



QUARTERLY REPORT
1ST QUARTER 2006

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Approved by the Board of Directors on 10 May 2006.
This Quarterly Report is available on the corporate website: www.autogrill.com

Note: The Quarterly Report for the First quarter ended 31 March 2006 has been translated into English from the original Italian version. Where differences exist, the Italian version shall supersede the English version.

1 GENERAL INFORMATION

1.1 BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS

Board of Directors¹

Chairman ⁽²⁾⁽³⁾	Gilberto BENETTON
Managing Director ⁽²⁾⁽³⁾⁽⁴⁾	Gianmario TONDATO DA RUOS ^(E)
Directors	Alessandro BENETTON
	Giorgio BRUNETTI ^{(5) (I)}
	Antonio BULGHERONI ^{(6) (I)}
	Marco DESIDERATO ^{(5) (I)}
	Sergio DE SIMOI
	Sergio EREDE ⁽⁶⁾
	Alfredo MALGUZZI ^{(5) (I)}
	Gianni MION ⁽⁶⁾
	Gaetano MORAZZONI ^(I)
Company Secretary	Diego Salvador ⁽²⁾

Board of Statutory Auditors⁷

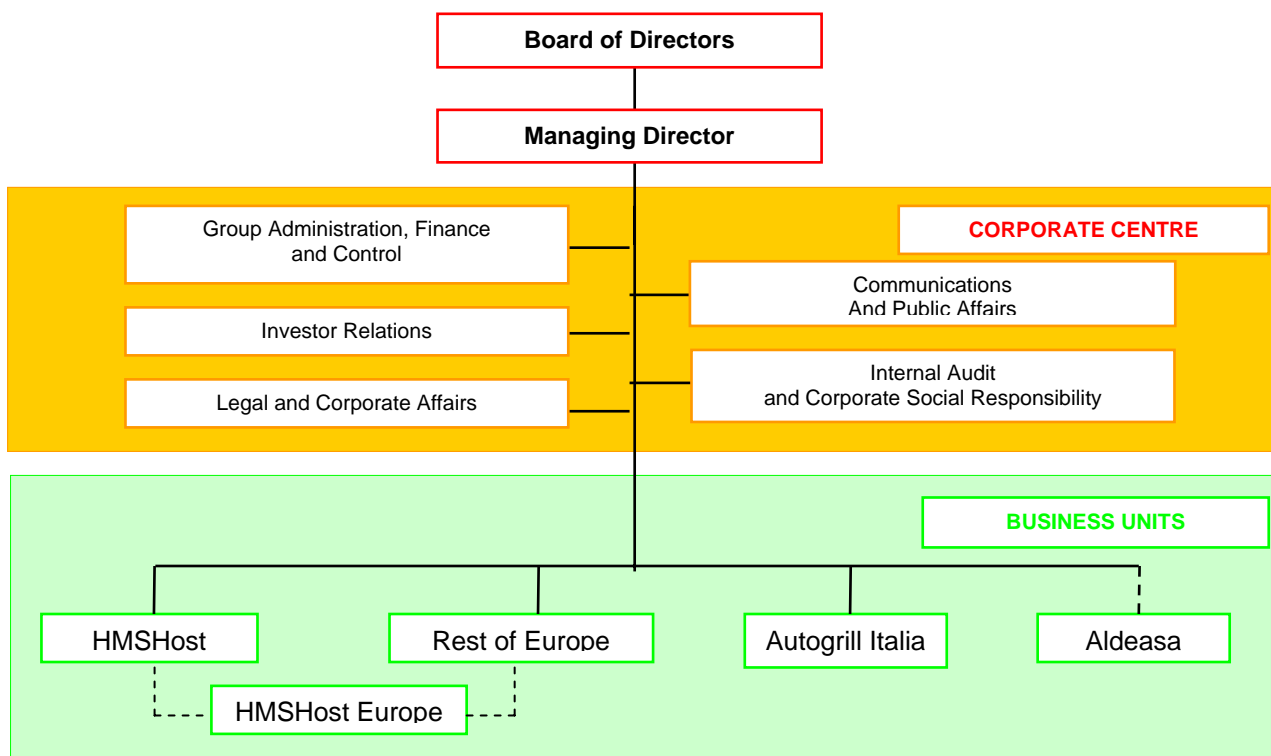
Chairman	Luigi BISCOZZI	Auditor
Auditor	Gianluca PONZELLINI	Auditor
Auditor	Ettore Maria TOSI	Auditor
Alternate Auditor	Graziano Gianmichele VISENTIN	Auditor
Alternate Auditor	Giorgio SILVA	Auditor

External Auditors⁸

KPMG S.p.A.

1. Appointed by the Shareholders' Meeting held on 27 April 2005, in office until approval of the 2007 Accounts.
 2. Appointed by the Board of Directors on 27 April 2005.
 3. Invested with all legal and corporate powers including legal representative of the Company and sole signatory on behalf of the Company.
 4. Invested with all day-to-day powers of management as sole signatory as per resolution dated 27 April 2005.
 5. Member of the Internal Controls Committee.
 6. Member of the Remuneration Committee.
 7. Appointed by the Shareholders' Meeting held on 27 April 2006, in office until approval of the 2011 Accounts.
- E. Executive Director.
- I. Independent Director.

1.2 GROUP ORGANISATIONAL CHART



Autogrill is a leading concern in concession business and specialises in catering and retail sales of consumer goods and travel merchandise. It operates along motorways, in airports, in railway stations and in shopping and city centres, in the US and in Europe, using an organisation that at the end of March 2006 comprised some 4,600 outlets, located in almost 1,000 locations in 27 countries. In 2005 the Group served more than 800 million customers and employed more than 51,000 people.

Geographical diversification helps to offset variability in passenger and traveller flows. The duration of the concessions enables the Group to plan its business over the medium-long term. The enhancement of the offer to customers by means of a broad portfolio of brands makes it possible to meet changing consumer needs in the various countries where the Group is present.

The Group is organised in business units, usually by geographical area, with responsibility for all operational management, in accordance with objectives and guidelines laid down by central management.

HMSHost has its HQ in Bethesda, Maryland (US) and manages North American operations as well as the Pacific Area and Schiphol Airport in the Netherlands.

Autogrill Italia is the business division of Autogrill S.p.A. operating in Italy directly and through subsidiaries. In 2005 it has also started motorway operations in Slovenia, through Autogrill D.o.o..

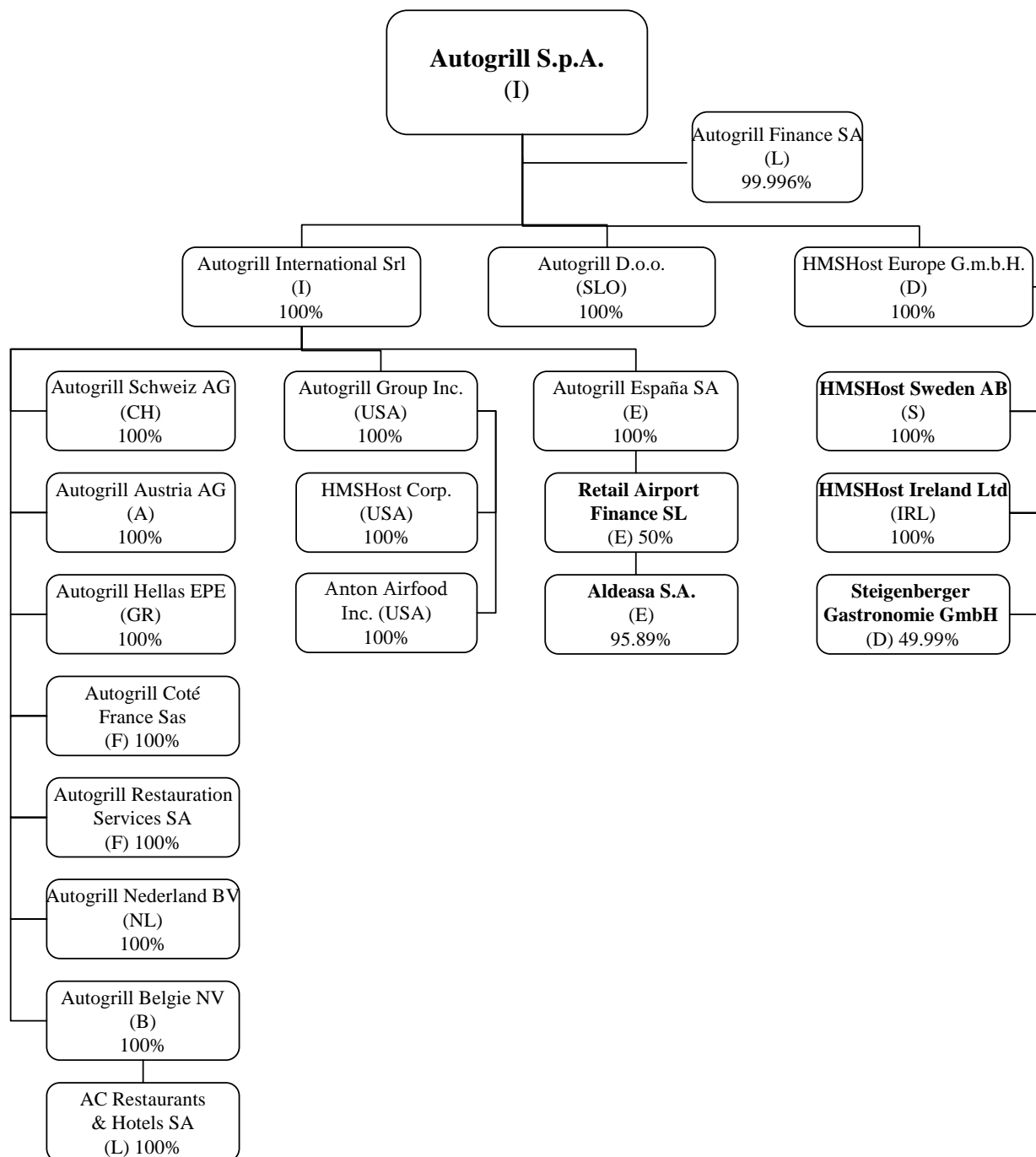
In the **Rest of Europe** operations are managed by a single company for each country, under central coordination. Each country may have a number of operating subsidiaries, but operations are always controlled by the country HQ (Autogrill France, Autogrill Nederland, Autogrill Belgie, Autogrill España, Autogrill Schweiz, Autogrill Austria, or Autogrill Hellas).

HMSHost Europe is the unit charged with developing business in European airports. Currently it operates across the various countries and areas, and includes operations in the following airports: Schiphol (Netherlands), Zurich (Switzerland), Stockholm (Sweden), as well as a partnership in Frankfurt (Germany) and, starting in summer 2006, Cork (Ireland).

In Europe the main business segment is the motorways, while in North America it is the airports.

Aldeasa, jointly controlled with Altadis S.A., is the fourth-largest airport retail concern in the world.

1.3 THE GROUP'S MAIN OPERATING COMPANIES¹



1. The companies printed in bold are those acquired or set up since the end of Q1 2005. Additionally, Autogrill Côté France Sas acquired 100% of Poitou-Charentes Restauration S.A. on 1 July 2005
Please see the Annex for a full and detailed list of Group companies.

2. REPORT ON OPERATIONS

2.1 HIGHLIGHTS

	€m	Q1 2006 / Q1 2005			
		at actual exchange rates	at constant exchange rates	not including acquisitions	organic growth ³
Operating Revenue ¹	822.8	+21.5%	+16.2%	+10.9%	+6,0%
EBITDA	72.9	+14.1%	+8.4%	+7.2%	+1.9%
Operating Profit (EBIT)	31.8	+17.4%	+11.2%	+8.4%	+2.7%
Net Profit (attributable to the Group)	7.5	+12.1%	+4.9%	+20.7%	+12.8%
Earnings per Share ²					
- undiluted	2.9				
- diluted	2.9				

1. Operating Revenue does not include sales of fuel, which were €14.9m (€14.4m in Q1 2005).

These are referred to in the Report on Operations as "Revenue".

2. Amounts in € cents.

3. At constant exchange rates and scope of consolidation.

Seasonality of the Industry

The Group's business volume depends on the flow of travellers. Q1 has always been the slowest quarter of the year; it accounts for about 20% of annual revenue.

Additionally, in contrast to Q1 2005, the first quarter in 2006 did not benefit from peak travel around Easter.

Seasonality also affects cash flow, since most concession rents are paid in the first quarter, being either accrued rental from the previous year or advance rental for the current year.

The Effect of Converting International Business Figures

About half the Group's business is carried on in countries where the functional currency is not the euro. This mainly concerns the US and Canada, as well as Switzerland.

Since each country's operations are markedly local, the currency of revenue is generally identical with that of costs. The Group has a policy of managing currency risk by financing the main net assets in each non-euro currency by loans in that currency or by forex transactions that have the same result.

This does not however neutralise currency risk arising on conversion of individual items of the Accounts. The size of swings in the €/US\$ exchange rate usually makes Group figures not strictly comparable with those of the previous year

This report therefore contains comparative data, where meaningful, restated at constant exchange rates.

Legend

€m, \$m: unless otherwise stated, figures given in the Report on Operations are in millions of euros or US dollars respectively.

€k, \$k: figures given in the Explanatory Notes are in thousands of euros or US dollars respectively.

2.2 OPERATING PERFORMANCE

2.2.1 RESULTS

Q1 results for 2005 reflect the fact that the business focused on broadening its range of products on offer.

In a seasonally slow period, with opposite trends in the main business segments (Italian motorway traffic up by 2%; US flight embarkations down by 1%), we were still able to achieve 6% organic growth (i.e., excluding acquisitions and at constant exchange rates) over Q1 2005, and that with an unfavourable calendar (Easter falling outside Q1). Q2 2006 will in fact benefit from peak travel around Easter.

The contribution of Aldeasa and the smaller companies acquired in 2005, together with favourable conversion of US figures, brought overall revenue growth to 21.5%.

The increased importance of the retail and duty-free sector, the unfavourable calendar and the start-up of new units (in particular, airport business in the new Madrid Barajas terminal, in Kuwait City and Stockholm, and motorway openings in Slovenia) restricted organic growth of EBITDA to 1.9%. The assets bought in 2005 together with favourable conversion of US figures produced an overall EBITDA increase of 14.1%.

In Q1 2006 net profit attributable to the Group was €7.5 million, up by 12.1% (or 4.9% at constant exchange rates) as against €6.7m in Q1 2005. Excluding acquisitions, the increase would have been 20.7% (or 128% at constant exchange rates) at €8.1m. Given the seasonally slow period, finance costs incurred to make the new acquisitions entirely absorbed their contribution to the operating result of the Group.

CONSOLIDATED INCOME STATEMENT

€m	Q1 2006			Q1 2005	Change				2005
	Like-for-like basis	Effect of New Acquisitions consolidation	Total Group		Total		Excl. New Acquisitions		
					Current exchange rates	Constant exchange rates	Current exchange rates	Constant exchange rates	
Operating revenues	750.5	72.3	822.8	677.0	21.5%	16.2%	10.9%	6.0%	3,528.9
Other operating revenues	17.4	2.3	19.7	15.6	25.4%	24.0%	10.1%	8.9%	96.9
Total revenues	767.9	74.6	842.5	692.6	21.6%	16.4%	10.9%	6.1%	3,625.8
Cost of raw and subsidiary materials and goods	(251.7)	(36.3)	(288.0)	(225.6)	27.6%	22.8%	11.5%	7.3%	(1,211.3)
Staff costs	(243.5)	(10.2)	(253.7)	(219.5)	15.6%	10.5%	10.9%	6.0%	(1,017.0)
Costs of rent, concessions and royalties on use of trademarks	(108.1)	(17.7)	(125.8)	(95.2)	32.1%	24.9%	13.5%	7.3%	(523.3)
Other operating costs	(95.9)	(6.2)	(102.1)	(88.3)	15.7%	11.1%	8.8%	4.5%	(398.9)
EBITDA	68.7	4.2	72.9	64.0	14.1%	8.4%	7.2%	1.9%	475.3
Depreciation	(39.3)	(1.8)	(41.1)	(36.9)	11.5%	6.2%	6.3%	1.3%	(180.4)
Impairment losses on tangible and intangible assets				-					-
Operating profit (EBIT)	29.4	2.4	31.8	27.1	17.4%	11.2%	8.4%	2.7%	294.9
Financial proceeds (charges)	(9.5)	(2.8)	(12.3)	(9.2)	34.9%	26.2%	3.7%	-3.0%	(46.2)
Value adjustments of financial assets	0.1	-	0.1	0.3	-67.8%	-70.6%	-67.8%	-70.6%	1.3
Profit/(loss) before extraordinary items and tax	20.0	(0.4)	19.6	18.2	7.3%	2.2%	9.6%	4.4%	250.0
Exceptional income/(cost), Net				-					-
Income before income taxes	20.0	(0.4)	19.6	18.2	7.3%	2.2%	9.6%	4.4%	250.0
Taxes	(10.2)	-	(10.2)	(10.2)	-1.1%	-4.2%	-0.6%	-3.6%	(110.5)
NET PROFIT	9.8	(0.4)	9.4	8.0	18.1%	10.0%	22.7%	14.3%	139.5
- attributable to the Group	8.1	(0.6)	7.5	6.7	12.1%	4.9%	20.7%	12.8%	130.1
- attributable to minorities	1.7	0.2	1.9	1.3	49.4%	36.3%	33.2%	21.5%	9.4

PERCENTAGE OF REVENUES

	Q1 2006			Q1 2005	2005
	Like-for-like basis	Effect of New Acquisitions consolidation	Total Group		
Operating revenues	100.0%	100.0%	100.0%	100.0%	100.0%
Other operating revenues	2.3%	3.3%	2.4%	2.3%	2.7%
Total revenues	102.3%	103.3%	102.4%	102.3%	102.7%
Cost of raw and subsidiary materials and goods	-33.5%	-50.3%	-35.0%	-33.3%	-34.3%
Staff costs	-32.4%	-14.2%	-30.8%	-32.4%	-28.8%
Costs of rent, concessions and royalties on use of trademarks	-14.4%	-24.5%	-15.3%	-14.1%	-14.8%
Other operating costs	-12.8%	-8.4%	-12.4%	-13.0%	-11.3%
EBITDA	9.1%	6.0%	8.9%	9.4%	13.5%
Depreciation	-5.2%	-2.6%	-5.0%	-5.4%	-5.1%
Impairment losses on tangible and intangible assets					
Operating profit (EBIT)	3.9%	3.4%	3.9%	4.0%	8.4%
Financial proceeds (charges)	-1.3%	-4.0%	-1.5%	-1.4%	-1.3%
Value adjustments of financial assets	0.0%	0.0%	0.0%	0.0%	0.0%
Profit/(loss) before extraordinary items and tax	2.7%	-0.6%	2.4%	2.7%	7.1%
Exceptional income/(cost), Net	0.0%	0.0%	0.0%	0.0%	0.0%
Income before income taxes	2.7%	-0.6%	2.4%	2.7%	7.1%
Taxes	-1.4%	0.1%	-1.2%	-1.5%	-3.1%
NET PROFIT	1.3%	-0.5%	1.1%	1.2%	4.0%
- attributable to the Group	1.1%	-0.8%	0.9%	1.0%	3.7%
- attributable to minorities	0.2%	0.3%	0.2%	0.2%	0.3%

Since 31 December 2005, the operating network has been extended to Kuwait, where Aldeasa has started retail and duty-free business in Kuwait City airport.

THE OPERATING NETWORK¹

	Q1 2006	Q1 2005	Change
Countries	27	14	+13
Locations	991	881	+110
Concepts	4,602	4,243	+359

1. *Locations* are sites where the Group's operating units or facilities are active, including motorway service areas or plazas, or airports, which in turn may contain several points of sale known as *concepts*, each signed by a nationally or internationally known brand (proprietary or licensed).

The figures include the outlets of Aldeasa, which is consolidated proportionately at 50%.

Group Revenues

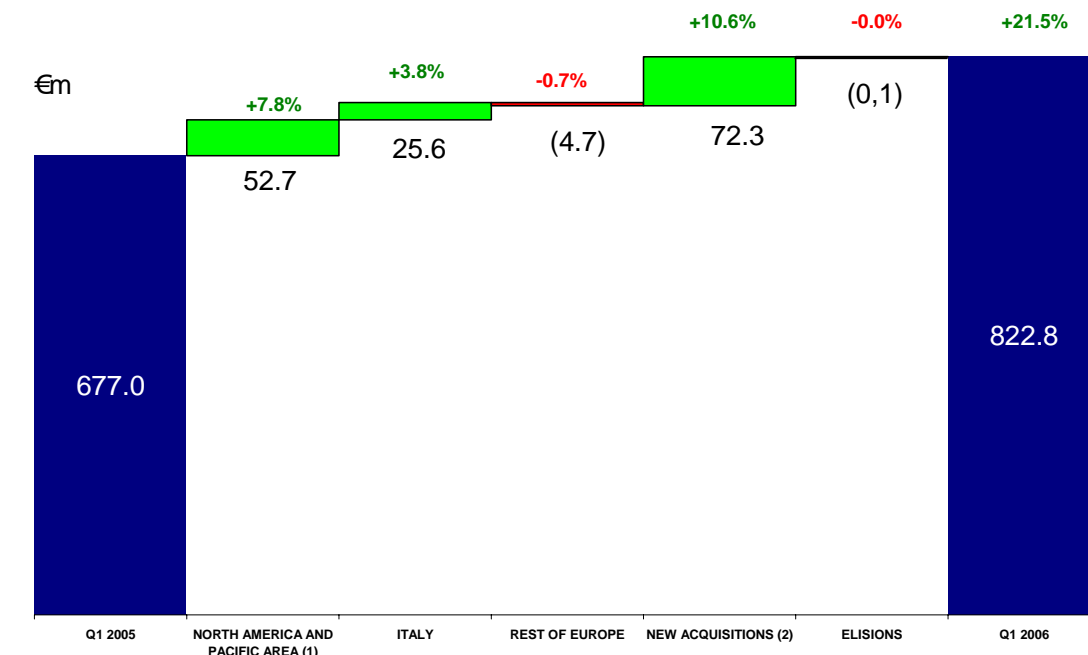
In Q1 2006 Autogrill reported consolidated revenue of €822.8m, an increase of 21.5% (or 16.2% at constant exchange rates) over revenue of €677m in Q1 2005 (the increase was 10.9% or 6% at constant exchange rates excluding new acquisitions). In Q1, which is seasonally the slowest period of the year and in 2006 did not benefit from peak travel around Easter, operations in North America and Italy reported results well in excess of traffic trends (US air traffic was down by 1% according to ATA; Italy's motorway traffic was up by 2% on internal estimates).

Revenue totalling €72.3m was contributed by: Aldeasa S.A. (our 50/50 joint-venture with Altadis S.A.), proportionately consolidated at 50% since 1 May 2005; Steigenberger Gastronomie GmbH (joint-venture with Steigenberger Hotels AG – Frankfurt airport), proportionately consolidated since 1 April 2005; and Poitou-Charentes Restauration S.A. (manager of the service area of the same name on the A10 Paris-Bordeaux motorway), fully consolidated since 1 July 2005.

€m	Q1 2006	Q1 2005	Change	
			Current exchange rates	Constant exchange rates
North America and Pacific Area	398.1	345.4	15.3%	5.7%
% on revenues	48.4%	51.0%		
Italy	249.4	223.8	11.4%	11.4%
% on revenues	30.3%	33.1%		
Rest of Europe	105.7	107.8	-1.9%	-1.8%
% on revenues	12.8%	15.9%		
Aldeasa	69.7	n.a.	n.s.	n.s.
% on revenues	8.5%	n.a.		
Elisions and Not Attributable	(0.1)	-	n.s.	n.s.
Consolidated result	822.8	677.0	21.5%	16.2%

REVENUE GROWTH Q1 2006/Q1 2005

REVENUE GROWTH BY GEOGRAPHICAL AREA

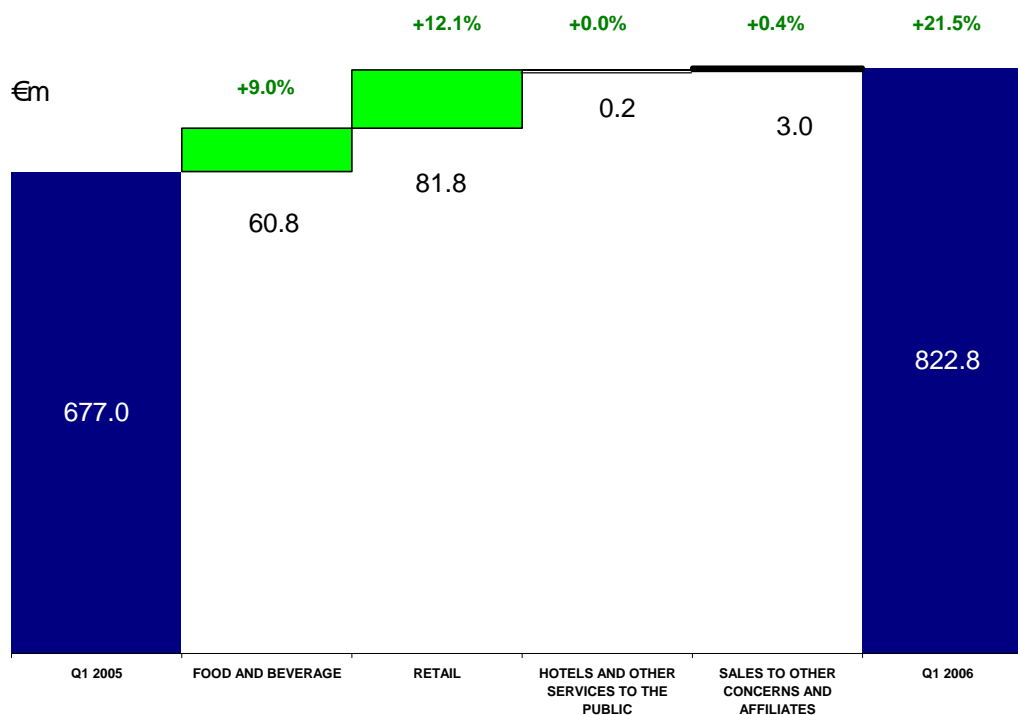


(1) Up by 3% at constant exchange rates.

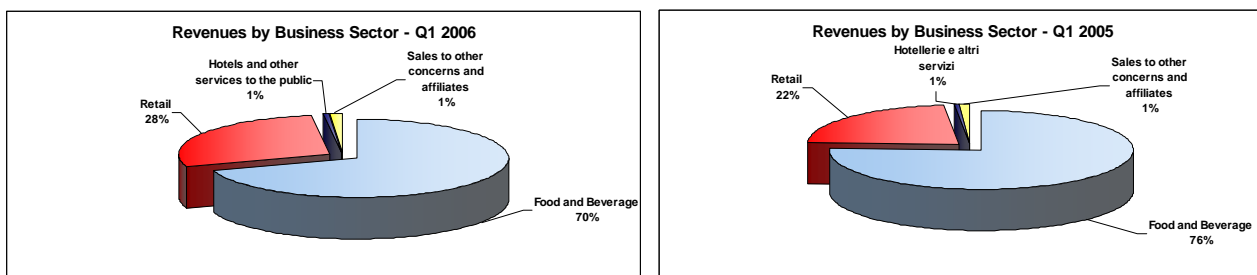
(2) Aldeasa SA, Steigenberger Gastronomie GmbH and Poitou-Charentes Restauration SA.

Business in the Rest of Europe is more closely tied to tourist traffic. In Q1 2006 these revenues were therefore more markedly affected by Easter falling in Q2.

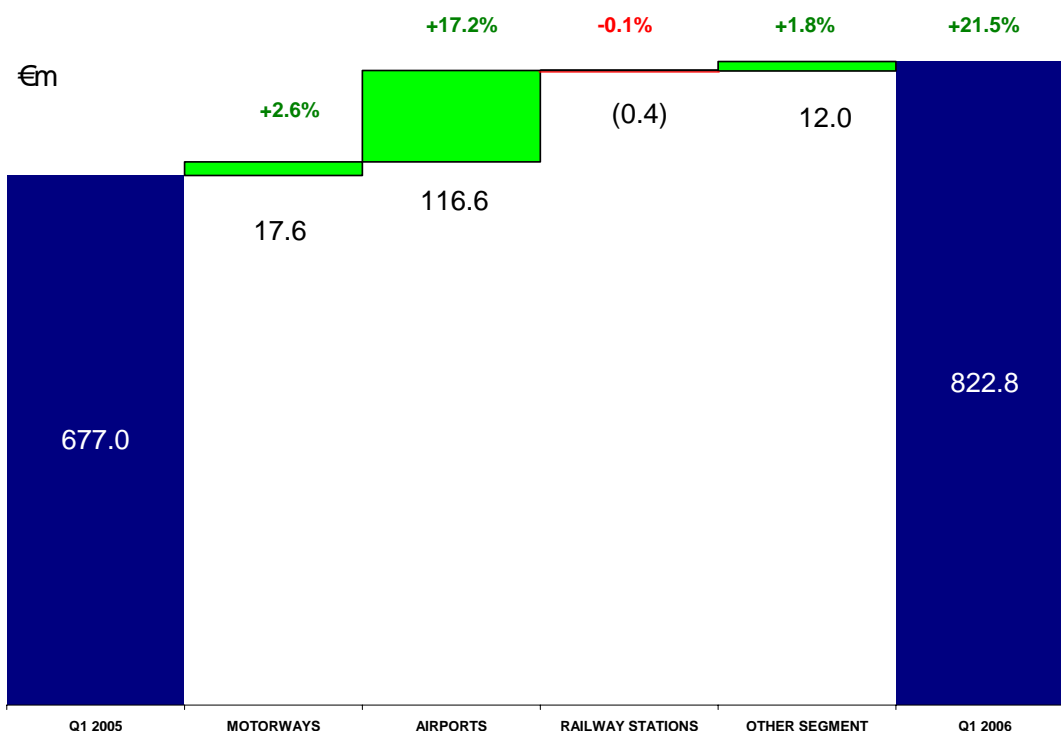
REVENUE GROWTH BY BUSINESS SECTOR



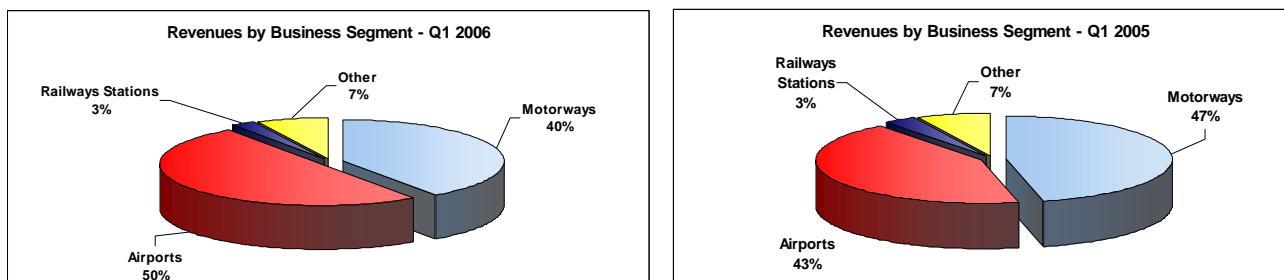
The consolidation of Aldeasa also contributed to the increased share of retail and duty-free from 22% to 28% of total Group revenue.



REVENUE GROWTH BY BUSINESS SEGMENT



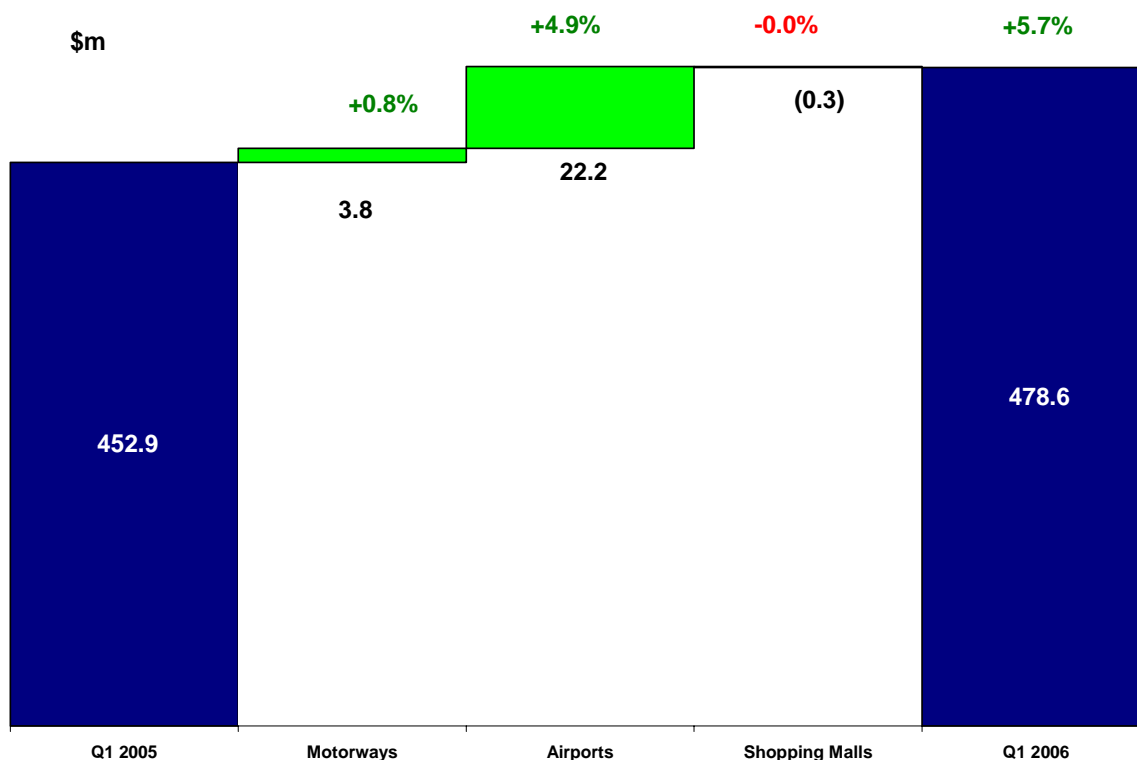
Faster growth in the airport channel and the consolidation of Aldeasa increased its share of revenue as compared to motorways, as already reported at the end of 2005. In Q1 2006 airports contributed 50% of Group revenue as against the motorways' 40%: these proportions were respectively 43% and 47% in Q1 2005.



North America and the Pacific Basin

Our 100%-owned US subsidiary Autogrill Group, Inc – which as well as the US and Canada includes Australia, Malaysia, New Zealand and Schiphol airport in the Netherlands – recorded a revenue increase of 5.7% over Q1 2005, at \$478.6m as against \$452.9m. Airport channel revenue was \$385.8m, an increase of 6.1% over the Q1 2005 figure of \$363.6m, despite a 1% fall in air traffic (source: ATA). This result was mainly due to an extension of branded products and concepts and new openings in Spokane and Baltimore airports. The motorway channel achieved revenue of \$82.4m, up by 4.9% over the Q1 2005 figure of \$78.6m, thanks inter alia to the positive effect of the units opened in Q1 and Q3 2005 on the Illinois Turnpike and the Indiana Turnpike.

REVENUE GROWTH BY BUSINESS SEGMENT – NORTH AMERICA AND PACIFIC AREA



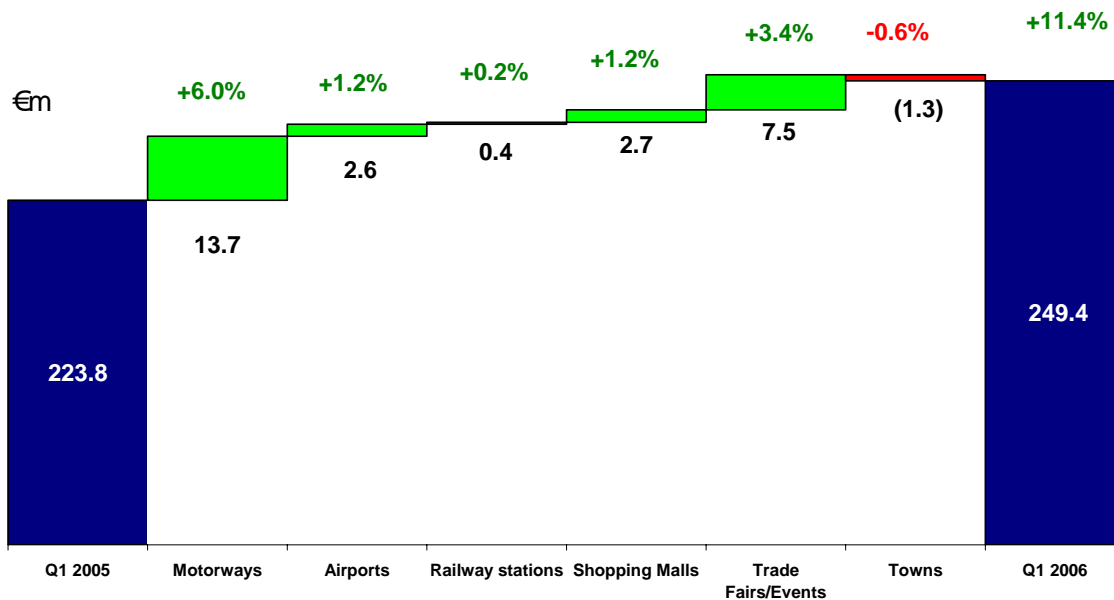
Italy

In Q1 2006 Autogrill achieved revenues of €249.4m in Italy – an increase of 11.4% over the Q1 2005 figure of €223.8m.

The main contributors to this result were the motorway channel (revenue up by 7.7% as against an estimated 2% rise in motorway traffic) and the trade fairs/events channel, which recorded a revenue increase of 176.1% due to the catering services provided for the Turin Winter Olympics and the new outlets within the out-of-town Milan Trade Fair site.

The airport channel's revenues grew by 28,4% as against a rise of 6% in passenger numbers in the airports served (source: Assaeroporti) inter alia due to business generated in Bergamo-Orio al Serio and Brescia Montichiari airports.

REVENUE GROWTH BY BUSINESS SEGMENT – ITALY

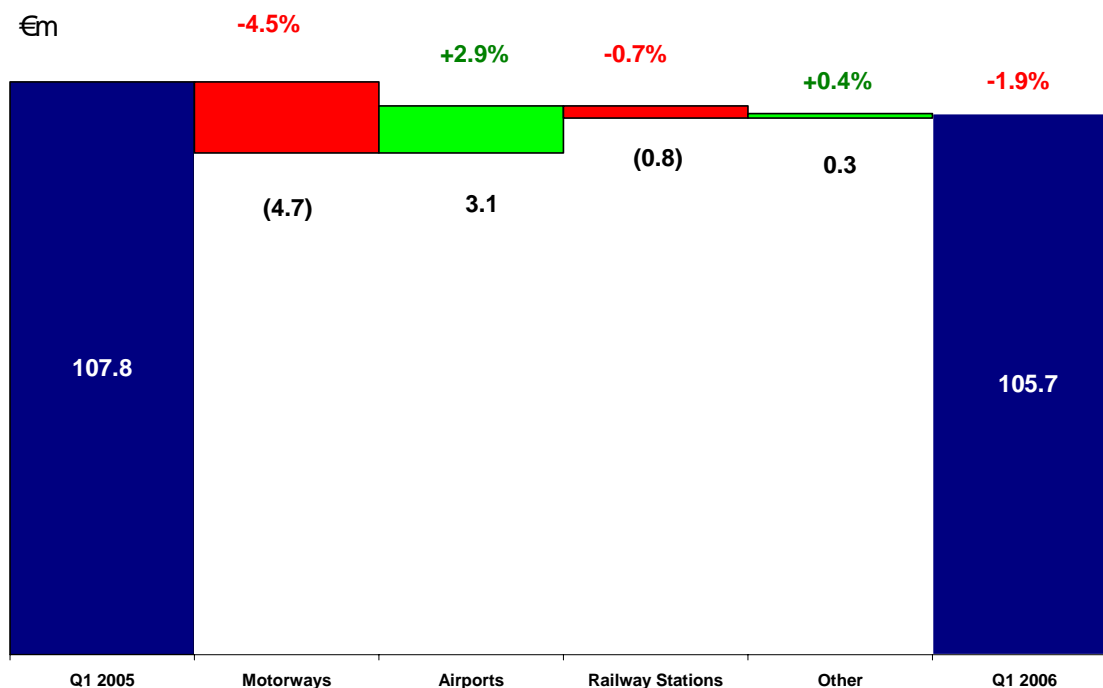


Rest of Europe (not including Aldeasa)

Q1 2006 revenues in the Rest of Europe were €105.7m, a fall of 1.9% from the Q1 2005 figure of €107.8m. This result was largely due to Easter being in Q2, since the motorway channel depends to a greater extent on holiday traffic.

Airport channel business grew by 44.4% due to the acquisition of Steigenberger Gastronomie GmbH, and the opening of new outlets in Stockholm, Vienna, Palma de Mallorca and Madrid, as well as the improved results of Marseille and Zurich.

REVENUE BY BUSINESS SEGMENT – REST OF EUROPE



Operating Costs

	Q1 2006			Q1 2005	Change	
	Constant business basis	New acquisitions	Group Total		Total	Not includ. Acquisitions
(€m)						
Cost of raw materials, items for use and merchandise	(251.7)	(36.3)	(288.0)	(225.6)	27.6%	11.5%
% on revenues	-33.5%	-50.3%	-35.0%	-33.3%		
Payroll	(243.5)	(10.2)	(253.7)	(219.5)	15.6%	10.9%
% on revenues	-32.4%	-14.2%	-30.8%	-32.4%		
Rents, concessions and royalties for the use of brands	(108.1)	(17.7)	(125.8)	(95.2)	32.1%	13.5%
% on revenues	-14.4%	-24.5%	-15.3%	-14.1%		
Other operating costs	(95.9)	(6.2)	(102.1)	(88.3)	15.7%	8.8%
% on revenues	-12.8%	-8.4%	-12.4%	-13.0%		
TOTAL OPERATING COSTS	(699.2)	(70.4)	(769.6)	(628.6)	22.4%	11.2%
% on revenues	-93.2%	-97.3%	-93.5%	-92.9%		

On a constant business basis the **cost of raw materials, items for use and merchandise** was 33.5% of revenue – an increase of 0.2% over the Q1 2005 figure of 33.3%, largely due to a larger proportion of revenue generated by games and lotteries, which have a lower margin. The consolidation of Aldeasa – whose cost of sales is 51.5% of revenue – had the effect of raising the overall ratio of these costs to revenue to 35%.

On a constant business basis, **payroll costs** were largely unchanged from Q1 2005 (32.4% of sales). Productivity increases limited the impact of hourly wage increases in the Group's main markets. The consolidation of Aldeasa - whose payroll cost is 13.1% of revenue - had the effect of reducing the overall ratio of these costs to revenue to 30.8%.

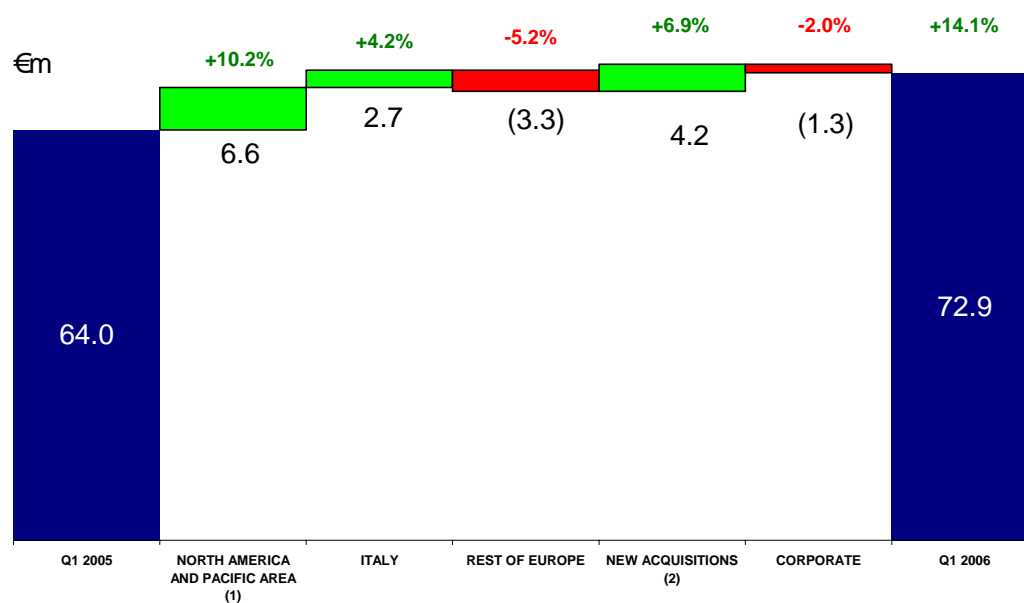
On a constant business basis **Rents, concessions and royalties for the use of brands** rose slightly over Q1 2005 from 14.1% to 14.4% of revenue, due mainly to the increased importance of the airport channel, the expansion of branded products in the offer, and contract renewals. The consolidation of Aldeasa – where rents are 24.9% of revenue - had the effect of raising the overall ratio of these costs to revenue to 15.3%.

EBITDA

The Group achieved operating profit of €72.9m in Q1 2006 – an increase of 14.1% (8.4% at constant exchange rates) over the Q1 2005 figure of €64m (up by 7.2% or 1.9% at constant exchange rates excluding new acquisitions). The EBITDA margin fell from 9.4% to 8.9% due to the larger proportion of retail and duty-free business, the unfavourable calendar and the start-ups in the new T4 terminal at Madrid Barajas, in Kuwait City airport, in Stockholm airport and along the Slovenian motorways.

(€m)	Q1 2006	Q1 2005	Change	
			Total	at constant exchange rate
North America and Pacific Area	43.4	36.8	17.8%	8.0%
% on revenues	10.9%	10.7%		
Italy	30.1	27.4	9.8%	9.8%
% on revenues	12.1%	12.2%		
Rest of Europe	1.1	4.2	-74.4%	-74.3%
% on revenues	1.0%	3.9%		
Aldeasa	4.0	n.a.	n.s.	n.s.
% on revenues	5.9%	n.a.		
Corporate	(5.7)	(4.4)	29.4%	29.4%
Consolidated EBTDA	72.9	64.0	14.1%	8.4%
% on revenues	8.9%	9.4%		

GROWTH OF EBITDA



(1) Up by 4.8% at constant exchange rates.

(2) Aldeasa Group (50%), Steigenberger Gastronomie GmbH (49.9%) and Poitou-Charentes Restauration SA.

Autogrill Group Inc's EBITDA grew by 8% to \$52.2m as against the Q1 2005 figure of \$48.3m. The rise in the EBITDA margin from 10.7% to 10.9% was due to the motorway openings of 2005 becoming fully operational and to a lower percentage of general expenses.

In Italy Q1 2006 recorded EBITDA of €30.1m, up by 9,8% over the Q1 2005 figure of €27.4m. The EBITDA margin was stable at 12.1%.

As well as seasonality total EBITDA generated by the Rest of Europe suffered from the start-up phase of the new businesses: it was €1.1m as against € 4.2m in Q1 2005 and the margin fell from 3.9% to 1%.

Amortisation, Depreciation and Write-downs

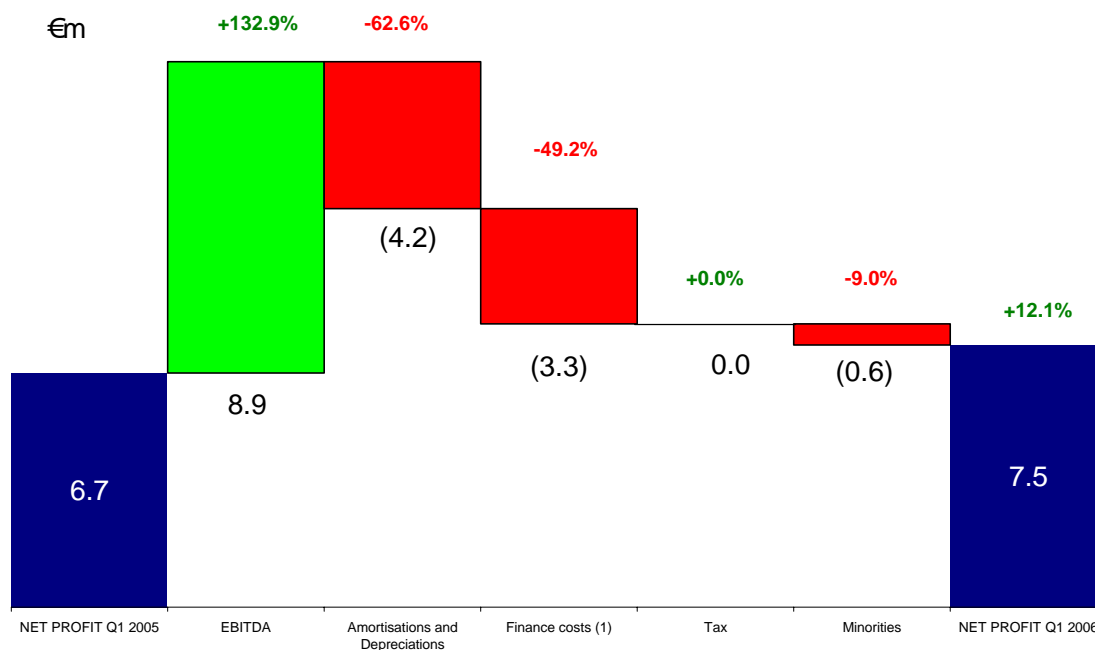
Increased from €36.9m to €41.1m, but as a percentage of revenue the item fell from 5.4% to 5.0%. The consolidated figure was positively affected by the new acquisitions (at 2.6% of revenue).

EBIT

	Q1 2006	Q1 2005	Change	
			Total	at constant exchange rate
(€m)				
North America and Pacific Area	21.7	16.9	28.0%	17.4%
% on revenues	5.4%	4.9%		
Italy	21.3	19.6	8.8%	8.8%
% on revenues	8.6%	8.8%		
Rest of Europe	(7.7)	(4.1)	88.1%	87.9%
% on revenues	-7.4%	-3.8%		
Aldeasa	2.3	n.a.	n.s.	n.s.
% on revenues	3.4%	n.a.		
Corporate	(5.8)	(5.3)	8.6%	8.6%
Consolidated EBIT	31.8	27.1	17.4%	11.2%
% on revenues	3.9%	4.0%		

The Group achieved EBIT of €31.8m, an increase of 17.4% (or 11,2% at constant exchange rates) over the Q1 2005 figure of €27.1m. As a percentage of revenue, EBIT declined slightly from 4% to 3.9%. Aldeasa's retail and duty-free business requires less capital expenditure than food and beverage, and contributed EBIT of €2.3m – 3.4% of revenues.

GROWTH OF GROUP NET PROFIT



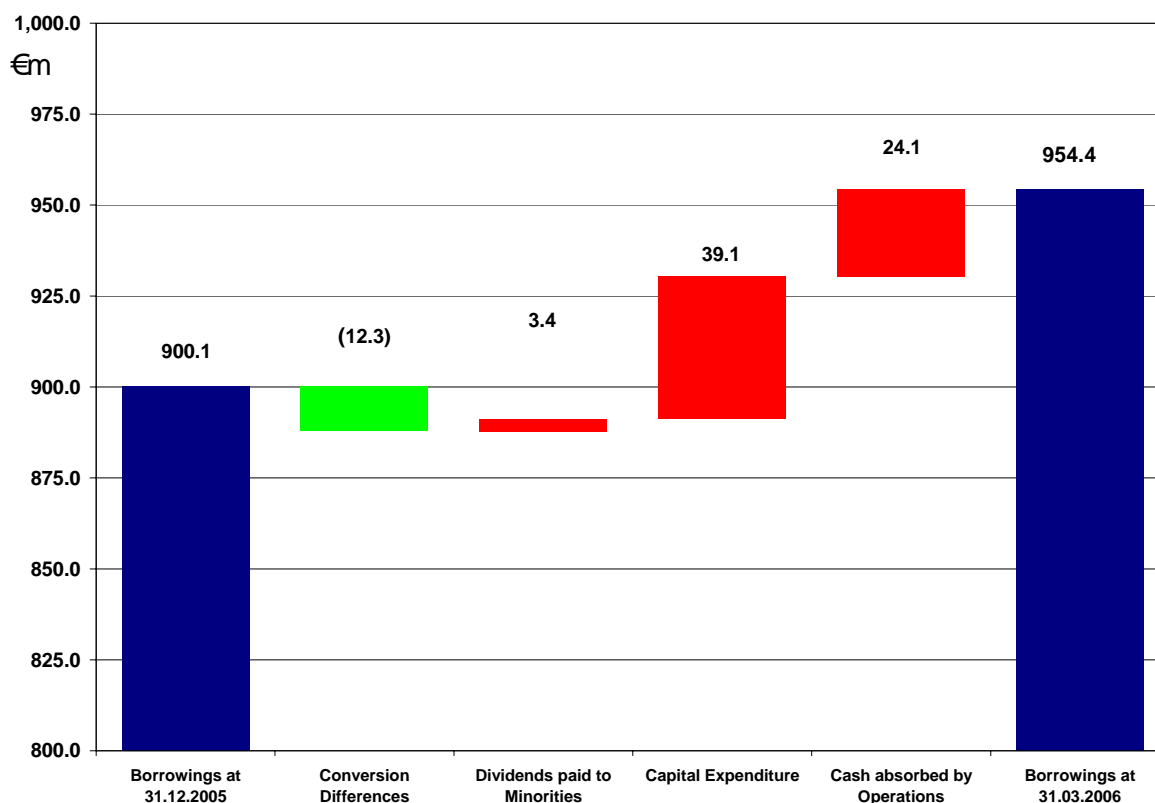
1. Includes the effect of accounting for associates using the equity method (a loss of €200,000).

Increased finance cost was due mainly to the investment in Aldeasa in April 2005, which absorbed most of the growth in operating profit. Net profit attributable to the Group grew by 12.1% (or 4.9% at constant exchange rates) to €7.5m from €6.7m in Q1 2005.

2.2.2 FINANCIAL MANAGEMENT

CASH FLOW AND NET BORROWING

Seasonal cash absorption in Q1 2006 was at similar levels to 2005 and increased net borrowings to €954.4m as compared to €900.1m at 31 December 2005.



Figures in m€

Cash-flow generated / (absorbed) by operations

Net capital expenditure

Net borrowings of the Group at end of quarter

	Q1 2006	Q1 2005	Change
Cash-flow generated / (absorbed) by operations	(24.1)	(23.5)	(0.6)
Net capital expenditure	(39.1)	(36.0)	(3.1)
Net borrowings of the Group at end of quarter	954.4	704.8	249.6

Consolidated Balance Sheet

Capital invested increased largely due to the appreciation of the US dollar over 31 December 2005, as well as the consolidation of business in Sweden and Slovenia.

(€m)	31.03.2006	31.12.2005	Change	
			Total	At constant exchange rate
Intangible assets	1,123.7	1,136.9	(13.2)	0.5
Tangible assets	788.1	795.5	(7.4)	2.4
Financial fixed assets	22.6	22.8	(0.2)	0.1
A) Total fixed assets	1,934.4	1,955.2	(20.8)	3.0
Inventory	131.9	133.0	(1.1)	(0.1)
Accounts receivable	57.7	51.8	5.9	6.0
Other receivables	93.0	99.1	(6.1)	(5.2)
Accounts payable	(407.7)	(481.7)	74.0	70.9
Other payables	(237.0)	(235.1)	(1.9)	(4.5)
B) Working capital	(362.1)	(432.9)	70.8	67.1
C) Capital invested, net of current liabilities	1,572.3	1,522.3	50.0	70.1
D) Other non-financial non-current assets and liabilities	(133.7)	(139.6)	5.9	6.4
E) Net capital invested	1,438.6	1,382.7	55.9	76.5
Shareholders' equity attributable to the Group	455.3	451.8	3.5	11.3
Shareholders' equity attributable to minorities	28.9	30.8	(1.9)	(1.4)
F) Shareholders' equity	484.2	482.6	1.6	9.9
G) Bonds issued	38.9	38.7	0.2	0.2
Medium/long term financial liabilities	950.0	1,002.4	(52.4)	(39.1)
Medium/long term financial assets	(131.6)	(130.5)	(1.1)	(1.1)
H) Medium/long term financial indebtedness	818.4	871.9	(53.5)	(40.2)
Short-term financial liabilities	240.1	149.4	90.7	91.9
Cash and short-term financial assets	(143.0)	(159.9)	16.9	14.7
I) Net short-term financial position	97.1	(10.5)	107.6	106.6
Net financial position (G+H+I)	954.4	900.1	54.3	66.6
L) Total, as in E)	1,438.6	1,382.7	55.9	76.5

The fall in accounts payable was due to seasonality; Q1 is usually the period in which payments of rental in respect of the previous year and advance rental for the current year are concentrated.

Increased net borrowing - from €900,1m at end 2005 to €954.4m, - was marked by growth in short-term debt, partly offset by a fall in long-term debt.

2.2.3 CAPITAL EXPENDITURE

Capital expenditure rose from €32m in Q1 2005 to €42m in Q1 2006.

EXPENDITURE BY BUSINESS SEGMENT

(€m)	Q1 2006						Q1 2005	
	Excl. Aldeasa		Aldeasa		Total			
Motorways	8.4	24.6%	0.0	0.0%	8.4	19.9%	7.7	24.1%
Airports	20.2	59.3%	7.4	94.3%	27.6	65.9%	19.7	61.6%
Rilway Stations	0.3	0.7%	0.0	0.0%	0.3	0.6%	0.2	0.6%
Other	2.9	8.5%	0.1	0.9%	3.0	7.1%	3.9	12.3%
Not attributable	2.3	6.9%	0.4	4.8%	2.7	6.5%	0.5	1.4%
Total	34.1	100.0%	7.9	100.0%	42.0	100.0%	32.0	100.0%

EXPENDITURE BY PURPOSE

(€m)	Q1 2006						Q1 2005	
	Excl. Aldeasa		Aldeasa		Total			
Development/restructuring	26.9	79.0%	7.6	96.1%	34.5	82.2%	29.6	92.4%
Maintenance	5.2	15.2%	0.1	0.9%	5.3	12.5%	2.2	6.9%
Information & Communication Technology	2.0	5.8%	0.2	3.0%	2.2	5.3%	0.2	0.7%
Total	34.1	100.0%	7.9	100.0%	42.0	100.0%	32.0	100.0%

2.2.4 THE MAIN GEOGRAPHICAL AREAS OF BUSINESS

Below are the main performance figures by Business Area, Aldeasa's contribution being shown separately:

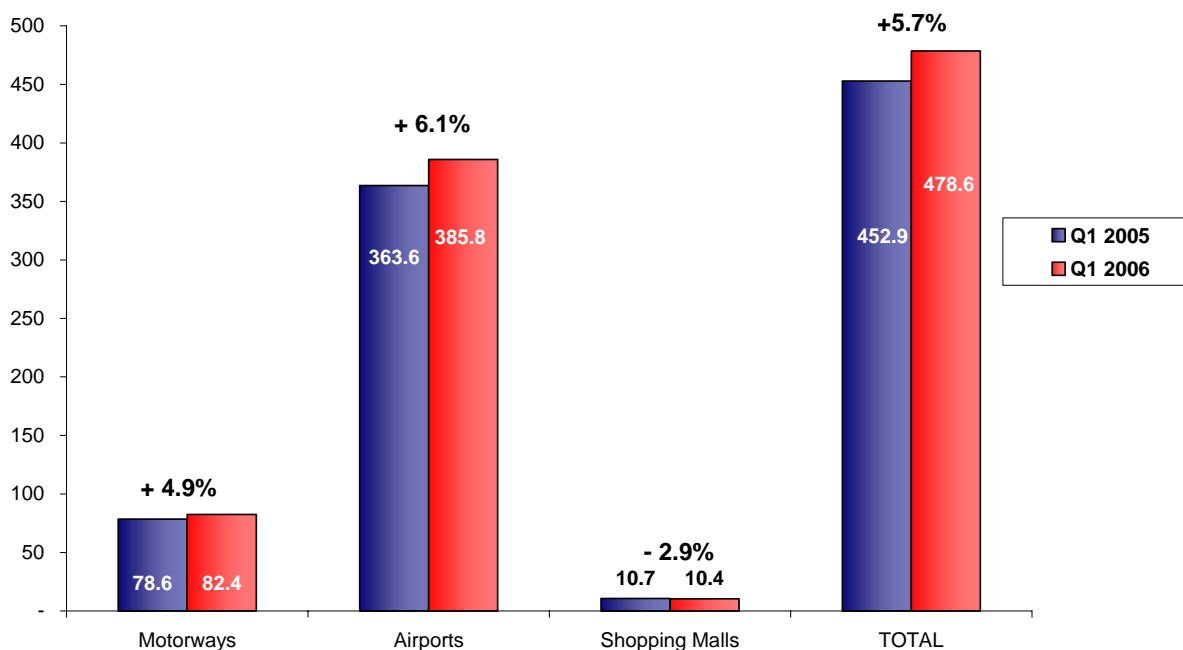
(€m)	Europe				North America and Pacific area			
	Q1 2006	Q1 2005	Change		Q1 2006	Q1 2005	Change	
			total	at constant exchange rate			total	at constant exchange rate
Revenues	355.0	331.6	7.1%	7.1%	398.1	345.4	15.3%	5.7%
Ebitda	31.2	31.6	-1.3%	-1.2%	43.4	36.8	17.8%	8.0%
% on revenues	8.8%	9.5%			10.9%	10.7%		
Depreciation and Provisions	17.6	16.1	9.4%	9.5%	21.7	19.9	9.1%	0.1%
Capex	11.3	10.0	12.7%	12.8%	22.8	22.0	3.8%	-3.1%

(€m)	Corporate			Aldeasa		Group Total		
	Q1 2006	Q1 2005	Change	Q1 2006	Q1 2006	Q1 2005	Change	
							total	at constant exchange rate
Revenues				69.7	822.8	677.0	21.5%	16.2%
Ebitda	(5.7)	(4.4)	29.4%	4.0	72.9	64.0	14.1%	8.4%
% on revenues				5.9%	8.9%	9.4%		
Depreciation and Provisions	0.1	0.9	-91.0%	1.7	41.1	36.9	11.5%	6.2%
Capex	-	-		7.9	42.0	32.0	31.1%	25.1%

North America, Pacific Area¹

To eliminate distortion due to the euro exchange rate, the following figures are in US\$.

Growth of Revenue by Business Segment



⁽¹⁾ Includes food and beverage sales at Schiphol Airport.

Revenue

Performance by business segment was as follows:

- *Airports*, sales of \$385.8, an increase of 6.1% over the Q1 2005 figure of \$363.6m. On comparable figures growth was 4.5%, generated by increased revenue per embarked passenger, by the extension of opening hours and increased branded products.
- *Motorways*, revenue of \$82.4m, an increase of 4.9% over the Q1 2005 figure of \$78.6m thanks inter alia to the positive effect of the opening of new motorway plazas on the Illinois and Indiana turnpikes in Q1 and Q3 2005.
- *Shopping malls*, revenue of \$10.4m, down by 2.9% from Q1 2005.

EBITDA

In North America, EBITDA increased by 8% to \$52.2m over the Q1 2005 figure of \$48.3m and the margin improved from 10.7% to 10.9% of revenue.

This improvement was achieved largely through containment of general costs..

Capital Expenditure

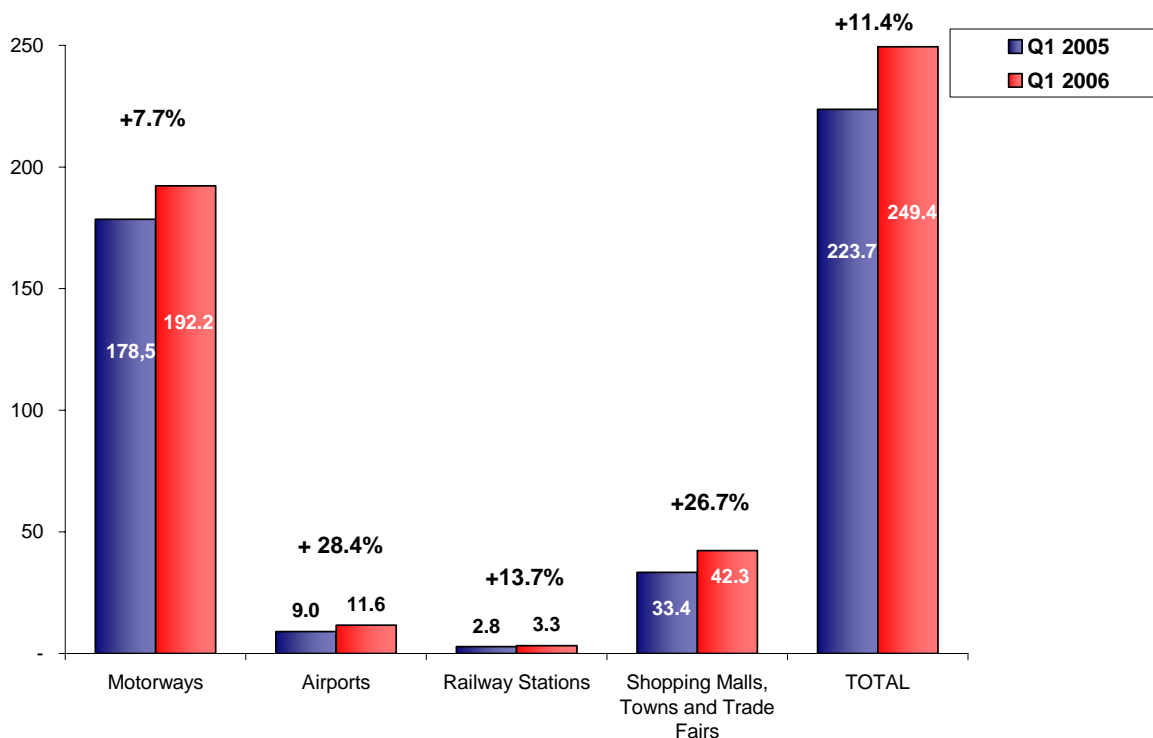
Capex was \$27.6m, slightly down from Q1 2005 (\$28.5m), and at 5.8% of revenue also in decline from Q1 2005 (6.3%).

Resources were mainly directed to the airport business channel.

ITALY

Figures in € million.

Growth of Revenue by Business Segment



Revenue

Revenue increased by 11.4% and all business segments achieved fast growth (the towns channel was affected by a smaller number of outlets than in Q1 2005.)

The performance of the various business segments was as follows:

- *Motorways*, revenue grew by 7.7% to €192.2m as against the Q1 2005 figure of €178. This performance was possible thanks to the recovery of motorway traffic (up by 2% on internal estimates) and the success

of certain promotions, both in food and beverage (regional recipes) and in retail (*eurochocolate*). A further growth factor is expansion of business, mainly along the toll-free motorways.

- *Airports*, revenue grew by 28.4% to €11.6m as against an increase in passenger traffic of 6% in the airports we serve (source: Assaeroporti). The result was largely generated by comparable locations (up by 3.7%) and by the newly opened locations at Bergamo-Orio al Serio and Brescia Montichiari.
- *Railway stations*, sales were €3.3m, up by 13.7% over Q1 2005 (€2.9m).
- *Shopping centres, town centres and trade fairs*, revenue was €42.3m, up by 26.7% over the Q1 2005 figure of €33.4m. The main growth factors were: the opening of new locations, including those in the out-of-town site of Milan's Trade Fair, and sales made during the Turin Winter Olympics (€7.1m). Revenue in the town centre channel was down 8.6% from Q1 2005, due mainly to the closure of the Duomo Center and the La Galleria and Dante outlets, in Milan.

EBITDA

In Italy EBITDA reached €30.1m, up by 9.8% over the Q1 2005 figure of €27.4m though the EBITDA margin fell slightly from 12.2% to 12.1%.

An improvement in productivity and a reduction of the weight of rents and royalties was offset by higher cost of sales, mainly due to a sales mix containing proportionately more low-margin items (games and lotteries).

Capital Expenditure

In Q1 2006 capex amounted to €7.5m (3% on revenue) compared to the Q1 2005 figure of €7.8m (3.5% on revenue). Capital expenditure was largely related to expansion in shopping centres, the creation of new catering units in the out-of-town site of Milan's Trade Fair and the food and beverage stands set up for the Turin Winter Olympics, as well as the continuation of the investment begun in 2005 along the motorways.

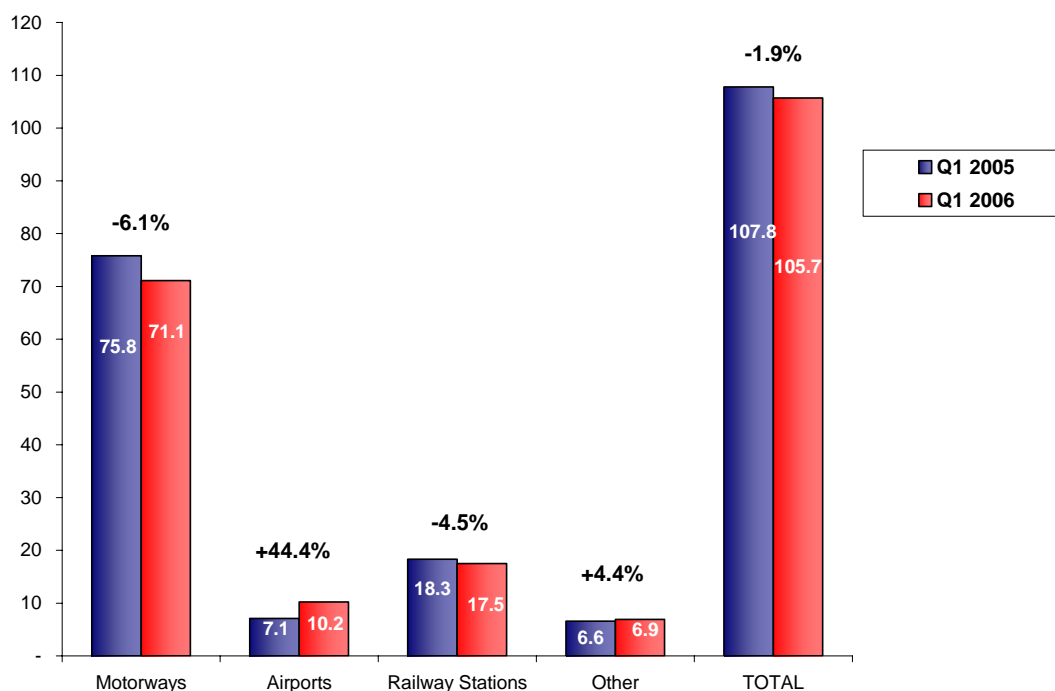
REST OF EUROPE

Figures in € million.

(€m)	France			Spain			Switzerland			Change at constant exchange rate
	Q1 2006	Q1 2005	Change	Q1 2006	Q1 2005	Change	Q1 2006	Q1 2005	Total change	
Revenues	41.9	44.2	-5.2%	17.3	17.8	-2.7%	23.9	24.1	-0.9%	-0.2%
Ebitda	(0.3)	1.0	-128.2%	(0.4)	0.6	-165.2%	2.2	2.0	10.3%	11.0%
% on revenues	-0.7%	2.2%		-2.1%	3.1%		9.1%	8.2%		
Depreciation and Provisions	4.1	4.0	3.7%	1.5	1.2	22.8%	1.5	1.4	4.1%	4.8%
Capex	1.7	0.9	92.8%	1.0	0.4	132.5%	0.1	0.3	-82.6%	-82.2%

(€m)	Other Countries			Elisions and unallocated items			Rest of Europe			Change at constant exchange rate
	Q1 2006	Q1 2005	Change	Q1 2006	Q1 2005	Change	Q1 2006	Q1 2005	Total change	
Revenues	22.6	21.7	4.4%	-	-		105.7	107.8	-1.9%	-1.8%
Ebitda	(0.4)	0.6	-173.8%	-	-		1.1	4.2	-74.4%	-74.3%
% on revenues	-2.1%	2.9%					1.0%	3.9%		
Depreciation and Provisions	1.7	1.7	4.1%	-	-		8.8	8.3	6.7%	6.8%
Capex	1.0	0.6	68.9%	-	-		3.8	2.2	70.0%	70.5%

Revenue by Business Segment



Revenue

Revenue for this segment includes revenue attributable to the Group, i.e., 49.99% of Steigenberger Gastronomie's sales in Frankfurt airport.

The performance of the various business segments was as follows:

- *Motorways* – sales down from Q1 2005, owing mainly to the seasonal fall in traffic, also due to rising fuel prices and greater competition from low-cost flights and high-speed trains.
- *Airports* – sales grew by 44.4% due to the share of Steigenberger Gastronomie's revenue (€1.9m) and good sales performance in Marseille and Zurich airports (up by 6.4% and 4.8% over Q1 2005 respectively), as well as the start-up in Palma de Mallorca in Spain.
- *Railway stations* – revenue declined by 4.5% to €17.5m, mainly due to extensive restructuring work at the most important stations in Paris (Paris Est and Paris St. Lazare) which caused a fall in segment revenue of 7.4% in France. The Spanish stations performed well (revenue up by 12%), thanks inter alia to the opening of a location in the station at Toledo.
- *Other business segments* – revenue grew by 4.4% to €6.9m, mainly thanks to Swiss shopping centres and town centre locations (up by 5.9% over Q1 2005).

EBITDA

EBITDA fell by €3.1m, mainly reflecting the seasonal contraction of business which cannot be entirely offset by productivity gains. This figure was also affected by the start-up phase of the new locations.

Capital Expenditure

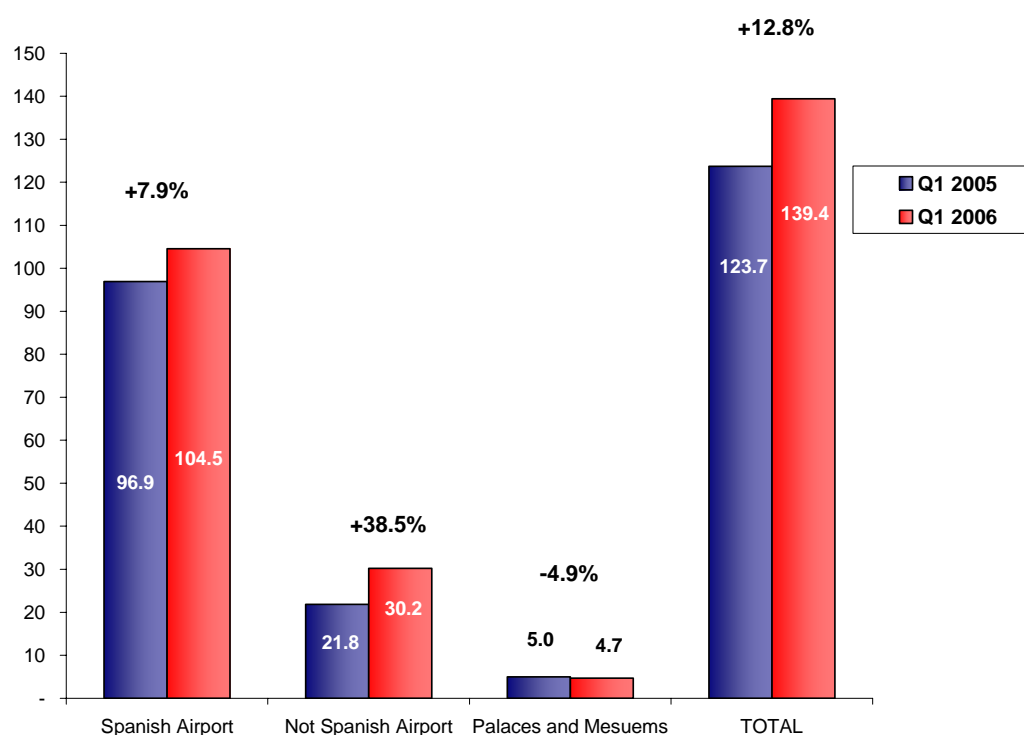
In Q1 2006 capex grew from the Q1 2005 figure of €2.2m to €3.8m, mainly due to expansion in France, Spain and Sweden.

ALDEASA¹

Figures in € million.

(€m)	Q1 2006	Q1 2005	Change
Airports	134.7	118.7	13.5%
Customer sales	131.3	116.4	12.8%
Other revenues	3.4	2.3	48.8%
Palaces and Museums	4.7	5.0	-4.9%
TOTAL	139.4	123.7	12.8%

Revenue by Business Segment



Revenue

In Q1 2006 Aldeasa achieved revenue of €139.4m, up by 12.8% over the Q1 2005 figure of €123.7m. This result was due both to the Spanish airport locations, with growth of 7.9% following the opening of the new T4 terminal in Madrid Barajas (as against a 3.4% increase in passenger traffic according to AENA), despite the unfavourable calendar, and the international airports (up by 38.5%), which benefited from the opening of the new outlets in Kuwait City airport.

EBITDA

In Q1 2006 EBITDA was €8.0m, 5.9% of revenue and in line with the comparable Q1 2005 figure.

Capital Expenditure

Capital expenditure amounted to €15.8m (11.3% of revenue), mainly relating to the new terminal in Madrid Barajas airport and the Kuwait City airport location.

¹ Figures refer to the Aldeasa Group, consolidated in Autogrill as to 50%.

2.2.5 SUBSEQUENT EVENTS AND OUTLOOK

In the weeks following the end of the quarter Group revenue has continued the upward trend seen in the early part of the year. At the end of the 17th week (the end of April), Autogrill's consolidated sales showed growth of 22.6% (or 17.5% at constant exchange rates) over the same period 2005. In Easter week, European sales grew organically by 10.9%.

The €300m 7-year revolving line of credit provided to Autogrill by Mediobanca – Banca di Credito Finanziario S.p.A., originally signed on 24 June 2005, has been syndicated to a group of 8 house banking groups including 5 Italian banks and 3 foreign ones.

3 CONSOLIDATED ACCOUNTS – BALANCE SHEET AND INCOME STATEMENT

3.1 CONSOLIDATED BALANCE SHEET

Notes	(€k)	31.03.2006	31.12.2005	Change
I	Cash and other liquid assets	116,110	144,162	(28,052)
II	Other financial assets	26,979	15,658	11,321
	Tax credits	14,228	13,486	742
III	Other credits	78,818	85,573	(6,755)
	Accounts receivable	57,713	51,846	5,867
IV	Inventory	131,886	132,960	(1,074)
	Total current assets	425,734	443,685	(17,951)
V	Property, plant and equipment (tangible assets)	788,088	795,498	(7,410)
VI	Goodwill	1,068,978	1,080,872	(11,894)
VII	Other intangible assets	54,693	56,015	(1,322)
	Equity Investments	5,451	4,293	1,158
VIII	Other financial assets	17,154	18,563	(1,409)
IX	Loans	131,553	130,537	1,016
X	Deferred tax assets	124,034	121,828	2,206
XI	Other credits	10,947	11,640	(693)
	Total non-current assets	2,200,898	2,219,246	(18,348)
	TOTAL ASSETS	2,626,632	2,662,931	(36,299)
	Accounts payable	407,689	481,705	(74,016)
	Tax liabilities	45,694	39,954	5,740
XII	Other liabilities	191,316	195,142	(3,826)
XIII	Due to banks	213,432	121,982	91,450
XIV	Other financial liabilities	26,709	27,331	(622)
	Total current liabilities	884,840	866,114	18,726
XV	Other liabilities	4,970	10,835	(5,865)
XVI	Borrowings (net of current portion)	645,548	690,012	(44,464)
XVII	Bonds	343,377	351,089	(7,712)
	Deferred tax liabilities	69,894	65,863	4,031
XVIII	TFR and other employee benefits	106,429	108,288	(1,859)
XIX	Provisions	87,416	88,089	(673)
	Total non-current liabilities	1,257,634	1,314,176	(56,542)
	TOTAL LIABILITIES	2,142,474	2,180,290	(37,816)
	SHAREHOLDERS' EQUITY	484,158	482,641	1,517
XX	- attributable to the Group	455,255	451,760	3,495
	- attributable to minorities	28,903	30,881	(1,978)
	TOTALE LIABILITIES AND SHAREHOLDERS' EQUITY	2,626,632	2,662,931	(36,299)

3.2 CONSOLIDATED INCOME STATEMENT

Notes	(€k)	Q1 2006	Q1 2005	Change
XXI	Revenues	837,747	691,387	146,360
XXII	Other Operating Income	18,891	14,856	4,035
	Total Income	856,638	706,243	150,395
XXIII	Cost of raw material, items for use and merchandise	302,164	239,259	62,905
XXIV	Payroll and benefits	253,683	219,507	34,176
XXV	Rents, concessions and royalties	125,761	95,230	30,531
XXVI	Other operating costs	102,147	88,267	13,880
XXVII	Depreciation	41,080	36,858	4,222
	Operating Profit	31,803	27,122	4,681
XXVIII	Gains (losses) on financial transactions	2,623	3,154	(531)
XXIX	Finance cost	(14,964)	(12,334)	(2,630)
	Value adjustments on financial assets	91	283	(192)
	Profit before tax	19,553	18,225	1,328
XXX	Tax	(10,151)	(10,247)	96
	NET PROFIT	9,402	7,978	1,424
	- attributable to the Group	7,498	6,686	812
	- attributable to minorities	1,904	1,292	612
	Earnings per share (in euro cents)			
	not diluted	2.9	2.6	
	diluted	2.9	2.6	

3.3 CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

	Share Capital	Legal Reserve	Reserve from valuation of derivative hedging instruments	Conversion reserve	Other reserves and undivided profits	Profit for the period	Net equity of the Group	Net Equity of third parties
31.12.2005	132,288	6,245	(4,035)	2,129	185,041	130,092	451,760	30,881
Allocation of profit for 2005								
- To Reserves	-	-	-	-	69,036	(130,092)	(61,056)	-
- Dividends ⁽²⁾	-	-	-	-	61,056	-	61,056	-
Conversion difference and other movements	-	-	-	(7,807)	-	-	(7,807)	(3,882)
Change in the fair value of the derivative hedging instruments	-	-	6,016	-	(2,242)	-	3,774	-
Change in the fair value of the option to convert Autogrill Finance convertible bonds in Autogrill shares 1999-2014	-	-	-	-	30	-	30	-
Profit for the period	-	-	-	-	-	7,498	7,498	1,904
31.03.2006	132,288	6,245	1,981	(5,678)	312,921	7,498	455,255	28,903
	Share Capital	Legal Reserve	Reserve from valuation of derivative hedging instruments	Conversion reserve	Other reserves and undivided profits	Profit for the period	Net equity of the Group	Net Equity of third parties
31.12.2004	132,288	2,387	-	(21,504)	144,087	93,244	350,502	22,302
Effect of the application of IAS 32 and 39 as of 1.1.2005	-	-	(15,130)	-	6,481	-	(8,649)	-
Allocation of profit for 2004								
- To Reserves	-	-	-	-	42,364	(93,244)	(50,880)	-
- Dividends ⁽²⁾	-	-	-	-	50,880	-	50,880	-
Conversion difference and other movements	-	-	-	2,989	-	-	2,989	1,092
Change in the fair value of the derivative hedging instruments	-	-	7,310	-	(2,412)	-	4,898	-
Change in the fair value of the option to convert Autogrill Finance convertible bonds in Autogrill shares 1999-2014	-	-	-	-	28	-	28	-
Profit for the period	-	-	-	-	-	6,686	6,686	1,292
31.03.2005	132,288	2,387	(7,820)	(18,515)	241,428	6,686	356,454	24,686

1. Dividend for 2004 was paid out on 25 May 2005.
2. Dividend for 2005 will be paid out on 25 May 2006.

3.4 CONSOLIDATED CASH-FLOW STATEMENT

(€m)	Q1 2006	Q1 2005
Cash and other liquid assets – opening balance	103.1	253.2
Profit before tax and net financial cost for the year (including minorities)	31.9	27.4
Depreciation and losses on fixed assets net of revaluation	41.1	36.9
Value adjustments and (gains)/losses on disposal of financial assets	(0.1)	(0.3)
(Gains)/losses on disposal of fixed assets	(1.3)	-
Change in working capital ⁽¹⁾	(67.1)	(64.7)
Net change in non-current non-financial assets and liabilities	(6.3)	(7.4)
Cash flow from operations	(1.8)	(8.1)
Tax paid	(7.8)	(3.6)
Interest paid	(14.5)	(11.8)
Net cash flow from operations	(24.1)	(23.5)
Expenditure on tangible and intangible assets	(42.0)	(32.0)
Proceeds from disposal of fixed assets	2.8	0.9
Net change in non-current financial assets	0.1	(4.9)
Cash flow from investment activity	(39.1)	(36.0)
Medium/long-term financings procured	76.6	-
Repayments of instalments of medium/long-term financings	-	(16.8)
Repayments of short-term loans net of new borrowing	(27.7)	-
Other flows ⁽²⁾	(4.4)	0.5
Cash-flow from borrowings	44.5	(16.3)
Cash flow for the period	(18.6)	(75.8)
Exchange differences on liquid assets	(1.8)	8.1
Cash and other liquid assets – closing balance	82.6	185.5

⁽¹⁾ Includes the effect of conversion differences on income.

⁽²⁾ Also includes the payment of dividend to minorities.

Reconciliation of cash and other net liquid assets

(€m)	Q1 2006	Q1 2005
Cash and other liquid assets – opening balance:	103.1	253.2
Cash and other equivalent liquid assets	144.2	256.5
Current account debit balances	(41.1)	(3.3)
Cash and other liquid assets – closing balance:	82.6	185.5
Cash and other equivalent liquid assets	116.1	205.8
Current account debit balances	(33.5)	(20.3)

4. EXPLANATORY NOTES

4.1 ACCOUNTING POLICIES AND CONSOLIDATION PRINCIPLES

General Policies

This Quarterly Report and the Consolidated Accounts were prepared in accordance with Consob's regulation #11971 dated 14 May 1999 as amended by its resolution # 14,990 dated 14 April 2005.

Following the coming into force of EU Regulation CE #1606 dated 19 July 2002, starting on 1 January 2005 the Autogrill Group adopted IFRS as issued by the IASB and endorsed by the EU.

This Quarterly Report as at 31 March 2006 was prepared in accordance with IAS 34 and the accounting policies and consolidation principles are the same as those used for the 2005 Consolidated Accounts which may be consulted for a full illustration of each policy.

Preparing the Accounts and the Notes under IFRS requires the Group's Management to make estimates and assumptions that affect the value of assets and liabilities and the information provided in respect of contingent assets and liabilities at the interim balance sheet date. Actual outturns may differ from these estimates. Estimates were used to determine the value of assets subject to impairment tests, allowances for credit risk and inventory obsolescence, depreciation, impairment losses on assets, employee benefits, tax, restructuring reserves, and other provisions and reserves. Estimates and assumptions are periodically reviewed and the effect of any change is immediately taken to the Income Statement.

The Quarterly Report was prepared prospectively using the euro as the unit of account. The figures given in the tables are in thousands of €.

STRUCTURE, FORMAT AND CONTENT OF THE ACCOUNTS

The individual Accounts of each company within the scope of consolidation are prepared in the currency of the main area of their business (functional currency).

For the purposes of the Consolidated Accounts the assets and liabilities of foreign subsidiaries whose functional currency is not the euro are converted at the exchange rates ruling at the balance sheet date.

Income and expense are converted at average exchange rates for the period. Exchange differences are recognised in the equity item Conversion Reserve. This reserve is recognised in profit or loss when the subsidiary to which it refers is sold. Goodwill and remeasurement at fair value on acquisition of a foreign company are recognised in the appropriate currency and converted at the year-end exchange rate.

EXCHANGE RATES USED TO CONVERT NON-EURO SUBSIDIARIES' ACCOUNTS INTO EUROS

	Q1 2006		Q1 2005		2005	
	end of period	average	end of period	average	end of period	average
US Dollar	1.2104	1.2023	1.2964	1.3113	1.1797	1.2441
Candian Dollar	1.4084	1.3894	1.5737	1.6083	1.3725	1.5093
Swiss Franc	1.5801	1.5591	1.5486	1.5488	1.5551	1.5483

SCOPE OF CONSOLIDATION

The scope of consolidation includes companies subject to control as per IAS 27 (i.e., the Parent Company has the power to determine the financial and operational policies of the company in such a way as to obtain benefits from its business), associates (i.e., those entities subject to significant

influence as per IAS 28) and joint-ventures (i.e., entities subject to joint control as per IAS 31). Companies included in consolidation are listed in the annex on page 56.

Specifically, the Consolidated Accounts include the accounting situation as at 31 March 2006 of Autogrill S.p.A. and all those companies in which the Parent Company has, directly or indirectly, the majority of the voting rights, or exerts dominant influence. The latter group includes Soborest S.A., Sorebo S.A., Soberest S.A., Volcares S.A. and S.R.S.R.A. S.A., which are controlled on the basis of a 50% stake and an agreement that gives the Group the power to manage the business.

There are two joint ventures: Retail Airport Finance SL (which controls the Aldeasa Group) and Steigenberger Gastronomie GmbH: both are consolidated using the proportionate method.

HMSHost Corp. and its subsidiaries close their financial year on the Friday nearest to 31 December; the year is divided into 13 periods each of 4 weeks, grouped into quarters of 12 weeks, except for the last which is of 16 weeks. Their respective accounting situations used for consolidation therefore refer to the period 31 December 2005 – 24 March 2006 and the comparable period is 1 January – 25 March 2005.

Autogrill Nederland BV and its subsidiaries close their financial year on the Friday nearest to 31 December; the year is divided into 13 periods each of 4 weeks (the week closes on a Wednesday) except that adjustments are made to ensure that the year-end falls on 31 December. Their respective accounting situations used for consolidation therefore refer to the period 1 January – 22 March 2006 and the comparable period is 1 January – 23 March 2005.

Compared to that of 31 March 2005 the scope of consolidation changed as follows:

- Jointly with Altadis, control of Aldeasa S.A. was acquired, and the joint venture was proportionately consolidated as from 1 May 2005, the Group's interest being 49.78%. The 2005 annual report may be consulted for a detailed account of this transaction.
- A 49.99% stake in Steigenberger Gastronomie GmbH was acquired; the company was, proportionately consolidated as from 1 April 2005.
- 100% of the capital of Poitou-Charentes Restauration S.A., which manages food and beverage outlets at the service area bearing its name on the Paris-Bordeaux motorway, was acquired and consolidated as from 1 July 2006.
- The consolidation of Autogrill D.o.o. and HMSHost Sweden AB, which manage respectively outlets along Slovenia's motorway network and concepts in Stockholm airport. These companies were set up respectively in May 2004 and June 2005, but, as disclosed under Note VIII "Equity Investments" in the 2005 Accounts, they were not consolidated in that this would not be meaningful.

As compared to 31 December 2005 the changes made were exclusively due to the consolidation of Autogrill D.o.o. and HMSHost Sweden AB.

In the commentary there is some information, where significant, on the contribution of the newly consolidated companies to the Income Statement and Balance Sheet.

4.2 NOTES TO THE BALANCE SHEET

Current Assets

I. Cash and other liquid assets

(€k)	31.03.2006	31.12.2005	Change
Deposits with banks and post-offices	65,748	100,584	(34,836)
Cash and cash items	50,362	43,578	6,784
Total	116,110	144,162	(28,052)

Cash and other liquid assets included both the normal cash amounts held at each outlet and amounts being credited (€50,362k) and deposits with banks and post offices (€65,748k) mainly consisting of time deposits bearing interest at rates very close to LIBOR or EURIBOR. Deposits with banks and post-offices were reduced to contain bank borrowings.

II. Other financial assets

(€k)	31.03.2006	31.12.2005	Change
Due to associates	12,099	8,902	3,197
Fair value of exchange rate hedging instruments	11,346	5,268	6,078
Fair value of interest rate hedging instruments	3,210	961	2,249
Other financial claims	324	527	(203)
Total	26,979	15,658	11,321

“Due to associates” refers mainly to North American associates, to which the increase was due.

“Fair value of exchange rate hedging instruments” includes the market valuation of the notional amounts of exchange rate hedges outstanding at the period-end.

The increase in value recorded in the quarter relates to changes in the underlying exposure, which is denominated in US\$.

III. Other assets

(€k)	31.03.2006	31.12.2005	Change
Suppliers	17,961	31,517	(13,556)
Lease and concession rents	16,410	14,453	1,957
Other accrued income and deferred liabilities	11,329	8,559	2,770
Credit card receipts	11,133	7,845	3,288
Sub-licensees	4,780	4,157	623
Tax authorities and public administration	3,758	778	2,980
Advances to landlords for capital expenditure	2,504	3,257	(753)
Staff	2,451	3,086	(635)
Other assets	8,492	11,921	(3,429)
Total	78,818	85,573	(6,755)

The change in accounts receivable from suppliers was due to receipt of bonus payments, usually concentrated in the early months of the year.

IV. Inventory

(€k)	31.03.2006	31.12.2005	Change
Food and beverage and retail	128,480	129,270	(790)
Merchandise and various articles	3,406	3,690	(284)
Total	131,886	132,960	(1,074)

Inventory is shown net of the provision for losses on inventory amounting to €3,994k (€3,519k at 31 December 2005), which was set aside to account for the obsolescence valuation of slow-rotating stocks.

Non-current Assets

V. Property, Plant and Equipment

(€k)	31.03.2006			31.12.2005		
	Historic Cost	Accumulated Depreciation	Net carrying value	Historic Cost	Accumulated Depreciation	Net carrying value
Land and commercial and industrial buildings	164,588	(54,263)	110,325	163,809	(53,419)	110,390
Leasehold improvements	842,659	(616,003)	226,656	881,331	(617,295)	264,036
Plant and machinery	181,823	(127,367)	54,456	180,734	(125,410)	55,324
Industrial and commercial equipment	577,795	(441,450)	136,345	569,961	(436,565)	133,396
Assets to be transferred free of charge	429,628	(279,362)	150,266	407,966	(274,154)	133,812
Other	52,272	(41,897)	10,375	53,884	(42,352)	11,532
Construction in progress and down-payments	99,665	-	99,665	87,008	-	87,008
Totale	2,348,430	(1,560,342)	788,088	2,344,693	(1,549,195)	795,498

An analysis of expenditure undertaken in the period is given in Section 2.2.3 of this Report. Changes to the items are detailed on page 40.

Charges over land and buildings are worth €2,354k securing mortgage loans with principal of €1,344k.

“Other” includes leasehold improvements which refer to costs borne to set up or adapt leased premises, leased businesses or concessions. This item comprises costs sustained to realise points of sale within US airports, along US motorways and in US shopping malls, as well as numerous European outlets.

“Construction In-progress” refer to works under way in the US worth €79,588k (€66,326k at end-2005) and projects in Europe worth €20,077k (€20,683k at end-2005), mainly in the motorway and airport channels.

The Parent Company uses other parties’ assets worth €1,488k and has leased businesses with assets of €14,581k.

The items included in the following table include, according to the method used to account for them, the contractual value of property held under a finance lease.

(€k)	31.03.2006			31.12.2005		
	Historic Cost	Accumulated Depreciation	Net carrying value	Historic Cost	Accumulated Depreciation	Net carrying value
Land and industrial buildings	994	(321)	673	994	(298)	696
Plant and machinery	688	(77)	611	688	(42)	646
Assets to be transferred free of charge	15,123	(7,493)	7,630	18,832	(8,945)	9,887
Total	16,805	(7,891)	8,914	20,514	(9,285)	11,229

The financial debt incurred under these transactions was €9,462k and is recognised under “*Other current financial liabilities*” as to €1,218k (€2,518k in 2005) and “*Other non-current financial liabilities*” as to €8,244k (€8,610k in 2005). Future rents to be paid were €2,650k.

VI. Goodwill

Item changes refer to conversion differences and recognition of goodwill of €1,442k arising out of the acquisition of an Italian caterer in the period.

	31.03.2006	31.12.2005	Change
United States and Canada	457,107	469,004	(11,897)
Italy	76,427	74,985	1,442
Rest of Europe:			
- Switzerland	93,999	95,438	(1,439)
- Spain	343,501	343,501	-
- France	60,816	60,816	-
- Netherlands	22,161	22,161	-
- Belgium	12,684	12,684	-
- Germany	2,283	2,283	-
Total	1,068,978	1,080,872	(11,894)

VII. Other Intangible Assets

(€k)	31.03.2006	31.12.2005	Change
Concessions, licences, brands and similar assets	24,755	25,531	(776)
Construction in progress and down-payments	6,061	6,585	(524)
Other	23,877	23,899	(22)
Total	54,693	56,015	(1,322)

(€)	31 December 2005			Changes in gross value						Amortisations/Write-downs					31 March 2006		
	Gross Value	Amort.	Net Value	Changes in scope	Exchange Difference	Additions	Decreases	Other movements	Total	Changes in scope	Exchange Difference	Additions	Decreases	Total	Gross Value	Amort.	Net Value
Intangible fixed assets																	
Intellectual property rights	204	(204)	-	-	-	-	-	-	-	-	-	-	-	-	204	(204)	-
Concessions, licences, trademarks, etc.	61,095	(35,564)	25,531	-	(707)	436	(59)	473	143	-	310	(1,284)	55	(919)	61,238	(36,483)	24,755
Goodwill			1,080,872	-	(19,574)	1,442	-	-	(18,132)	-	6,238	-	-	6,238			1,068,978
Fixed assets under construction	6,585	-	6,585	-	-	389	-	(913)	(524)	-	-	-	-	-	6,061	-	6,061
Other	46,561	(22,662)	23,899	571	(2)	22	-	(137)	454	-	-	(476)	-	(476)	47,015	(23,138)	23,877
Total	1,664,261	(527,374)	1,136,887	571	(20,283)	2,289	(59)	(577)	(18,059)	-	6,548	(1,760)	55	4,843	1,646,202	(522,531)	1,123,671

(€)	31 December 2005			Changes in gross value						Depreciation/Write-downs					31 March 2006		
	Gross Value	Amort.	Net Value	Changes in scope	Exchange Difference	Additions	Decreases	Other movements	Total	Changes in scope	Exchange Difference	Additions	Decreases	Total	Gross Value	Amort.	Net Value
Tangible fixed assets																	
Civil and industrial land and buildings	163,809	(53,419)	110,390	-	(607)	1,382	(25)	29	779	-	319	(1,188)	25	(844)	164,588	(54,263)	110,325
Leasehold improvements	881,331	(617,295)	264,036	488	(16,947)	1,335	(5,477)	(18,071)	(38,672)	-	11,806	(15,916)	5,402	1,292	842,659	(616,003)	226,656
Plant and machinery	180,734	(125,410)	55,324	181	(1,115)	1,907	(624)	740	1,089	-	737	(3,192)	498	(1,957)	181,823	(127,367)	54,456
Industrial and commercial equipments	569,961	(436,565)	133,396	422	(7,581)	7,879	(2,854)	9,968	7,834	-	5,704	(12,490)	1,901	(4,885)	577,795	(441,450)	136,345
Assets returnable free of charge	407,966	(274,154)	133,812	-	(113)	664	(380)	21,491	21,662	-	33	(5,620)	379	(5,208)	429,628	(279,362)	150,266
Other assets	53,884	(42,352)	11,532	34	(212)	671	(1,243)	(862)	(1,612)	-	164	(914)	1,205	455	52,272	(41,897)	10,375
Fixed assets under construction	87,008	-	87,008	-	(1,618)	27,315	(322)	(12,718)	12,657	-	-	-	-	-	99,665	-	99,665
Total	2,344,693	(1,549,195)	795,498	1,125	(28,193)	41,153	(10,925)	577	3,737	-	18,763	(39,320)	9,410	(11,147)	2,348,430	(1,560,342)	788,088

VIII. Other Financial Assets

(€k)	31.03.2006	31.12.2005	Change
Interest-bearing balances with petroleum companies	6,162	5,659	503
Guarantee deposits	2,940	2,869	71
Receivables with associates	365	357	8
Discountable securities	291	642	(351)
Other financial credits with other counterparties	7,396	9,036	(1,640)
Total	17,154	18,563	(1,409)

IX. Loans

The amount of €131,553 refers wholly to the Joint Venture partner's share of the arm's length loan granted by Autogrill S.p.A. to Retail Airport Finance SL ("RAF"), the Group's 50%-owned acquisition vehicle for the Aldeasa Group. This loan's original amount was €350,000k and it matures in June 2006. It is considered non-current since Autogrill has undertaken to refinance with a medium-term loan, to match forecast cash flow under the joint-venture's business plan.

However, given the progress of the merger process with Aldeasa, RAF has entered into negotiations to refinance the Autogrill S.p.A. loan by means of medium-term bank loans.

X. Deferred Tax Assets

Deferred tax assets amount to €124,034k, up by €2,206k over 31 December 2005 and are disclosed net of offsetting deferred tax liabilities.

They mainly refer:

- as to €58,828k (€55,542k at 31 December 2005): to Autogrill Group, Inc, generated mostly due to the different depreciation period of leasehold improvements and taxed provisions in respect of concession rents.
- as to €23,416k (€27,369k at 31 December 2005): to the Parent Company, mainly due to deferred deduction of write-downs of equity investments made in 2002-2003.
- as to €21,996k: to the tax asset recognised following the adjustments to the acquisition accounts of the Aldeasa Group.

XI. Other Assets

The amount of €10,947k (€11,640k in 2005) refers to receivables with suppliers for bonus payments to be received (€2,638k) and concession rents paid in advance (€8,309k).

Current Liabilities

XII. Other Liabilities

(€k)	31.03.2006	31.12.2005	Change
Due to staff	107,099	110,418	(3,319)
Suppliers for capital expenditure	28,133	27,891	242
Various foreign social security organisations	17,842	17,769	73
INPS and other Italian pension providers	14,035	15,798	(1,763)
Deferred expense and accrued liabilities	7,597	11,237	(3,640)
Other liability items	16,610	12,029	4,581
Total	191,316	195,142	(3,826)

The reduction in “*Other liability items*” was due to settlement of liabilities to suppliers in respect of capital expenditure.” *Deferred expense and accrued liabilities*” refer mainly to insurance premia and rents payable in respect of the next following financial year, reduced on account of the normal transfer of deferred expense at the year-end.

XIII. Due to Banks

(€k)	31.03.2006	31.12.2005	Change
Unsecured bank borrowings	179,817	80,747	99,070
Overdraft on current account	33,484	41,104	(7,620)
Secured bank borrowings	131	131	-
Total	213,432	121,982	91,450

These borrowings were made under short-term lines of credit and increased over 2005 due to the transfer of short-term portions of long-term loans.

As already mentioned, the financial requirement relating to acquisitions made in 2005 was entirely covered by long-term finance.

XIV. Other Financial Liabilities

(€k)	31.03.2006	31.12.2005	Change
Fair value of exchange-rate hedging instruments	8,337	6,393	1,944
Accrued liabilities for loan interest	3,311	8,337	(5,026)
Due to other lenders	2,951	1,649	1,302
Fair value of interest rate hedging instruments	2,076	5,116	(3,040)
Due to other lessors	1,218	2,518	(1,300)
Other accrued financial liabilities	8,816	3,318	5,498
Total	26,709	27,331	(622)

“*Fair value of interest-rate hedging instruments*” comprises the fair value of IRS outstanding at 31 March 2006 (with notional amounts respectively of \$310,000,000 and €50,000,000) which qualify for hedge accounting.

“*Fair value of exchange-rate hedging instruments*” comprises the fair value of notional amounts of exchange-rate hedges outstanding at the end of the period.

The increase in value recorded in the quarter relates to a change in the underlying exposure, which is denominated in US\$.

The reduction in “*Accrued liabilities for loan interest*” was due to payment of interest on the Private Placement Bonds issued by HMSHost Corp.

Non-current Liabilities

XV. Other Liabilities

The amount of €4,970k (€10,835k in 2005) mainly comprises liabilities to staff relating to long-term incentive plans set up by Autogrill Group Inc, the reduction being due to the transfer of the amount falling due in the year to current liabilities.

XVI. Borrowings (net of current portion)

(€k)	31.03.2006	31.12.2005	Change
Secured medium-term borrowings	1,144	1,169	(25)
Unsecured medium-term borrowings	635,799	679,928	(44,129)
Total bank debt	636,943	681,097	(44,154)
Debt under leases	8,244	8,610	(366)
Other debt	361	305	56
Total	645,548	690,012	(44,464)

Long-term bank debt at 31 March 2006 was made up as follows:

- a loan of €200,000,000 – bullet repayment on maturity in June 2015
- part utilisation (€16,000,000) of a €300,000,000 revolving line of credit expiring in June 2012
- full drawdown of two tranches (totalling €350,000,000) of a syndicated loan made available in March 2004, repayments to begin in September 2006 and terminate in March 2009.

At 31 March 2006 the Group's bank lines of credit maturing beyond one year were about 70% utilised. Bank borrowings pay floating-rate interest. The average life of bank debt, including unutilised lines, is about 5 years.

The main multi-year loan agreements include covenants requiring regular monitoring of financial ratios (debt coverage, interest coverage and, in respect of the 2004 syndicated loan only, net debt to equity) to check that they are within certain thresholds. At 31 March 2006, as in all previous observation periods, these covenants were fully satisfied.

XVII. Bonds in Issue

(€k)	31.03.2006	31.12.2005	Change
Bonds	305,682	313,638	(7,956)
Convertible bonds	38,887	38,718	169
Issuing fees	(1,192)	(1,267)	75
Total	343,377	351,089	(7,712)

The item was unchanged from 31 December 2005.

The change in bonds was due solely to conversion differences.

As for multi-year borrowings, the regulations of the private placement bonds include covenants requiring regular monitoring of financial ratios (debt coverage, interest coverage and net debt to equity). At 31 March 2006, as in all previous observation periods, these covenants were fully satisfied.

XVIII. TFR and Other Employee Benefits

The item amount of €106,469k (€108,288k in 2005) refers, as to €90,609k, to the severance pay fund for Italian employees (“TFR”) and, as to €15,820k, to foreign subsidiaries’ employee benefits; of this amount €12,362k refer to health insurance schemes, deferred remuneration and supplementary pension benefits put in place by the US subsidiary.

Benefits are granted according to mechanisms that vary according to the specific legal, tax and economic situation in each country in which the Group operates and are usually based on the employee’s salary and years of service.

XIX. Provisions

(€k)	31.12.2005	Other Changes	Allocation	Uses	Balance at 31.03.2006
Tax	4,938	(93)	75	(103)	4,817
Disputes with other parties	3,957	-	245	(403)	3,799
Various risks	67,240	(1,098)	2,952	(2,229)	66,865
Refurbishment costs	9,679	-	-	(19)	9,660
Onerous contracts	2,275	-	-	-	2,275
Total	88,089	(1,191)	3,272	(2,754)	87,416

No events occurred in the quarter such as to change provisions for risks and charges as at 31 December 2005 or that caused significant changes.

The increases mainly concern (as to €2,896k) an ordinary allocation to the US subsidiary’s “*Self-insurance provision*” which was set aside to cover uninsured third-party liability.

The other changes refer to conversion differences; uses were made for the purpose of actual settlements that occurred during the quarter.

XX. Shareholders’ Equity

Changes in Shareholders’ Equity items during Q1 2006 are shown in the table on page 32.

The following are worthy of note:

- a reduction of €7,807k due to conversion differences of Accounts in foreign currency;
- a net increase of €3,774k relating to the change in the hedging instrument valuation reserve (increase of €6,016k), net of the related €2,242k tax effect;
- an increase due to consolidated net profit (€7,498k). Information as to earnings per share (undiluted and diluted) is given for two quarters under the Income Statement,
- increase of €30k relating to the fair value change in the Autogrill S.p.A. share conversion option under the Autogrill Finance S.A. convertible bonds.

4.3 NOTES TO THE INCOME STATEMENT

The Report on Operations contains a commentary on the changes in the main items.

XXI. Revenue

(€k)	Q1 2006	Q1 2005	Change
Food and Beverage	573,784	512,965	60,819
Retail	248,666	166,440	82,226
Hotels	4,277	4,031	246
Sales to other entities and affiliates	11,020	7,951	3,069
Total	837,747	691,387	146,360

Newly consolidated companies contributed €72,227k to the increase in total revenue, almost all of which was attributable to retail business.

Retail includes €14,912k relating to fuel sales mainly in Swiss and Italian motorway service areas (€14,403k in 2005). In the summarised results given in the Report on Operations this revenue is reclassified as *Other income*, net of purchase costs.

XXII. Other Income

(€k)	Q1 2006	Q1 2005	Change
Suppliers' contributions to promotions	9,226	8,714	512
Rents under business leases	2,839	2,117	722
Affiliation fees	1,078	1,061	17
Capital gains on disposals of tangible assets	1,326	44	1,282
Other income items	4,422	2,920	1,502
Total	18,891	14,856	4,035

Newly consolidated companies contributed €2,394k to the total.

"*Other income items*" mainly include fees relating to operations yielding commission and out-of-period income.

XXIII. Raw Materials, Items for use and Merchandise

(k€)	Q1 2006	Q1 2005	Change
Changes in inventory	73	5,899	(5,826)
Catering and retail purchases	302,091	233,360	68,731
Total	302,164	239,259	62,905

Newly consolidated companies contributed €36,319k to the item increase, the rest being due to increased sales.

XXIV. Payroll and benefits

(€k)	Q1 2006	Q1 2005	Change
Salaries	199,354	174,707	24,647
Social security	36,705	29,608	7,097
TFR and similar employee benefits	5,174	4,661	513
Other costs	12,450	10,531	1,919
Total	253,683	219,507	34,176

Newly consolidated companies contributed €10,248k to the item total.

Average staff numbers, in FTE (full time equivalent) terms, were 37,877 (35,139 in 2005).

XXV. Rents, Concessions and Royalties

(€k)	Q1 2006	Q1 2005	Change
Rents and concessions	113,612	85,076	28,536
Royalties for use of brands	12,149	10,154	1,995
Total	125,761	95,230	30,531

The change in “*Rents and concessions*” was due, as to €17,677k, to newly consolidated companies.

XXVI. Other Operating Costs

(€k)	Q1 2006	Q1 2005	Change
Water and energy utilities	18,340	15,935	2,405
Maintenance costs	14,320	11,978	2,342
Cleaning and disinfestation services	8,114	7,485	629
Consultancy and professional services	7,863	6,060	1,803
Advertising and market research	4,062	3,804	258
Travel costs	5,390	4,062	1,328
Logistics costs	4,014	2,946	1,068
Insurance	1,256	3,934	(2,678)
Commission on payments by credit card	4,294	3,279	1,015
Postal and telephone charges	3,213	2,621	592
Secure transportation	1,039	866	173
Surveillance	1,374	861	513
Recruiting and training costs	960	453	507
Bank charges for services	1,128	856	272
Permanent staff training	701	605	96
Other services	6,878	6,797	81
Other costs for materials	5,854	4,907	947
Equipment hire and lease charges	2,518	1,911	607
Cost of material and external services	91,318	79,360	11,958
Write-downs of receivables	730	1,256	(526)
Tax provision	75	-	75
Disputes provision	245	455	(210)
Other risks provision	2,952	19	2,933
Total allocations to provisions	3,272	474	2,798
Indirect taxes and duties applicable to the financial year	507	479	28
Cash differences	(10)	-	(10)
Losses on disposals	2,110	2,403	(293)
Other costs	2,607	2,882	(275)
Total	102,147	88,267	13,880

Newly consolidated companies contributed €6,056k to the item total.

XXVII.

(€k)	Q1 2006	Q1 2005	Change
Intangible fixed assets	1,760	2,156	(396)
Property, plant and equipment	33,700	29,981	3,719
Property, plant and equipment to be transferred free of charge	5,620	4,721	899
Total	41,080	36,858	4,222

Newly consolidated companies contributed €1,685k to the item total.

XXVIII. Finance Income

(€k)	Q1 2006	Q1 2005	Change
Interest differentials on exchange-rate hedges	162	186	(24)
Bank interest receivable	497	762	(265)
Fair value of derivative instruments	-	1,935	(1,935)
Positive exchange differences	220	-	220
Other finance income	1,744	271	1,473
Total	2,623	3,154	(531)

“Other finance income” refer principally to interest on a loan granted by Autogrill S.p.A. to Retail Airport Finance (Note IX above).

XXIX. Finance Costs

(€k)	Q1 2006	Q1 2005	Change
Interest payable on bank borrowings	7,053	3,925	3,128
Interest payable on bonds	4,372	3,828	544
Interest differentials on interest-rate hedges	576	1,919	(1,343)
Commission and fees	359	443	(84)
Discount of long-term financial liabilities	757	503	254
Other finance costs	48	34	14
Interest differentials on exchange-rate hedges	1,799	611	1,188
Total	14,964	12,334	2,630
Total net finance costs	(12,341)	(9,180)	(3,161)

The increase in “Interest payable on bank borrowings” is attributable both to larger borrowings for acquisitions and to higher interest rates. This is consequently linked to the reduction in “Interest differentials on interest-rate hedges”.

XXX. Tax

The amount shown, i.e., €10,151k (€10,247k in 2005) comprises current tax charge of €13,224k (€12,409k in 2005) and deferred tax income of €3,073k (€2,162k in 2005). Of these figures *IRAP* [Italian regional tax on productive activity], which is payable on productive activity and is levied broadly on the total of operating profit and cost of labour, was €3,446k (€3,239k in 2005).

In Q1 2006 the Group's effective tax rate, excluding *IRAP*, was 34.3%.

Below is a reconciliation of the tax charge recognised in the Accounts to the theoretical tax charge. The latter was calculated by applying the theoretically applicable tax rate to pre-tax profit in each jurisdiction and by making provision for the further tax charge on future dividend paid out of the profit of the subsidiaries.

(€k)	
Theoretical income tax	7,371
Reduced tax due to direct taxation of minority partners in fully consolidated US joint ventures	(731)
Other permanent differences	65
Tax recognised in the Accounts excl. IRAP	6,705
IRAP	3,446
Tax recognised in the Accounts	10,151

4.4 MANAGEMENT OF INTEREST RATE AND EXCHANGE RATE FLUCTUATIONS

Please see the 2005 Accounts for a detailed description of the Group's financial policy and the derivative contracts in place, which had not undergone significant changes as at 31 March 2006.

4.5 SEGMENT INFORMATION

The Group subdivides its business in two ways: by geographical area ("macro-area") and by business channel, the latter being understood as the physical environment in which business is carried on (motorway service areas, airports and railway stations, to mention the principal business channels).

The primary subdivision is the geographical one, which reflects both the organisational structure and reporting lines.

The Report on Operations provides commentary on the performance of these business subdivisions strictly from an organisational point of view. The only (in any case not significant) discrepancy between the macro-areas and the geographical subdivision given below is that Autogrill Group Inc is presented in the Report on Operations as 'North America and Pacific Area' and noted as also being present in Schiphol Airport, Amsterdam (Netherlands), which however is included in the 'Rest of Europe' in the tables given below.

Results by Geographical Area

(€k)	Q1 2006						Consolidated result
	Italy	US & Canada	Rest of Europe	Aldeasa	Not attributable	Elisions	
Revenues	258,808	383,494	125,782	69,663	-	-	837,747
Other income	11,992	1,397	3,133	2,369	-	-	18,891
Inter-segment revenue	61	-	355	-	760	(1,176)	-
Total revenue and other income	270,861	384,891	129,270	72,032	760	(1,176)	856,638
Depreciation and impairment losses on tangible and intangible assets	(8,741)	(20,716)	(9,870)	(1,745)	(8)	-	(41,080)
Operating profit	21,372	19,879	(6,644)	2,377	(5,181)	-	31,803
Capex	7,562	22,799	3,776	7,863	-	-	42,000
Total assets	573,418	727,666	455,609	145,886	725,129	(1,076)	2,626,632

(€k)	Q1 2005						Consolidated result
	Italy	US & Canada	Rest of Europe	Aldeasa	Not attributable	Elisions	
Revenues	231,783	332,001	127,603	-	-	-	691,387
Other income	10,456	-	3,898	-	502	-	14,856
Inter-segment revenues	232	-	191	-	285	(708)	-
Total revenues and other income	242,471	332,001	131,692	-	787	(708)	706,243
Depreciation and impairment losses on tangible and intangible assets	(7,778)	(19,070)	(9,360)	-	(650)	-	(36,858)
Operating profit	20,030	17,872	(5,388)	-	(5,392)	-	27,122
Capital Expenditure	7,816	22,005	2,215	-	-	-	32,036
Total assets (*)	583,850	772,587	453,909	136,562	717,225	(1,202)	2,662,931

(*) Figures refer to 31/12/2005

Results by Business Channel

(€)	Q1 2006						
	Motorways	Airports	Railway Stations	Shopping Malls	Other	Not attributable	Consolidated results
Total revenues and other income	358,939	413,352	20,941	31,575	31,123	708	856,638
Operating Profit	4,143	29,691	(542)	1,475	3,170	(6,134)	31,803
Total assets	537,533	474,592	24,029	33,128	59,012	1,498,338	2,626,632
Capital Expenditure	8,354	28,111	252	1,347	1,554	2,382	42,000

(€)	Q1 2005						
	Motorways	Airports	Railway Stations	Shopping Malls	Other	Not attributable	Consolidated results
Total revenues and other income	342,002	293,445	21,275	27,568	21,335	618	706,243
Operating Profit	7,561	23,059	(624)	923	1,304	(5,101)	27,122
Total assets (*)	734,197	622,738	34,821	46,174	54,890	1,170,111	2,662,931
Capital Expenditure	7,720	19,728	180	1,531	2,443	434	32,036

(*) Data refer to 31/12/2005

4.6 SEASONALITY OF THE BUSINESS

The Group's performance is closely linked to passenger traffic flows. The first quarter of the year is structurally a poor indicator of trends for the whole year: it is affected by seasonality and low traffic intensity and is historically the slowest period of the year. Another significant factor is the date of the Easter holiday, i.e., whether it falls in the first quarter or not, which affects the results of the European region.

In 2006 Easter falls in April; this accentuated the seasonal slowdown in the first quarter.

The following table shows the trend in 2005 from quarter to quarter, with a clear concentration of business in the second half of the year and especially in the third quarter, when summer holiday traffic generates business well above the annual average.

	2005			
	Q1	H1	Q3 Year to date	Full Year
REVENUES	677.0	1,458.4	2,375.4	3,284.8
<i>% of full year result</i>	20.6%	44.4%	72.3%	100.0%
EBITDA	64.0	184.5	356.0	445.6
<i>% of full year result</i>	14.4%	41.4%	79.9%	100.0%
EBIT	27.1	106.0	236.5	269.8
<i>% of full year result</i>	10.0%	39.3%	87.7%	100.0%
NET PROFIT OF THE GROUP	6.7	42.1	111.7	121.6
<i>% of full year result</i>	5.5%	34.6%	91.9%	100.0%

Note: The above figures do not include acquisitions made during the year and have not been normalised in respect of exchange differences.

Seasonality also affects cash flow, especially in Q1, when payments of rent are concentrated, being final balances due for the previous year and rent in advance for the current year.

4.7 GUARANTEES GIVEN, COMMITMENTS AND CONTINGENT LIABILITIES

GUARANTEES

At 31 March 2006 the guarantees given by the Group refer to:

- guarantees given by the US subsidiaries to landlords in respect of undertakings of sub-licensees (€3,690k);
- guarantees and personal guarantees in the interest of others issued by the Parent Company (€76,518k), issued mainly in support of bank guarantees in the banks' interest in favour of commercial counterparties, as is customary in the market.

COMMITMENTS

Commitments outstanding at 31 March 2006 refer to:

- an amount that the Parent Company still has to pay for the purchase of two commercial properties on Rome's *Grande Raccordo Anulare* [ring-road] (€2,272k);
- the value of other parties' assets in use in the Parent Company (€1,488k);
- the value of capital goods in businesses leased by the Parent Company (€14,581k);
- the value of sale-or-return motorway toll cards held at Parent Company outlets (€2,475k).

CONTINGENT LIABILITIES

In Q1 there were no developments in connection with the contingent liabilities disclosed in the 2005 Consolidated Accounts, where they are described in detail.

4.8 OPERATING LEASES

The Group's current operating leases are described in detail in the 2005 Consolidated Accounts. The table below gives details by due-date of the future minimum rental commitments, as at 31 March 2005, under all the operating leases currently held by the Group as lessee.

Amounts in €k

Year	Operating Leases	Subleasing ⁽¹⁾
2006	296,143	12,227
2007	285,231	11,236
2008	259,516	9,831
2009	221,401	7,022
2010	178,784	4,461
>2010	573,850	8,757
Total	1,814,925	53,536

⁽¹⁾ US leases

4.9 OTHER INFORMATION

CORPORATE GOVERNANCE

The Parent Company's corporate governance system centres on the role of the Board of Directors in setting policy and exercising control. The system consists of a series of codes, principles and procedures, which are subject to continuous monitoring and revision, whenever necessary in light of changes in legislation or regulations, best practice (including international best practice) and operational requirements.

TREASURY SHARES

At the time of writing, neither the Company nor its subsidiaries possess Autogrill S.p.A. shares.

RELATED PARTY TRANSACTIONS WITH SUBSIDIARIES, THE CONTROLLING ENTITY AND COMPANIES UNDER COMMON CONTROL

TRANSACTIONS WITH THE CONTROLLING ENTITY IN Q1 2006 AND BALANCES AT 31 MARCH 2006

Edizione Holding S.p.A.			
(€k)	31/3/06	31/12/05	Δ
Income Statement			
Revenue from sales of goods and services	-	3	(3)
Cost of services received	15	58	(44)
Balance Sheet			
Accounts receivable	-	3	(3)
Other receivables	-	-	-
Accounts payable	83	55	28
Other payables	27,758	27,758	-

“*Cost of services received*” relates to Autogrill's participation in an insurance programme covering the whole Group.

“*Accounts payable*” refers to the mentioned insurance programme and to compensation to one of its Directors for his membership of our Board, the change from end-2005 being the accrued liability for the period. Compensation for 2005 is to be paid normally after approval of the 2005 Accounts.

“*Other liabilities*” refers to our liability following our joining the fiscal consolidation scheme and is the liability for *IRES* (corporate tax) accrued as at 31 December 2005.

TRANSACTIONS AND PERIOD-END BALANCES WITH EDIZIONE HOLDING S.P.A. GROUP COMPANIES

(€k)	Benetton Group S.p.A.			Union Services S.a.r.l.			Bencom S.r.L.			Fabrica S.p.A.			Verde Sport		
	31/3/06	31/12/05	Δ	31/3/06	31/12/05	Δ	31/3/06	31/12/05	Δ	31/3/06	31/12/05	Δ	31/3/06	31/12/05	Δ
Income Statement:															
Revenues from sales of goods and services	-	2	(2)	-	-	-	-	-	-	-	-	-	16	66	(50)
Other income	-	1	(1)	3	-	3	105	2,968	(2,863)	-	-	-	0.2	1	(1)
Purchases	-	-	-	11	81	(70)	-	-	-	-	-	-	-	-	-
Cost of services received	-	-	-	-	38	(38)	-	-	-	-	28	(28)	14	60	(46)
Cost of use of others' property	2	28	(26)	-	-	-	-	-	-	-	-	-	-	-	-
Balance Sheet:															
Accounts payable	2	5	(3)	2	5	(3)	-	-	-	51	49	2	14	-	14
Accounts receivable	-	3	(3)	3	-	3	1,194	1,194	-	-	-	-	23	27	(4)

– Benetton Group S.p.A.: “*Cost of use of others' property*” refers to hire of meeting-rooms.

- Union Services Sarl: this company manages cost-sharing among Group companies in respect of the “Group Service” promotion, in which the main European companies of the Group take part. “Purchases” refer to promotion services supplied to Autogrill S.p.A.. Other income refers to recovery of the portion of Union Services Sarl under the Autogrill Group insurance plan.
- Bencom Srl: The sub-lease of part of the property in Via Dante, Milan continues. “Other income” refers to rentals and additional cost accrued at 31 March 2006. In 2005 *Other Income* also referred to a one-off share of costs borne by the Autogrill S.p.A. for the rebuilding of leased floorspace (€2,800k).
- Verde Sport S.p.A.: “Revenue from sales of goods and services” and “Accounts receivable” refer to sales of food and beverage products under the commercial affiliation contract for the conduct of a Spizzico restaurant at La Ghirada - Città dello Sport.
 “Cost of services received” refers to promotion services supplied to Autogrill S.p.A..

TRANSACTIONS AND BALANCES WITH THE AUTOSTRADe GROUP AND GRANDI STAZIONI S.P.A.

Given the volume and frequency of transactions of the Autogrill Group with companies belonging to the Autostrade Group and Grandi Stazioni S.p.A., it is appropriate to supply information on these transactions.

Transactions and Balances at 31 March 2006 (with Autogrill S.p.A. only)

€k	Gruppo Autostrade			Grandi Stazioni S.p.A.		
	31/03/06	31/12/05	Δ	31/03/06	31/12/05	Δ
Income Statement:						
Revenues from sales of goods and services	6	18	(12)	-	-	-
Other income	81	866	(785)	-	-	-
Purchases	-	-	-	-	-	-
Cost of services received	735	2,707	(1,972)	-	-	-
Cost of use of others' property	8,825	36,338	(27,513)	309	1,176	(867)
Balance Sheet:						
Accounts payable	3,810	22,569	(18,759)	387	324	63
Accounts receivable	1,258	1,427	(169)	-	-	-

Autostrade Group: “Other income” refers to commission on distribution of *Viacards* [motorway toll cards] and the contribution to promotions. Costs refer to concession rents and related additional costs.

Grandi Stazioni: continuation of the lease of premises in Rome's Termini station. Costs refer to lease rentals and related additional costs.

All *Accounts payable* and *receivable* are current.

5. ANNEX: LIST OF CONSOLIDATED COMPANIES AND OTHER EQUITY INVESTMENTS

Fully Consolidated Companies:

Company name	Head Office	Currency	Share Capital	%	Holding company
<i>Parent Company</i>					
Autogrill SpA	Novara	€	132,288,000	57.093	Edizione Holding SpA
<i>Subsidiaries</i>					
Autogrill International Srl	Novara	€	4,951,213	100.000	Autogrill SpA
Aviogrill Srl	Bologna	€	10,000	51.000	Autogrill SpA
Nuova Estral Srl	Novara	€	10,000	100.000	Autogrill SpA
Emme Emme Cadorna Sas di Nuova Estral Srl	Milano	€	10,440	100.000	Nuova Estral Srl
Nuova Sidap Srl	Novara	€	10,000	100.000	Autogrill SpA
Autogrill Austria AG	Gottlesbrunn	€	7,500,000	100.000	Autogrill International Srl
HMSHost Europe GmbH	Munchen	€	205,000	100.000	Autogrill SpA
Autogrill Espana SA	Madrid	€	1,800,000	100.000	Autogrill International Srl
Autogrill Participaciones SL	Madrid	€	6,503,006	100.000	Autogrill Espana SA
Restauracion de Centros Comerciales SA (RECECO)	Madrid	€	108,182.18	85.000	Autogrill Participaciones SL
Autogrill Finance SA	Luxembourg	€	250,000	99.996 0.004	Autogrill SpA Autogrill Europe Nord-Ouest SA
Autogrill D.o.o.	Lubjana	SIT	73,920,000	100.000	Autogrill SpA
Autogrill Hellas EPE	Avlona Attikis	€	1,696,350	99.99 0.01	Autogrill International Srl Autogrill SpA
Autogrill Overseas Inc	Wilmington	€	33,774,260	100.000	Autogrill International Srl
Autogrill Europe Nord-Ouest SA	Luxembourg	€	41,300,000	99.999 0.001	Autogrill International Srl Autogrill Finance SA
Autogrill Belgie NV	Antwerpen	€	26,250,000	99.999 0.001	Autogrill Europe Nord-Ouest SA Ac Restaurants & Hotels SA
Ac Arlux SA	Arlon	€	192,336.16	99.998 0.002	Autogrill Belgie NV Ac Restaurants & Hotels SA
Ac Restaurants & Hotels Beheer NV	Antwerpen	€	3,016,000	99.999 0.001	Autogrill Belgie NV Ac Restaurants & Hotels SA
Ac Restaurants & Hotels SA	Grevenmacher	€	500,000	99.995 0.005	Autogrill Belgie NV Ac Restaurants & Hotels Beheer NV
Ac Restaurants & Hotels Beteiligungs GmbH, in liquidazione	Niederzissen	€	76,706	95.000 5.000	Ac Restaurants & Hotels SA Ac Holding NV
Autogrill Nederland BV	Breukelen	€	41,371,500	100.000	Autogrill Europe Nord-Ouest SA
Maison Ledeboer BV	Zaandam	€	69,882	100.000	Autogrill Nederland BV
Ac Holding NV	Breukelen	€	136,150	100.000	Maison Ledeboer BV
The American Lunchroom Co BV	Zaandam	€	18,151	100.000	Ac Holding NV
Ac Apeldoorn BV	Apeldoorn	€	45,378	100.000	The American Lunchroom Co BV
Ac Bodegraven BV	Bodegraven	€	18,151	100.000	The American Lunchroom Co BV
Ac Heerlen BV	Heerlen	€	23,142	100.000	The American Lunchroom Co BV
Ac Hendrik Ido Ambacht BV	Hendrik Ido Ambacht	€	2,596,284	100.000	The American Lunchroom Co BV
Ac Holten BV	Holten	€	34,033	100.000	The American Lunchroom Co BV
Ac Leiderdorp BV	Leiderdorp	€	18,151	100.000	The American Lunchroom Co BV
Ac Meerkerk BV	Meerkerk	€	18,151	100.000	The American Lunchroom Co BV
Ac Nederweert BV	Weert	€	34,033	100.000	The American Lunchroom Co BV
Ac Nieuwegein BV	Nieuwegein	€	18,151	100.000	The American Lunchroom Co BV
Ac Oosterhout BV	Oosterhout	€	18,151	100.000	The American Lunchroom Co BV
Ac Restaurants & Hotels BV	Breukelen	€	90,756	100.000	The American Lunchroom Co BV
Ac Sevenum BV	Sevenum	€	18,151	100.000	The American Lunchroom Co BV
Ac Vastgoed BV	Zaandam	€	18,151	100.000	The American Lunchroom Co BV
Ac Vastgoed I BV	Zaandam	€	18,151	100.000	The American Lunchroom Co BV
Ac Veenendaal BV	Veenendaal	€	18,151	100.000	The American Lunchroom Co BV
Ac Zevenaar BV	Zevenaar	€	57,176	100.000	The American Lunchroom Co BV

Company name	Head Office	Currency	Share Capital	%	Holding company
Holding de Participations Autogrill SAS	Marseille	€	119,740,888	99.999 0.001	Autogrill Europe Nord-Ouest SA Autogrill SpA
Autogrill Aeroports SAS	Marseille	€	1,368,000	99.999	Holding de Participations Autogrill Sas
Autogrill Coté France SAS	Marseille		31,579,526	99.999	Holding de Participations Autogrill Sas
Société Berrichonne de Restauration SAS (Soberest SAS)	Marseille	€	288,000	50.01	Autogrill Coté France Sas
Société Bordelaise de Restauration SAS (Soborest SAS)	St. Savin	€	788,000	50.000	Autogrill Coté France Sas
Société de la Porte de Champagne SA (SPC)	Auberives	€	153,600	51.900	Autogrill Coté France Sas
Société de Restauration Autoroutière Dromoise SA (SRAD)	Marseille	€	1,136,000	49.994 49.998	Autogrill Coté France Sas SRSRA SA
Société de Restauration de Bourgogne SAS (Sorebo SAS)	Marseille	€	144,000	50.000	Autogrill Coté France Sas
Société de Restauration de Troyes-Champagne SA (SRTC)	Marseille	€	1,440,000	70.000	Autogrill Coté France Sas
Société Régionale de Saint Rambert d'Albon SA (SRSRA)	St Rambert d'Albon	€	515,360	50.000	Autogrill Coté France Sas
Volcares SAS	Champs	€	1,050,144	50.000	Autogrill Coté France Sas
Société de Gestion de Restauration Routière SG2R SAS	Marseille	€	879,440	99.996	Autogrill Coté France Sas
SCI Vert Pre Saint Thiebaut	Nancy	€	457.35	96.670 3.330	SG2R Sas Autogrill Coté France Sas
SARL Toul Mirabelier Hotel TMH	Marseille	€	44,000	100.000	SG2R Sas
SNC TJ2D	Chaudeney Sur Moselle	€	1,000	99.000 1.000	SG2R Sas Autogrill Coté France Sas
Poitou Charentes Restauration SA	Marseille	€	466,500	100.000	Autogrill Coté France Sas
Autogrill Restauration Services SAS	Marseille	€	15,394,500	99.999	Holding de Participations Autogrill Sas
Autogrill Gares Province Sarl	Marseille	€	274,480	100.000	Autogrill Restauration Services Sas
Autogrill Gares Metropoles Sarl	Marseille	€	17,396,850	100.000	Autogrill Restauration Services Sas
Autogrill Schweiz AG	Oltten	CHF	10,000,000	100.000	Autogrill International Srl
Autogrill Pieterlen AG	Pieterlen	CHF	2,000,000	100.000	Autogrill Schweiz AG
Autogrill Pratteln AG	Pratteln	CHF	3,000,000	95.000	Autogrill Schweiz AG
Autogrill Basel Airport Sas (in liquidazione)	St. Louis	CHF	40,000	100.000	Autogrill Schweiz AG
Restoroute de Bavois SA	Bavois	CHF	2,000,000	70.000	Autogrill Schweiz AG
Restoroute de la Gruyère SA	Avry devant Pont	CHF	1,500,000	54.300	Autogrill Schweiz AG
Vorstatt Egerkingen AG	Egerkingen	CHF	2,000,000	100.000	Autogrill Schweiz AG
Autogrill Group Inc	Bethesda	USD	225,000,000	100.000	Autogrill Overseas Inc
HMSHost Corp	Bethesda	USD	=	100.000	Autogrill Group Inc
HMSHost Europe Corp	Wilmington	USD	=	100.000	Autogrill Group Inc
HMSHost International Inc	Wilmington	USD	=	100.000	Autogrill Group Inc
HMS Host 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 50.000	HMSHost Corp Gladieux 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	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
HMS Host Family Restaurants Inc	Bethesda	USD	125,000,000	100.000	HMS Holdings Inc
HMS Host Family Restaurants LLC	Bethesda	USD	125,000,000	100.000	HMS Host Family Inc
Gladieux Corporation	Bethesda	USD	125,000,000	100.000	HMS Holdings Inc

Company name	Head Office	Currency	Share Capital	%	Holding company
Host (Malaysia) Sdn Bhd	Kuala Lumpur	MYR	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 Canada (RD) Ltd	Toronto	CAD	1	100.000	Host International of Canada Ltd
SMSI Travel Centres Inc	Toronto	CAD	1	100.000	Host International of Canada Ltd
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
HMS Host USA Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
Host International (Poland) Sp zo o, in liquidazione	Warsaw	PLN	6,557,600	100.000	HMS Host USA Inc
Host of Holland BV	Haarlemmermeer	€	90,756	100.000	Host International Inc
Horeca Exploitatie Maatschappij Schiphol BV	Schiphol	€	45,378	100.000	Host of Holland BV
Host Services (France) Sas in liquidazione	Paris	€	38,115	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	100.000	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
AAI Investments Inc	Bethesda	USD	100,000,000	100.000	Autogrill Group Inc
Anton Airfood Inc (AAI)	Washington	USD	1,000	100.000	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, in liquidaz.	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
Anton Airfood of Boise, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc
Anton Airfood of Tulsa, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc
AAI Islip, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc
Fresno AAI, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc
Anton Airfood of Newark, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc
Anton Airfood of Seattle, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc

Companies consolidated proportionately:

Company name	Head Office	Currency	Share Capital	%	Holding company
Retail Airport Finance SL	Madrid	€	10,760,982	50.000	Autogrill Espana SA
ALDEASA SA e controllate	Madrid	€	25,200,000	95.890	Retail Airport Finance SL
Steigenberger Gastronomie GmbH	Frankfurt	€	750,000	49.900	HMSHost Europe GmbH

Companies accounted for at cost:

Company name	Head Office	Currency	Share Capital	%	Holding company
HMSHost Sweden AB	Stockholm	SEK	2,500,000	100.000	HMSHost Europe GmbH
HMSHost Ireland Ltd	Dublin	€	1	100.000	HMSHost Europe GmbH

Associates accounted for at net equity:

Company name	Head Office	Currency	Share Capital	%	Holding company
Union Services Sarl	Luxembourg	€	51,000	20.000 10.000	Autogrill Europe Nord-Ouest SA Autogrill Finance SA
Dewina Host Sdn Bhd	Kuala Lumpur	MYR	250,000	49.000	Host International Inc
HMSC-AIAL Ltd	Auckland	NZD	111,900	50.000	Host International Inc
Lee Airport Concession Inc	Washington	USD	1,600	25.000	Anton Airfood Inc

Autogrill S.p.A.

**Registered Office: 28100 Novara, Italia
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Share Capital: €132,288,000 fully paid in

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Chamber of Commerce and Industry of Novara: 188902 REA

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