payables	322,344	602,920	(280,576)

D. 3. Borrowings from banks

This item totals 57,014 thousand euros and primarily reflects a loan received from the Banco di Napoli (51,646 thousand euros) whose residual terms exceeds 12 months. The decrease of 216,783 thousand euros with respect to December 31, 2000 is due to the reduction in bank borrowings resulting from repayment by HMSHost Co. of the U.S. dollar denominated loan that totaled Usd 261,741 thousand at December 31, 2000. The reader is referred to the note on "Receivables from subsidiaries" for more information on the transaction in question.

The residual amount reflects the balances of bank accounts at December 31, 2001. Borrowings from banks and other financial payables (which are discussed in the next section) are subject to variable interest rates that change according to changes on the financial market.

In accordance with the Group financial policy to manage risks stemming from fluctuations in interest rates, the Group used financial instruments acquired under con-

tracts made with leading financial counterparties. As a result of existing contracts for the hedged portion of debt, including that of subsidiaries, the average interest rate for the fiscal year was approximately 4.50%. Provided that market conditions remain the same, they should remain at the same level for the next three years. For more information on the notional value of contracts pending at December 31, 2001 and the Group financial risk management policy, please refer to the notes on Memorandum accounts.

D.4. Other financial payables

These total 7,121 thousand euros and consist of 4,189 thousand euros in interest-free financing for the purchase of computer equipment falling due by the end of 2002, and 2,932 thousand euros in finance leasing fees for a production facility that were invoiced in advance. Of this latter sum, 2,199 thousand euros will fall due after 2002.

The decrease of 75,872 thousand euros from the previous fiscal year is attributable to the full repayment of the loan granted by Edizione Finance International S.A. to your company, which was completed in the first half of 2001.

D.5. Advances

This item totals 75 thousand euros and refers to the advances received for sale of real property.

D.6. Trade payables

This item, totaling 209,044 thousand euros, reflects an increase of 6,852 thousand euros with respect to December 31, 2000, including 2,310 thousand euros for the increase in payables to outsourcers for the purchase of goods connected with typical company activities and 4,542 thousand euros for increases in trade payables for concession and rental fees and relative ancillary costs that increased according to posted sales volumes in 2001, with which these types of expenses are connected. These payables fall due within one year.

D.8. Payables to subsidiaries

This item totals 285 thousand euros, largely unchanged with respect to the previous fiscal year. It includes 58 thousand euros for the negative balance of improper current accounts maintained by the company at its subsidiaries Nuova Estral S.r.l. and Nuova Sidap S.r.l., which are subject to market rates.

These payables fall due within one year.

D.11. Taxes payable

This item, which totals 9,397 thousand euros, shows an increase of 33 thousand euros with respect to December 31, 2000 and is broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Personal income tax for employees and independent consultants	6,033	6,200	(167)
VAT payable	185	280	(95)
Substitute tax on capital gains	166	331	(165)
Direct taxes for year	1,497	1,502	(5)
Tax offices	1,071	848	223
Other payables	445	203	242
Total	9,397	9,364	33

All taxes payable fall due within one year.

D.12. Payables to social security institutions

This item totaled 12,776 thousand euros, reflecting an increase of 1,587 thousand euros with respect to the previous fiscal year.

It consists of 7,735 thousand euros in payables to INPS (7,457 thousand euros at December 31, 2000).

The provisions for social security contributions on payables due to personnel shown at item “D.13. Other payables” total 4,358 thousand euros, compared with 3,518 thousand euros at December 31, 2000.

These payables are entirely represented by current accounts, which will fall due within one year.

D.13. Other payables

These total 26,632 thousand euros, representing an increase of 3,457 thousand euros with respect to December 31, 2000. They are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Payables connected with human resources:			
payables to be liquidated	18,809	16,691	2,118
sundry payables	157	424	(267)
Total	18,966	17,115	1,851
Others:			
other payables to customers	2,757	1,824	933
payables for donations	870	-	870
payables to the reserve for provision of telephone cards	-	413	(413)
directors and statutory auditors	887	388	499
security deposits from others	121	121	0
miscellaneous payables	3,031	3,314	(283)
Total	7,666	6,060	1,606
Total	26,632	23,175	3,457

The increase in “Other payables to customers” is attributable to the higher year-end premiums to be paid to affiliates.

The increase in payables to directors and statutory auditors is connected with the provisions set aside for deferred remuneration owed to the Chief Executive Officer. The payables for donations refer to contributions collected as part of the “In viaggio con Telethon” charity, to be used in the fight against hereditary diseases. The share owed by the company was 225 thousand euros.

This item does not include payables due beyond one year.

E. Accrued expenses and deferred income

This item totaled 4,303 thousand euros (3,307 thousand euros at December 31, 2000) and is broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Accrued expenses	2,174	1,747	427
Deferred income:			
for rents and ancillary charges	1,759	1,543	216
others	370	17	353
Total	4,303	3,307	996

Of the accrued expenses, 2,157 thousand euros reflect accrued interest owed on loans and the accrued exchange difference owed on exchange risk hedges open at December 31, 2001.

Of these accrued expenses and deferred income, 1,214 thousand euros are allocable to periods after 2002, and of this 23 thousand euros are allocable to periods after 2006

Memorandum accounts

Commitments at December 31, 2001 totaled 1,872,965 thousand euros, compared with 1,638,782 thousand euros at December 31, 2000. They are broken down as follows:

(in k€)	12.31.2001	12.31.2000	change
Suretyships and unsecured guarantees granted to others	26,793	25,738	1,055
Suretyships and unsecured guarantees granted in favor of subsidiaries	1,356,732	832,196	524,536
Collateral for obligations other than payables	-	385	(385)
Purchase and sale commitments	110,939	391,667	(280,728)
Other memorandum accounts	378,501	388,796	(10,295)
Total	1,872,965	1,638,782	234,183

The suretyships granted to others largely represent the recourse risks connected with bank guarantees issued on behalf of the company in favor of counterparties in commercial transactions, according to market practice.

The suretyships granted in favor of subsidiaries, which totaled 524,536 thousand euros, were issued to banks that provided credit facilities to the newly established or recently acquired companies as well as the bearers of the bonds convertible into Autogrill S.p.A. shares, which were issued on June 15, 1999 by Autogrill Finance S.A. These total 471,055 thousand euros and represent the face value of the loan issued by Autogrill Finance S.A. on June 15, 1999. This corresponds to the amount to be paid upon maturity, scheduled 15 years after issue. Since the issue does not include a coupon, its placement generated proceeds net of the implicit yield (so-called "OID"), set in the nominal amount of 2% annually with capitalization every six months.

Subscribers may request conversion at any time, with the exception of several technical suspension periods.

The loan may be repaid early on the issuer's initiative starting on the fifth anniversary of the issue, and on the bearer's initiative between the fifth and the tenth anniversaries. In these cases, the value matured up to the time the option is exercised will be repaid to guarantee the originally agreed annual yield of 2%.

In particular, on the fifth anniversary, June 15, 2004, the amount to be paid for full

reimbursement of the loan would be 386.4 million euros, while the conversion price would be 15.789 euros per share.

The likelihood of exercise of the various options is connected with the performance of the conversion share on the stock market with respect to the conversion price.

At December 31, 2001 the conversion price represented a premium of 45% over the stock price, which was still severely depressed in consequence of the events of September 11. In fact, on March 18, 2002 the premium - which had fallen from 30% to 13% at the end of 2000 - was 22%.

The item "Purchase and sale commitments" includes 110,939 thousand euros for the notional value of exchange risk hedges on loans granted to subsidiaries, which are contracted upon greater direct recourse by the subsidiaries to bank financing.

The item "Other memorandum accounts" consist of:

- 336,790 thousand euros for the notional value of interest rate risk hedging of loans received from banks
- 40,775 thousand euros for the value of third party assets used by the company; in particular, assets belonging to leased businesses (20,021 thousand euros), motorway toll cards on sale at company locations (2,169 thousand euros), and the initial supply of euro bank notes (14,857 thousand euros).

Group financial policy considers the management and control of financial risks to be of particular importance as they can significantly influence Group profits. The Group has adopted a series of guidelines for management of the risks stemming from fluctuations in foreign exchange and interest rates. In accordance with this policy, the use of derivative financial instruments is limited to the management of exchange and interest rate risks connected with cash flows and monetary assets and liabilities.

The financial instruments utilized by the Group largely consist of the following types of contracts: "currency futures," "interest rate swaps," "forward rate agreements," "interest rate options," and possible combinations of the foregoing instruments.

The aforementioned notional value of contracts open at December 31, 2001 does not constitute a measure of risk exposure, which is limited strictly to the flows of interest that are periodically collected.

The derivative contracts have been made with the most financially sound counterparties to reduce the risk of breach of contract to a minimum.

The exchange rate risk management policy envisages full hedging of loans denominated in currencies other than the money of account. The financial instruments used for this purpose are futures contracts for the purchase and sale of currency.

Group policy for the management and monitoring of interest rate risk aims to achieve the envisaged level of exposure and reduce the financial expenses connected with its borrowings.

The market value of these contracts at December 31, 2001 showed a loss of 14 million euros.

Statement of income

A.1. Sales and service revenues

This item is broken down as follows:

(in k€)	2001	2000	change
Food and beverage service	581,448	549,969	31,479
Sale of products to customers	196,035	183,662	12,373
Monopoly items, lottery tickets, and newspapers	178,566	182,372	(3,806)
Sundry services to customers	485	997	(512)
Sales and services to consumers	956,534	917,000	39,534
Sale of products to affiliates	28,128	26,756	1,372
Sale of products to subsidiaries and affiliates	2,284	750	1,534
Sales of sundry materials	769	863	(94)
Total	987,715	945,369	42,346

The reader is referred to the Report on Operations for analysis and commentary of this item. The “sale of products to customers” includes 2,217 thousand euros in revenues from fuel sales.

These revenues were generated almost exclusively in Italy.

A.5. Other revenues and income

These are broken down as follows:

(in k€)	2001	2000	change
Revenue grants	7	331	(324)
Promotional contributions by vendors	21,512	13,957	7,555
Recovery of expenses from other and affiliates	3,310	3,966	(656)
Business lease income	8,179	6,907	1,272
Fees and income from commercial affiliations	5,229	5,252	(23)
Proceeds from the sale of telephone cards	3,252	2,704	548
Other income	3,662	5,592	(1,930)
Total	45,151	38,709	6,442

The proceeds from the sale of prepaid telephone and motorway toll cards to the public represent more than 68 million euros in face value for 2001.

The increase in the item “Promotional contributions by vendors” is attributable to renewed commercial agreements for fiscal 2001.

The residual item “Other income” is principally comprised of positive cash differences totaling 1,448 thousand euros (1,638 thousand euros in 2000) and prior year income and non-existent assets of 1,513 thousand euros (2,825 thousand euros in 2000) for adjustments to provisions made in previous years.

B. Costs of production

B. 6. Raw materials, supplies, semi-finished and finished goods, and merchandise

These totaled 478,758 thousand euros and are broken down as follows:

(in k€)	2001	2000	change
Raw materials and products for food and beverage service and sales	282,927	257,968	24,959
Monopoly items, newspapers, and national lottery tickets	160,119	163,421	(3,302)
Sundry materials	13,955	12,451	1,504
Servomechanisms	21,757	20,169	1,588
Total	478,758	454,009	24,749

The changes from the previous year are attributable to sales performance.

The 1,588 thousand euro increase in costs for servomechanisms is attributable not only to a general increase correlated to the volumes during the year but also to a 1,089 thousand euro increase in electric power costs deriving from a major rate increases in 2001.

B. 7. Services

These totaled 71,861 thousand euros and are broken down as follows:

(in k€)	2001	2000	change
Warehousing and transport	13,701	12,355	1,346
Janitorial and pest control services	10,672	11,171	(499)
Maintenance	7,858	7,377	481
Professional advice and services	10,343	11,908	(1,565)
Promotional and advertising activities	9,812	7,657	2,155
Employee travel expenses	5,450	4,741	709
Services performed by outsourcers	4,621	2,725	1,896
Security guard service	1,992	2,240	(248)
Postage and telephone	1,808	1,893	(85)
Insurance	920	700	220
Other services	4,684	4,605	79
Total	71,861	67,372	4,489

The item "Warehousing and transport" increased due to higher sales and increased frequency of replenishment of sales location supplies.

The item "Services rendered by outsourcers" refers not only to outsourcing of general and employee payroll services, but also to temporary workers, who were much more highly used in 2001 than in the previous fiscal year.

The item “Professional advice and services” decreased by 1,565 thousand euros, and are broken down as follows:

(in k€)	2001	2000	change
Legal and notary services	339	386	(47)
Administrative advice	417	708	(291)
Organizational advice	96	730	(634)
Commercial advice	3,705	4,544	(839)
Market research	1,209	1,938	(729)
Technical advice	1,348	1,140	208
Data processing advice	1,116	1,005	111
Professional microbiological analysis	332	290	42
Other advice	1,781	1,167	614
Total	10,343	11,908	(1,565)

The 2,155 thousand euro increase in costs for promotional and advertising activities is attributable to the greater space used for campaigns conducted during the year.

B.8. Leases and rentals

This item totaled 92,221 thousand euros, with an increase of 6,072 thousand euros. It is broken down as follows:

(in k€)	2001	2000	change
Leased property and businesses and ancillary costs	45,175	43,156	2,019
Concessions	43,750	40,216	3,534
Trademark user licenses	525	297	228
Others	2,771	2,480	291
Total	92,221	86,149	6,072

The costs for leases and rentals grew in tandem with increasing revenues, to which rents and concession fees are usually correlated in commercial activities. They increased as a percentage of revenues in consequence of the increased proportion of contractually agreed fees with respect to revenues.

B.9. Personnel

The item totaled 244,210 thousand euros, reflecting a total increase of 7.2% with respect to the previous fiscal year. This item is broken down as follows:

(in k€)	2001	2000	change
Wages and salaries	175,375	162,115	13,260
Social security contributions	53,911	51,054	2,857
Employee severance indemnities and similar	13,863	12,848	1,015
Other costs	1,061	2,294	(1,233)
Total	244,210	228,311	15,899

The cost increase was due to a higher average number of employees (+6.5%), while evolution in the mix of professional positions made it possible to contain the increase in average hourly costs to +0.7%.

The “Other costs” largely consist of charges for the early termination of employment relationships in connection with organizational changes at the company. The changes in the average number of employees, expressed in terms of the average number of full time equivalent employees, is summarized in the following table and outlines the overall evolution of the organizational structure.

	2001	2000	change
Executives	40	34	6
White collar	1,702	1,747	(45)
Blue collar	6,796	6,235	561
Total	8,538	8,016	522

B.10. Amortization, depreciation, and writedowns

This item totaled 49,277 thousand euros, reflecting a decrease of 3,272 thousand euros with respect to the previous fiscal year. It is broken down as follows:

(in k€)	2001	2000	change
Amortization and depreciation:			
amortization of intangible fixed assets	31,288	35,311	(4,023)
depreciation of property, plant, and equipment	17,326	15,527	1,799
Total amortization and depreciation	48,614	50,838	(2,224)
Writedown of receivables			
among current assets	663	1,711	(1,048)
Total	49,277	52,549	(3,272)

The amortization of intangible fixed assets decreased due to a decrease in the amortization for leasehold improvements performed in fiscal 1998 and 1999, which was calculated on the basis of the shorter, three-year period envisaged by Article 14 of the rider to the budget act of 1998. The amortization charged solely in application of tax norms, as allowed under Article 2426 Italian Civil Code, totaled 672 thousand euros (5,898 thousand euros in fiscal 2000).

This amortization included the goodwill posted following the merger of Finanziaria Autogrill S.p.A., in the amount of 13,220 thousand euros (unchanged with respect to fiscal 2000), and amortization of the goodwill paid for individual restaurants, totaling 944 thousand euros (886 thousand euros in fiscal 2000).

Depreciation of assets returnable at no cost was determined on the basis of economic and technical criteria and thus based on the presumed useful life of each asset or, if less, the residual term of the concession.

The writedown of receivables among current assets (663 thousand euros) decreased significantly from fiscal 2000 (1,711 thousand euros) due to a general improvement in the situation.

B.12. Provisions for risks

This item totaled 215 thousand euros, down 951 thousand euros from the previous fiscal year.

This item includes 80 thousand euros in provisions for controversies with third parties and employees (1,034 thousand euros in fiscal 2000).

The provisions were lower due to settlements far lower than the expected risks estimated in the previous fiscal year.

B.13. Other provisions

This item totaled 4,894 thousand euros, reflecting an increase of 438 thousand euros with respect to the previous fiscal year. It included 4,413 thousand euros for provisions to the reserve for restoration of assets returnable at no cost (3,939 thousand euros in fiscal 2000) and 481 thousand euros for provisions to the reserve for restoration of assets of leased businesses (517 thousand euros in fiscal 2000).

B.14. Other operating costs

This item totaled 11,856 thousand euros (9,037 thousand euros in fiscal 2000) and is broken down as follows:

(in k€)	2001	2000	change
Indirect taxes due for fiscal year	3,523	2,478	1,045
Capital losses and prior year losses	2,510	1,446	1,064
Negative cash differences	2,649	2,605	44
Salaries and fees of Directors and Statutory Auditors	1,380	1,145	235
Other costs	1,794	1,363	431
Total	11,856	9,037	2,819

The 1,045 thousand euro increase in the item is attributable to the increase in waste disposal taxes (200 thousand euros) and withholding on foreign source income (845 thousand euros).

The item "Capital losses and prior year losses" increased by 1,064 thousand euros and includes 215 thousand euros in capital losses upon disposal of fixed assets and, for the remainder, prior year losses and non-existent liabilities stemming from adjustments to provisions set aside in previous years.

C.15. Investment income

This totaled 14,064 thousand euros (4,644 thousand euros in the previous year) and consist of dividends distributed by subsidiaries. Of these, 4,675 thousand euros represent the balance of the dividend for fiscal 2000 and 9,375 thousand euros for the advance on the dividend of Autogrill Finance S.A. for fiscal 2001.

The remaining 14 thousand euros refer to the dividends for fiscal 2000 paid by Nuova Estral S.r.l. and Nuova Sidap S.r.l.

C. Financial income and expenses

C. 16. Other financial income

This totaled 22,415 thousand euros, representing a reduction of 14,059 thousand euros with respect to the previous fiscal year. It is broken down as follows:

(in k€)	2001	2000	change
Interest and other income from securities:			
- interest, premiums, and income from securities held as fixed assets	173	362	(189)
- interest, premiums, and income from securities held as current assets	2,914	2,625	289
Exchange rate hedging differences	346	1,419	(1,073)
Proceeds from interest rate risk hedging	13,880	9,692	4,188
Interest earned on loans to subsidiaries	5,102	21,342	(16,240)
Interest and commissions from others and sundry proceeds	-	1,033	(1,033)
Total	22,415	36,473	(14,058)

As shown in the table, the reduction is due to lower levels of lending to subsidiaries, as discussed elsewhere in this report.

The proceeds stemming from hedging of interest and exchange rate risks are partially offset by the expenses posted under “C. 17 - Financial expenses.”

C.17. Financial expenses

These totaled 21,083 thousand euros and reflect a decrease of 3,814 thousand euros with respect to fiscal 2000. This item is broken down as follows:

(in k€)	2001	2000	change
Interest paid on loans	11,771	16,106	(4,335)
Financial expenses for interest and exchange rate risk hedging	8,329	6,341	1,988
Exchange rate hedging differences	244	1,679	(1,435)
Interest and commissions charged by others and sundry expenses	739	771	(32)
Total	21,083	24,897	(3,814)

D. Adjustments to financial assets

The principal component of this item, reflecting the effects of valuing equity investments by the equity method, was discussed in the note for the same item under assets.

E. Extraordinary income and expenses

No income or expenses were posted to this item during the year. In fiscal 2000 it mainly represented the extraordinary income generated by the switch from the LIFO to the FIFO method of valuing inventories.

22. Income taxes

Income taxes for the year, calculated on the basis of an estimate of taxable income, totaled 3,074 thousand euros, reflecting 13,334 thousand euros in current taxes and reporting of proceeds from deferred tax assets totaling 10,259 thousand euros, which are fully described in the note “Receivables from others” on the balance sheet. Irap (the regional tax on productive activities), which has a different taxable basis, totaled 13,364 thousand euros.

Changed estimates resulted in a 207 thousand euro increase in the receivables due for deferred tax assets.

The following table illustrates highlights of the reconciliation of corporate income tax (Irap) expenses based on the financial statements and the theoretical Irap liability.

(in k€)			
Net income (loss) before taxes and theoretical tax liability at	36% rate	(22,381)	(8,057)
<i>Temporary differences generated during the year</i>			
Entertainment expenses and gifts		46	
Change in value of investments carried at equity		7,722	
Amortization, depreciation, and writedowns		518	
Provision to various liabilities and risk reserves		2,444	10,730
<i>Turnover of temporary differences from previous years</i>			
Capital gains		310	
Entertainment expenses and gifts		(62)	
Use of various liabilities and risk reserves		(1,231)	
Amortization and depreciation		(392)	
Others		(43)	(1,418)
<i>Differences not carried forward in future years</i>			
Entertainment expenses, gifts, donations, contributions from associations, mobile telephone expenses, company cars		681	
Municipal property tax		702	
Non-business related expenses and other non-deductible expenses		1,859	
Dividends from subsidiaries		(13,348)	
Exempt quota, increase in value of investments carried at equity		4,282	
Other exempt income		(5)	(5,829)
Taxable income at	36% rate	(18,898)	(6,803)
Benefit of losses carried forward applicable to taxable income			6,803
Taxable income and current taxes for year			(0)
Deferred tax liabilities generated during year			(10,629)
Turnover of prior year deferred tax liabilities			550
Effect of change in tax rates and modified estimates			(211)
Corporate income tax (Irap) on financial statement result			(10,290)

Compensation of Directors, Statutory Auditors, and general managers

The following information is provided pursuant to Article 78 of CONSOB Resolution no. 11971/1999:

1. The title of general manager is assigned to executives in charge of divisions. Therefore, the company does not believe that they are subject to the aforesaid rule.
2. The company does not dispose of an executive committee.
3. The directors are not granted stock options. The Chief Executive Officer is paid a variable annual amount according to achievement of annual and three-year targets and appreciation in the value of the company.

The following table summarizes the compensation accrued in fiscal 2001:

name	position (surname and name)	durata	term compensation	non-monetary benefits	bonuses and other incentives
Benetton Gilberto	Chairman of the Board of Directors	01.01-12.31.01	35,119.07	-	-
Buttignol Livio	Chief Executive Officer	01.01-12.31.01	516,456.90	-	103,291.38
Benetton Alessandro	Director	01.01-12.31.01	34,086.15	-	-
Brunetti Giorgio	Director	01.01-12.31.01	35,119.07	-	-
Bulgheroni Antonio	Director	01.01-12.31.01	34,086.15	-	-
Desiderato Marco	Director	01.01-12.31.01	35,119.07	-	-
Erede Sergio	Director	01.01-12.31.01	33,569.69	-	-
Mion Gianni	Director	01.01-12.31.01	35,119.07	-	-
Morazzoni Gaetano	Director	04.27-12.31.01	23,550.43	-	-
Total directors			782,225.60	-	103,291.38
Ponzellini Gianluca	Chairman of the Board of Statutory Auditors	01.01-12.31.01	35,842.25	-	-
Reboa Marco	Statutory Auditor	01.01-12.31.01	22,724.20	-	-
Tosi Ettore Maria	Statutory Auditor	01.01-12.31.01	22,930.78	-	-
Total statutory auditors			81,497.23	-	-
Total			863,722.83	-	103,291.38

Appendix

Highlights of subsidiaries

AUTOGRILL S.p.A.

Companies consolidated line-by-line:

name	head office	country	currency	capital stock (in currency)
Subsidiaries				
• Autogrill Overseas S.A.	Luxembourg	Luxembourg	Eur	60,650,000
• Autogrill Finance S.A.	Luxembourg	Luxembourg	Eur	250,000
• Nuova Estral S.r.l.	Novara	Italy	Eur	10,000
• Nuova Sidap S.r.l.	Novara	Italy	Eur	10,000
• Autogrill International S.A.	Luxembourg	Luxembourg	Eur	42,300,000
• Aviogrill S.r.l.	Bologna	Italy	Eur	10,000
• Autogrill Café S.r.l.	Novara	Italy	Eur	25,000
• Autogrill Austria AG	Gottesbrunn	Austria	Eur	7,287,283
• Autorest Hungaria Kft (in liquidation) ⁽¹⁾	Budapest	Hungary	Huf	1,000,000
• Autogrill Belgie N.V.	Antwerpen	Belgium	Bef	230,000,000
• Ac Restaurants & Hotels Beheer S.A.	Antwerpen	Belgium	Bef	16,819,814
• Ac Arlux S.A.	Arlon	Belgium	Bef	50,757,000
• Ac Restaurants & Hotels S.A.	Luxembourg	Luxembourg	Luf	5,000,000
• Ac Restaurant & Hotels Beteiligungs GmbH	Niederzissen	Germany	Dem	150,000
• Ac Restaurant & Hotels Betriebs GmbH	Niederzissen	Germany	Dem	50,000
• Autogrill Deutschland GmbH	München	Germany	Eur	205,000
• Autogrill España S.A.	Madrid	Spain	Ptas	299,495,000
• Autogrill Hellas EpE	Avlona Attikis	Greece	Grd	408,530,000
• Host International (Hellas) Ltd	Pallini Attica	Greece	Grd	35,000,000
• Autogrill Nederland B.V.	Breukelen	The Netherlands	Eur	6,371,074
• Ac Ledeboer B.V.	Zaandam	The Netherlands	Eur	69,882
• Ac Holding N.V.	Breukelen	The Netherlands	Nlg	300,000
• The American Lunchroom Co. B.V.	Zaandam	The Netherlands	Eur	18,151
• Ac Bodegraven B.V.	Bodegraven	The Netherlands	Nlg	40,000
• AAc Leiderdorp B.V.	Leiderdorp	The Netherlands	Nlg	40,000
• Ac Meerkerk B.V.	Meerkerk	The Netherlands	Nlg	40,000
• Ac Oosterhout B.V.	Oosterhout	The Netherlands	Nlg	40,000
• Ac Restaurants & Hotels B.V.	Oosterhout	The Netherlands	Eur	90,756
• Ac Vastgoed B.V.	Zaandam	The Netherlands	Eur	18,151
• Ac Vastgoed I B.V.	Zaandam	The Netherlands	Eur	18,151
• Ac Sevenum B.V.	Sevenum	The Netherlands	Nlg	40,000
• Ac Veenendaal B.V.	Veenendaal	The Netherlands	Nlg	40,000
• Ac Nieuwegein B.V.	Nieuwegein	The Netherlands	Nlg	40,000
• Ac Apeldoorn B.V.	Apeldoorn	The Netherlands	Nlg	100,000
• Ac Zevenaar B.V.	Zevenaar	The Netherlands	Nlg	125,000
• Ac Heerlen B.V.	Heerlen	The Netherlands	Nlg	51,000
• Ac Hendrick Ido Ambacht B.V. HI	Ambacht	The Netherlands	Nlg	35,000

(*) The negative values refer to the provisions set aside in the reserve for liabilities when the value of the equity investment is totally written down and the net loss exceeds the initial value of stockholders' equity.

(1) The figures refer to December 31, 2000.

stockholders' equity	net income (loss)	quota owned at 12.31.2001		book value (in euros) (*)
		direct	indirect	
4,169,430	(56,218,770)	99.99%		4,169,430
1,221,778	10,285,445	99.99%		1,221,778
22,936	8,475	100.00%		141,000
35,641	10,565	100.00%		151,000
(7,767,349)	(61,246,351)	99.99%		(7,767,349)
48,312	38,371	51.00%		760,000
(90,446)	(113,647)	100.00%		141,000
1,369,324	(3,499,655)		100.00%	5,103,433
(10,184,000)	(2,652,000)		100.00%	33
177,253,169	(82,128,946)		100.00%	(9,613,595)
(59,364,756)	(23,202,629)		100.00%	2,479,583
46,736,929	6,957,959		100.00%	656,918
(3,804,834)	(7,124,304)		100.00%	123,928
262,476	(30,213)		100.00%	72,590
(195,339)	(14,185)		100.00%	25,565
(807,208)	(2,503,366)		100.00%	(807,208)
3,443,574,000	501,321,000		100.00%	21,817,066
123,813,701	10,638,235		100.00%	374,312
76,282,608	41,282,608	0.03%	99.97%	223,837
1,632,022	(1,737,978)		100.00%	1,632,022
16,281,861	(782,998)		100.00%	16,281,861
51,838,000	(505,000)		100.00%	23,523,059
16,321,567	12,706		100.00%	16,321,567
40,000	0		100.00%	18,151
40,000	0		100.00%	18,151
40,000	0		100.00%	18,151
40,000	0		100.00%	18,151
(884,145)	(1,791,706)		100.00%	(884,145)
(142,941)	(344,873)		100.00%	(142,941)
(809,090)	(10,891)		100.00%	(809,090)
40,000	-		100.00%	18,151
(59,000)	369,000		100.00%	(26,773)
32,400	309,400		100.00%	14,702
1,128,000	260,000		100.00%	511,864
5,635,000	(68,000)		100.00%	2,557,052
2,299,000	(231,000)		100.00%	1,043,241
2,033,000	94,000		100.00%	922,535

name	head office	country	currency	capital stock (in currency)
• Ac Nederweert B.V.	Nederweert	The Netherlands	Nlg	75,000
• Ac Holten Soci	Holten	The Netherlands	Nlg	75,000
• Holding de Participation Autogrill S.A.S.	Marseille	France	Frf	490,269,713
• Autogrill Côté France S.A.	Marseille	France	Frf	207,148,114
• Hotelimar S.A.	Marseille	France	Frf	7,379,516
• Soberest S.A.	Marseille	France	Frf	1,889,156
• SO.BO.REST S.A.	St. Savin	France	Frf	3,673,359
• Socopal S.A.	Marseille	France	Frf	1,369,638
• Sorebo S.A.	Marseille	France	Frf	944,578
• S.P.C. S.A.	Perrogney les Fontaines	France	Frf	1,007,550
• S.R.A.D. S.A.	Marseille	France	Frf	7,451,672
• S.R.T.C. S.A.	Marseille	France	Frf	9,445,781
• Autogrill Restauration Services S.A.	Marseille	France	Frf	197,059,060
• Autogrill Gare Chateauroux S. à r.l.	Marseille	France	Frf	52,477
• Autogrill Gare Lyon Part Dieu S. à r.l.	Marseille	France	Frf	209,906
• Autogrill Gare Lyon Perrache S. à r.l.	Marseille	France	Frf	1,049,531
• Autogrill Gare Toulon S. à r.l.	Marseille	France	Frf	52,477
• Autogrill Gare Des Alpes S. à r.l.	Marseille	France	Frf	52,477
• Autogrill Gare du Paris Nord S. à r.l.	Marseille	France	Frf	209,906
• Autogrill Gare Paris Saint Lazare S. à r.l.	Marseille	France	Frf	8,047,608
• Autogrill Gare Paris Est S. à r.l.	Marseille	France	Frf	104,953
• Autogrill Gare Nevers S.n.c.	Marseille	France	Frf	10,495
• Autogrill Gares Ile de France S.n.c.	Marseille	France	Frf	10,495
• Autogrill Gare Lille S.n.c.	Marseille	France	Frf	262,383
• Autogrill Gare de Tours S.A.	Marseille	France	Frf	262,383
• Volcares S.A.	Chatel Guyon	France	Frf	1,889,156
• HMSHost Corp.	Bethesda	USA	Usd	225,000,000
• HMSHost Tollroads, Inc.	Bethesda	USA	Usd	125,000,000
• Host International Inc.	Bethesda	USA	Usd	125,000,000
• Sunshine Parkway Restaurants Inc.	Bethesda	USA	Usd	125,000,000
• Cincinnati Terminal Services Inc.	Bethesda	USA	Usd	125,000,000
• Cleveland Airport Services Inc.	Bethesda	USA	Usd	125,000,000
• HMS-Airport Terminal Services Inc.	Bethesda	USA	Usd	125,000,000
• HMS B&L Inc.	Bethesda	USA	Usd	125,000,000
• HMS Holdings Inc.	Bethesda	USA	Usd	125,000,000
• HMSHost Family Restaurants Inc.	Bethesda	USA	Usd	125,000,000
• HMSHost Family Restaurants, LLC	Bethesda	USA	Usd	125,000,000
• Gladieux Corporation	Bethesda	USA	Usd	125,000,000
• Host (Malaysia) Sdn Bhd	Kuala Lumpur	Malaysia	Myr	100,000
• Host Gifts Inc.	Bethesda	USA	Usd	125,000,000
• Host International of Canada Ltd	Vancouver	Canada	Cad	4,600,000
• Host International of Kansas Inc.	Bethesda	USA	Usd	125,000,000
• Host International of Maryland Inc.	Bethesda	USA	Usd	125,000,000
• HMSHost USA Inc.	Bethesda	USA	Usd	125,000,000
• Host International (Poland) Sp zo o	Warsaw	Poland	Plz	6,557,600
• Host of Holland B.V.	Haarlemmermeer	The Netherlands	Nlg	200,000
• Horeca Exploitatie Maatschappij Schiphol B.V.	Schiphol	The Netherlands	Nlg	100,000

stockholders' equity	net income (loss)	quota owned at 12.31.2001		book value (in euros) (*)
		direct	indirect	
1,892,000	1,817,000		100.00%	858,552
3,429,000	833,000		100.00%	1,556,012
375,969,083	(44,536,697)	0.01%	99.99%	(2,670,987)
292,420,221	14,474,991		100.00%	114,752,744
6,160,046	634,942		79.98%	914,345
8,682,112	(127,588)		49.99%	518,384
7,384,576	481,931		49.99%	266,768
1,607,578	13,156		67.89%	141,081
2,890,793	1,756,043		49.97%	68,598
14,931,996	1,200,086		51.47%	337,923
14,545,414	1,990,223		99.99%	960,366
13,127,289	780,284		69.98%	3,375,000
189,896,929	260,519		99.99%	39,850,915
(350,094)	(412,979)		100.00%	192,073
279,316	(711,562)		100.00%	5,792,683
991,132	(247,818)		100.00%	180,548
(204,818)	(489,037)		100.00%	628,811
2,128,284	87,114		100.00%	2,134,146
1,873,245	(711,860)		100.00%	7,774,390
7,611,428	(708,956)		100.00%	1,538,872
2,090,049	883,405		100.00%	6,859,756
(208,870)	(219,365)		100.00%	914,725
487,845	477,350		100.00%	2,591,554
1,877,504	1,615,120		100.00%	764,083
239,867	(202,477)		99.80%	1,089,447
20,201,926	3,995,105		49.98%	948,169
101,925,683	(43,363,516)		100.00%	115,653,787
32,013,617	1,179,069		100.00%	36,325,447
(71,748,588)	28,576,918		100.00%	(81,412,219)
(294,757)	-		100.00%	(334,457)
(25,416)	9,424		100.00%	(64,710)
(312)	-		100.00%	(354)
(439,037)	(189,563)		100.00%	(498,168)
(2,068,589)	(201,806)		100.00%	(2,296,511)
336,931,555	-		100.00%	382,311,989
34,687,069	18,234,631		100.00%	39,365,267
10,274,758	2,194,299		100.00%	11,658,638
(36,353,392)	682,495		100.00%	(41,249,734)
(1,196,400)	(257,466)		100.00%	(357,305)
(848,419)	-		100.00%	(962,690)
4,514,318	1,402,819		100.00%	3,206,875
(1,912)	-		100.00%	(2,169)
(1,832)	-		100.00%	(2,078)
(43,476,341)	173,606		100.00%	(49,332,462)
(66,873,716)	(12,945,396)		100.00%	(19,132,467)
6,328,866	(1,635,679)		100.00%	2,871,914
14,179,727	1,826,916		100.00%	6,434,479

name	head office	country	currency	capital stock (in currency)
• Host Services (France) S.a.s.	Paris	France	FrF	250,000
• Host Services Inc.	Bethesda	USA	Usd	125,000,000
• Host Services of New York Inc.	Bethesda	USA	Usd	125,000,000
• Host Services Pty Ltd	North Cairns	Australia	Aud	12
• Las Vegas Terminal Restaurants Inc.	Bethesda	USA	Usd	125,000,000
• Marriott Airport Concessions Pty Ltd	Tullamarine	Australia	Aud	999,998
• Michigan Host Inc.	Bethesda	USA	Usd	125,000,000
• Shenzhen Host Catering Company Ltd	Shenzhen	China	Cny	2,500,000
• The Gift Collection Inc.	Bethesda	USA	Usd	125,000,000
• Turnpike Restaurants Inc.	Bethesda	USA	Usd	125,000,000
• Autogrill Schweiz AG	Zürich	Switzerland	Chf	10,000,000
• Autogrill Restaurant AG	Olten	Switzerland	Chf	10,000,000
• Raststätte Pratteln AG	Pratteln	Switzerland	Chf	3,000,000
• Vorstätt Egerkingen AG	Egerkingen	Switzerland	Chf	2,000,000
• Restoroute de la Gruyère	Avry devant-I	Switzerland	Chf	1,500,000
• SI Restoroute de Bavois S.A.	Bavois	Switzerland	Chf	2,000,000
• Flughafen Restaurant AG	Kloten	Switzerland	Chf	4,800,000
• Autogrill Pieterlen AG	Pieterlen	Switzerland	Chf	2,000,000
• ARH Management AG	Kloten	Switzerland	Chf	700,000

(*) Art. 2429, Subsection 3 of Italian Civil Code

Highlights of affiliated companies

name	head office	country	currency	capital stock (in currency)
• Union Services S. à r.l.	Luxembourg	Luxembourg	Eur	51,000
• S.R.S.R.A. S.A.	Saint Rambert d'Albon	France	FrF	3,358,500
• Isardrome S.A.	Saint Rambert d'Albon	France	FrF	202,035
• AAI Airfood, Inc.	Washington	USA	Usd	5,023,830
• Dewina Host Sdn Bhd	Kuala Lumpur	Malaysia	Myr	250,000
• HMSC-AIAL Ltd	Auckland	New Zealand	Nzd	111,900

stockholders' equity	net income (loss)	quota owned at 12.31.2001		book value (in euros) (*)
		direct	indirect	
(114)	100,883		100.00%	-
(1,238,972)	(36,678)		100.00%	(1,405,845)
2,932,878	1,504,803		100.00%	3,749,173
(3,191,216)	(672,345)		100.00%	(1,846,768)
(2,049,975)	(809,949)		100.00%	(2,326,080)
1,131,757	(14,743)		100.00%	654,951
471,064,542	60,047,566		100.00%	534,510,997
-	-		90.00%	-
638,051	(135,530)		100.00%	723,988
214,740	-		100.00%	243,662
41,805,008	14,050,643		100.00%	141,614,404
(3,473,952)	(6,811,799)		100.00%	6,743,543
5,625,655	1,112,211		95.00%	8,146,200
3,288,311	137,921		100.00%	1,594,578
2,933,732	136,769		54.30%	708,072
1,697,007	(302,992)		70.00%	944,096
8,696,439	129,550		100.00%	28,660,057
1,980,593	(19,407)		100.00%	1,348,709
720,660	292,380		96.57%	480,140

stockholders' equity	net income (loss)	quota owned at 12.31.2001		book value (in euros) (*)
		direct	indirect	
69,543	27,807		50.00%	34,750
26,722,788	1,341,000		40.73%	3,039,634
6,169,697	540,000		41.87%	192,683
2,930,524	(749,965)		25.00%	11,091,813
(3,690,945)	(552,287)		49.00%	(1,065,715)
2,213,836	392,198		50.00%	1,043,866

Report of the Board of Statutory Auditors

Stockholders,

During the fiscal year ended at December 31, 2001, we performed the duties incumbent upon us under the law, the rules of conduct of the Board of Statutory Auditors recommended by the National Boards of “Dottori Commercialisti and Ragionieri,” and the recommendations issued by CONSOB in Memorandum no. 1025564 of April 6, 2001.

In regard to the activities that we performed in the course of discharging our institutional duties, we confirm that we:

- participated at all Stockholders’ meetings and meetings of the Board of Directors held during the year, and received periodic reports from the Directors on the activities and most significant transactions executed by the Company and its subsidiaries
- received information about and supervised, within the scope of our jurisdiction, changes in the organizational processes of the Group, which, as discussed in the Report on Operations accompanying the financial statements for 2001, extended its operations to the new acquisitions grouped together in Autogrill Schweiz A.G. This information was collected through direct inspections, from the managers in charge of the functions involved, and the exchange of data and information with the independent auditor, Arthur Andersen S.p.A.
- met with the top executives of the various company functions to ascertain that current initiatives were aimed not only at achieving the primary objectives of the company but also reinforcing the internal control system
- monitored the adequacy of the administrative and accounting system, and its reliability in accurately representing operations, including an analysis of the audits performed by the independent auditors Arthur Andersen S.p.A., who reported to us the results of their quarterly audits of Company books and the absence of negative findings.

In the course of our work, we found nothing meriting a report to the Audit Committee or the Stockholders.

Furthermore, in compliance with the CONSOB memorandum of April 6, 2001, we inform you of the following:

1. The most important, operating and financial transactions executed by the Company and its subsidiaries complied with the law and the articles of association. On the basis of acquired information, we ascertained that they were not manifestly imprudent or hazardous, representative of a conflict of interest, or otherwise comprising to the integrity of Company assets.
2. We found no atypical and/or unusual transactions executed during the year with third parties, related parties, or among Group companies.

In their Report on Operations and the Notes to the Financial Statements, the Directors disclose and discuss the principal transactions executed with third parties, related parties, and among Group companies, describing their characteristics and economic effects. We ascertained that the ordinary operating procedures in effect at the Group are aimed at ensuring that all commercial transactions executed with the aforesaid parties are concluded at market conditions.

3. We believe that the information provided by the Directors in their Report on Operations regarding the transactions referred to at point 2 is adequate.
4. The report by the independent auditor Arthur Andersen S.p.A. on the Autogrill S.p.A. Group Consolidated Financial Statements at December 31, 2001 contains no findings or censures. Likewise, the Report on the Autogrill S.p.A. Statutory Financial Statements at December 31, 2001 does not contain any findings. However, it does highlight the information contained in the Notes to the Financial Statements regarding the value adjustments posted exclusively in application of tax norms.
5. No complaints were filed pursuant to Article 2408 Italian Civil Code.

6. No charges were filed.
7. During fiscal 2001, the auditors of Arthur Andersen S.p.A not only performed the audits commissioned by the Stockholders' meeting but also training of Company personnel, for which they were paid 7,700 euros.
8. Notice is also given that Autogrill S.p.A. and its subsidiaries commissioned parties "with continuing ties to Arthur Andersen S.p.A." to perform various services, which are summarized as follows:

Nature of services	Company involved	Consideration (in k€)
Miscellaneous services (internal auditing, information systems)	Autogrill S.p.A.	532.1
Miscellaneous services (due diligence, organization, tax, legal, information system, accounting)	various foreign subsidiaries of Group (L/CH/USA/F/B/NL)	943.9
Total		1,476.0

9. In fiscal 2001, the auditors of Arthur Andersen S.p.A. did not issue opinions as envisaged by statute.
10. During fiscal 2001, the Board of Directors held eight meetings. The Board of Statutory Auditors also held eight meetings.
11. We have no particular comments to make on compliance with the principles of proper administration, which appear to be constantly respected.
12. Likewise, we have no particular comments to make on the adequacy of the organizational structure, which we examined to confirm its fitness to satisfy the operating demands of the company.
13. The internal control system appears to satisfy the operating requirements of the Company and its subsidiaries, as determined by audits that were performed on specific cycles, procedures, or contingent problems.
14. In consideration of the recent development of the Company and the Group to which it belongs, and taking note of the modifications in its administrative and accounting system, we have no specific comments to make on the adequacy and reliability of said system accurately to represent operating results.
15. The process by which the Parent Company issues orders to subsidiaries is reinforced by the presence of top executives from the Parent Company on the boards of directors of these subsidiaries, as well as mechanisms in their respective organizational structures that envisage the submission of periodic reports to Parent Company executives.
16. There are no significant facts to report regarding the periodic exchanges of information between the Board of Statutory Auditors and independent auditors, pursuant to Article 150, Subsection 2 of Legislative Decree no. 58/1998.
17. Upon successive resolutions by the Board of Directors and the introduction of certain procedures, the company adopted a series of organizational rules for corporate governance that are consistent with those recommended by the Corporate Governance Committee of listed companies. In this regard, we refer the reader to the sections that discuss corporate governance in the Reports on Operations in the Statutory and Consolidated Financial Statements at December 31, 2001.
18. In conclusion, we certify that, on the basis of our supervisory activities, no omissions, irregularities, or matters worthy of censure were found.
19. Finally, we support, to the extent of our competence, approval of the Financial Statements at December 31, 2001 and relative Report on Operations as submitted by the Board of Directors and the motion that was consequently made.

Milan, April 8, 2002

The Board of Statutory Auditors

Auditors' report



Auditors' Report on the Financial Statements in Accordance with Article 156 of Legislative Decree no. 58 of February 24, 1998

Arthur Andersen SpA
Via della Moscova 3
20121 Milano
www.andersen.com

To the Stockholders
of Autogrill S.p.A.:

We have audited the financial statements of Autogrill S.p.A. at December 31, 2001. These financial statements are the responsibility of the directors of Autogrill S.p.A. Our responsibility is to express a professional opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards and criteria recommended by CONSOB. Those standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the financial statements are free of material misstatement and, taken as a whole, are reliable. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our opinion.

For the opinion on the financial statements of the prior period, which are presented for comparative purposes as required by law, reference is made to the report issued by Arthur Andersen S.p.A. dated March 29, 2001.

In our opinion, the financial statements of Autogrill S.p.A. at December 31, 2001 comply with the laws governing the criteria for their preparation. Accordingly, they provide a true and accurate presentation of the financial position and results of operations of the Company.

As more fully described in the notes to the financial statements, the Company posted value adjustments during fiscal 2001 and fiscal 2000 solely in compliance with tax norms. These postings, which are allowed under the norms governing the preparation of financial statements, generated an overall increase in amortization and depreciation for the period and a reduction in the value of intangible fixed assets of 0.7 million euros and 39.0 million euros, respectively, and a consequent increase in the net loss at December 31, 2001. They also resulted in reduction of the stockholders' equity at that same date in the amount of 0.4 million euros and 23.7 million euros, respectively, net of tax effects.

Milan, March 26, 2002

Arthur Andersen SpA



Eugenio Colucci (Partner)

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Legal information:

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