Press release

Communications and
Public Affairs Department
Centro Direzionale Milanofiori
Palazzo Z, Strada 5
20089 Rozzano MI Italy

Tel. +39 02.4826.3250
Fax +39 02.4826.3614
www.autogrill.com

Guidance and business plan objectives for 2008-2010

Autogrill consolidated revenues to reach €6.6 billion in 2010

Synergies of €45m per year expected to be delivered from 2010, ahead of initial forecast

Business plan for 2008-2010

- Consolidated revenues in 2008: €5,780m, and average annual growth of 6.9% to 2010
- Consolidated Ebitda in 2008: €600m (net of restructuring costs of around €17m), and average annual growth of 11.1% to 2010
- Debt/Ebitda ratio: 2.5x by 2010.

Provisional revenue figures for 1st half 2008

- Consolidated revenues: +25%, with organic growth of over 6%
- Revenues in North America: +10% in local currency
- Revenues in Italy: +4%; revenues in the rest of Europe: +9%
- Revenues by Aldeasa: +4%
- Revenues by Alpha Group: in line with the same 2007 period
- Revenues by World Duty Free: +9% in local currency

London, 16th July 2008 – Autogrill (Milan: AGL IM) will present today its strategic guidance and objectives for the 3-year period 2008-2010 to the financial community and will also announce its provisional revenue results for 1st half 2008.

"Our short-term objective is to reduce net financial indebtedness without compromising development and investments. An objective we will achieve thanks to the Group's strong cash flow generation capacity," Autogrill's CEO Gianmario Tondato Da Ruos said. "The main economic indicators for the 3-year period 2008-2010 show revenue growth and a significant increase in Ebitda, a clear demonstration that our priority is operational efficiency."

The 2008-2010 business plan takes into account the new growth prospects resulting from the acquisition of Aldeasa S.A. and World Duty Free Europe Limited, in April and May 2008 respectively.

With these two transactions, and the previous acquisition of Alpha Group in 2007, Autogrill has completed a key phase of its transformation from a leading Italian motorway food & beverage operator into a global provider of services for travellers. Since privatization, Group revenues have grown from €875m in 1996 to around €5.8 bn (forecast) at the end of 2008. Today the Group is geographically diversified, generating circa 80% of sales outside Italy, compared to 95% of sales generated in the Italian market at the time of privatisation.

Autogrill has diversified in terms of geographical regions, channels and sectors thanks to its flexible business model which is characterized by great resilience and capacity to outperform traffic trends, high profitability and strong cash flow generation, a contract portfolio with an average duration of over eight years and a historical retention rate of over 85% (over 100% including new contracts).

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2008-2010 Business plan

The creation of a global company and the critical size it has achieved, involving average annual growth of around 18% in the period 2005-2008, provide the conditions to implement efficiency initiatives across the whole Group, and particularly in its corporate structures.

Strong cash flow generation will make it possible to appreciably reduce net financial indebtedness, expected to be around €2,130m as of 30th June 2008[1], and to achieve a debt/Ebitda ratio of 2.5x by 2010.

Group restructuring and integration of retail companies

The first phase of the restructuring process will include all Group businesses, both f&b and retail, and will be completed in 3rd quarter 2008. The objective is to achieve synergies yielding over €20m a year from 2009 through the rationalization of the cost structure, including labour costs.

The second phase, which is already underway and will be completed in 2009, will focus on integrating the retail operations, with the primary aim of optimizing its buying and supply chain by leveraging on volumes, which is expected to deliver cost savings of more than €25m a year as from 2010.

Overall, the Group expects to generate synergy worth €45m a year from 2010, ahead of its original forecasts.

Restructuring operations in 2008 will produce one-off costs of around €17m, net of benefits accruing over the year.

<u>Key economic indicators[2]</u>

The plan envisages an increase in consolidated revenues to €5,780m at the end of 2008, €6,230m in 2009 and €6,600m in 2010, with average annual growth of 6.9%.

Consolidated Ebitda is expected to reach €600m (Ebitda margin of 10.4%) in 2008, €680m (Ebitda margin of 10.9%) in 2009 and €740m (Ebitda margin of 11.2%) in 2010, with average annual growth of 11.1%.

Capex over the period will be €325m in 2008, €295m in 2009 and 2010, the decrease reflecting a higher proportion of the retail business, which requires less capex than food & beverage.

1st half 2008: provisional revenues

In the 1st half of 2008, Autogrill's consolidated revenues are expected to grow by about 25%[3]. Net of acquisitions, the first half of the year should see organic growth of over 6%, showing the anti-cyclical nature of the Group's business in a global environment in which growth rates have been dropping in the countries where the Group operates.

[1] Provisional 1st half 2008.
[2] At €/$ 1:1.5508 and €/£ 0.786.
[3] At €/$ 1:1.53 and €/£ 0.78. Aldeasa was fully consolidated as from 1st April 2008 and World Duty Free from 1st May 2008.

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Estimated revenues by geographical region/organizational area are as follows:

- North America: up by approximately 10% in local currency despite the impact of rising oil prices in the motorway channel; the airport business, on the other hand, shows around 7% growth, on a comparable basis, despite a decrease of around 1.5%[4] in traffic;
- Italy: up by over 4%, which is significantly higher than the motorway traffic rates in the country;
- Rest of Europe: up by approximately 9%, confirming the trend seen in the 1st quarter;
- Aldeasa: up by over 4%; the impact of the weak sterling has reduced the purchasing power of UK travellers, who constitute one of the main traffic flows through Spanish airports;
- Alpha Group: in line with the same period in 2007 due to the closure of low cash-generating contracts;
- World Duty Free: up by over 9%[5] in local currency

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World Duty Free is the largest duty-free & travel retail provider in the UK. Founded in 1997 by BAA, the biggest airport operator in the country, World Duty Free operates in seven major UK airports, including Heathrow (Europe's biggest hub with 68.1 million passengers in 2007), Gatwick, Stansted, Southampton, Edinburgh, Glasgow and Aberdeen. In these airports World Duty Free currently operates 57 stores, covering a total of 18,300 square metres in both arrival and departure areas.
Focusing mainly on the beauty segment, World Duty Free is active in all the traditional types of duty-free & tax free, a market with high margins and one of the best airport clienteles in the world. The company also has the advantage of strong non-EU passenger traffic, which guarantee higher margins than EU passenger traffic.
Despite the impact of regulatory factors – such as the new law on tobacco sales (2004) and restrictions on liquids designed to reduce the risk of terrorist attacks (2006) – and global economic trends such as the depreciation of the US dollar, World Duty Free increased its revenues significantly, with average annual growth of around 4.5% in the 2005-2008 period and sales expected to grow by over 9% in 1st half 2008i.
The network of airports in which the company operates will also benefit by the expected increase in passenger traffic due to the 2012 Olympics and the Open Skies agreement. And Heathrow, already the world's no. 1 airport in terms of sales in the *duty free & travel retail* sector, will enjoy further impetus when Terminal 5 (T5), opened in March, reaches full capacity in terms of flights.
With 2,000 employees and a total of 12 million customers a year, World Duty Free reported revenues of £416.4m in 2007.
www.worlddutyfree.com

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The executive responsible for the drafting of the company's accounting and corporate documents, Alberto De Vecchi, hereby declares pursuant to clause 2, art.154 bis, decree law 58/1998 that the accounting information in this release is in line with the Company's accounting records and registers.

Disclaimer
This press release contains forecasts and estimates that reflect the current opinions of the management ("forward-looking statements"), especially regarding future business performance, new investments and developments in the cash flow and financial situation. Such forward-looking statements have by their very nature an element of risk and uncertainty as they depend on the occurrence of future events. Actual results may differ significantly from the forecast figures and for a number of reasons, including by way of example: traffic trends in the countries and business channels where the Group operates, the outcome of negotiations on renewals of existing concession contracts and tenders in progress, changes in the competitive scenario, exchange rates between the main currencies and the euro, esp. the US dollar and UK sterling, interest rate movements, future developments in demand, changing oil and other raw material (food) prices, general global

[4] Source: A.T.A., May 2008.
[5] With respect to 1st half 2007. World Duty Free joined the Group consolidation area in May 2008.

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economic conditions, geopolitical factors and new legislation in the countries where the Group operates and other changes in business conditions.

The Group's business is correlated to traffic flows, which by their nature undergo seasonal fluctuations. The operating results and the change in net financial indebtedness in the 1st half may not, therefore, be extrapolated on a full year basis.

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The 2008-2010 business plan will be presented to the financial community at 11.00 (London time) today. The event may be followed live in audio-streaming and video-streaming (slide show) by linking to the Investor Relations section of www.autogrill.com. There will also be a conference call available on the following numbers:

- International dial number: +44 2079405700
- UK dial number: 08003891681
- password: 50462798 then #

For further information:

Patrizia Rutigliano
Director of Group Communications
T: +39 02 4826 3224
patrizia.rutigliano@autogrill.net

Elisabetta Cugnasca
Investor Relations Manager
T: +39 02 4826 3246
elisabetta.cugnasca@autogrill.net