Autogrill Group 2009 Report and Accounts

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AUTOGRILL


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Food & Beverage
AUTOGRILL
HMS
HOST

Vertrek
Departures
COFFEE
Self-service check-in
17.07
EUROCARD

Travel Retail & Duty-Free


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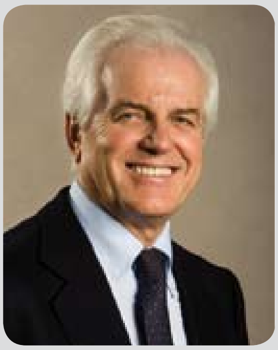
AUTOGRILL
Flight
alpha



Letter from the Chairman

Dear Shareholders,

2009 was a particularly challenging and complex year: traffic continued to wane in the airport channel, while the decline was less pronounced in the motorway channel thanks to the stability of light vehicle traffic. Signs of a recovery were only detected toward the end of the year.

The Group reacted with measures designed to boost efficiency, defend profitability and maximise the generation of cash. Investments were reshaped in keeping with commercial opportunities and the best possible use of resources, without compromising the capacity for growth.

In the first quarter of 2010, consumption and transport traffic made good progress on 2009, due in part to the earlier Easter season. All of our business segments are, however, showing important signs of recovery.

The integration of the retail companies acquired in 2007 and 2008 is proceeding on schedule and has produced synergies that will further improve in 2010. We are as committed as ever to further development and will seek to foster growth in a changed market environment while also continuing to build our brand portfolio through partnerships on a European or American scale.

The signs of recovery are an incentive to bolster our development projects, while still acting as prudently as we did in 2009.

Our dedicated Board of Directors and outstanding management team will continue to work with discipline and professionalism going forward. I am confident that Autogrill will soon put this difficult phase behind it and be able to take full advantage of the recovery.

Gilberto Benetton

Boards and officers

Board of Directors [1]

Chairman [2, 3]	Gilberto Benetton
CEO [2, 3, 4]	Gianmario Tondato Da Ruos [E]
Board of Directors	Alessandro Benetton Giorgio Brunetti [5, L, I-1] Antonio Bulgheroni [6, I-1, I-2] Arnaldo Camuffo [6, I-1, I-2] Claudio Costamagna [6, I-1, I-2] Javier Gómez-Navarro Francesco Giavazzi [I-1, I-2] Alfredo Malguzzi [5, 6, I-1] Gianni Mion [6] Paolo Roverato [5]
Secretary	Pietro Minaudo

Board of Statutory Auditors [7]

Chairman	Luigi Biscozzi [8]
Standing Auditors	Eugenio Colucci [8] Ettore Maria Tosi [8]
Alternate Auditors	Giorgio Silva Giuseppe Angiolini
External Auditors [9]	KPMG S.p.A.

[1] Elected by the annual general meeting of 23 April 2008; in office until approval of the 2010 financial statements
[2] Appointed at the Board of Directors meeting of 23 April 2008
[3] Powers assigned by law and the company's by-laws, particularly legal representation with individual signing authority
[4] Powers of ordinary administration, with individual signing authority, per Board resolution of 23 April 2008
[5] Member of the Internal Control and Corporate Governance Committee
[6] Member of the Human Resources Committee
[7] Elected by the annual general meeting of 21 April 2009; in office until approval of the 2011 financial statements
[8] Chartered accountant/auditor
[9] Assignment granted by the annual general meeting of 27 April 2006 for the years 2006-2011
[E] Executive director
[I-1] Independent Director as defined by the Corporate Governance Code adopted by resolution of the Board of Directors of 12 December 2007
[I-2] Independent Director pursuant to Articles 147 ter (4) and 148 (3) of Legislative Decree 58/1998
[L] Lead Independent Director

Contents

1.1 **Profile**

Autogrill is the world's leading provider of food & beverage and retail services for travellers.

Present in 42 countries with approximately 67,000 employees, it manages more than 5,300 points of sale in over 1,200 locations. It operates mainly through concessions: at airports, along motorways and in railway stations, with a selective presence at shopping centers, trade fairs, museums and other sites of cultural interest.

The Group operates in three business segments: catering ("Food & Beverage"), airport retail ("Travel Retail & Duty-Free"), and the provision of meal and retail services onboard airplanes ("Flight").

Food & Beverage is its historical business and is well developed mainly in North America and Europe. Travel Retail & Duty-Free has become highly strategic in recent years and is concentrated mostly in Europe, with a significant presence in the Middle East, the Americas and Asia. The Flight business serves airlines based in Europe, Australia and the Middle East, and is a natural extension of its traditional airport operations.

Autogrill manages a portfolio of more than 350 quality brands, directly or under license. Thanks to its extensive array of international and local offerings, it constantly adapts its service to changing demands, providing consumers and landlords alike with a mix of formulae to fit any occasion.

Autogrill, listed on the Milan Stock Exchange, is controlled indirectly by Edizione S.r.l. (the Benetton family's investment arm) which holds 59.3% of the share capital.

1.2 **Business segments**

Food & Beverage

Food & Beverage

2009 revenue by geographical area

North America and Pacific *	47%
Italy	34%
Other countries	19%

Worldwide, the food & beverage market for travellers is worth about € 15 billion to € 20 billion[1].

Autogrill first set up food & beverage operations along Italian motorways, expanding into other countries in the mid-1990s. The Group developed mainly through acquisitions, soon becoming one of the largest motorway caterers in Europe, with a presence in the railway channel as well. In 1999, with the acquisition of North American airport and motorway leader HMSHost, Autogrill became the world's leading provider of food & beverage services for travellers. A series of acquisitions and new contracts then bolstered the Group's position, by expanding its presence in geographical areas and travel channels where it had previously been less active (European airports) and giving it a foothold in new markets (motorways in Eastern Europe).

Food & beverage offerings are geared primarily to domestic travellers and are strongly influenced by the local palate, which is catered to with proprietary and licensed brands.

The breadth of the portfolio and the ability to develop menus reflecting the local identity of each location is a key competitive advantage. Proprietary brands and recipes prevail in Europe, where cuisine is strongly linked to customs and traditions, while most North American offerings are under license.

The Group's food & beverage operations are performed in North America (United States and Canada) by HMSHost, which also serves Schiphol Airport in Amsterdam and a number of airports in Europe, Asia and the Pacific; in Italy by Autogrill Italia; and in other European countries (Austria, Belgium, Czech Republic, Denmark, France, Germany, Greece, Ireland, Luxembourg, the Netherlands, Poland, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom) by Autogrill's foreign divisions.

[1] Source: Group estimates based on Gira figures

* Refers to HMSHost activities in North America, in Schiphol airport (The Netherlands) and in some airports in Asia and in the Pacific region

Channels

Airports

Motorways

Railway stations

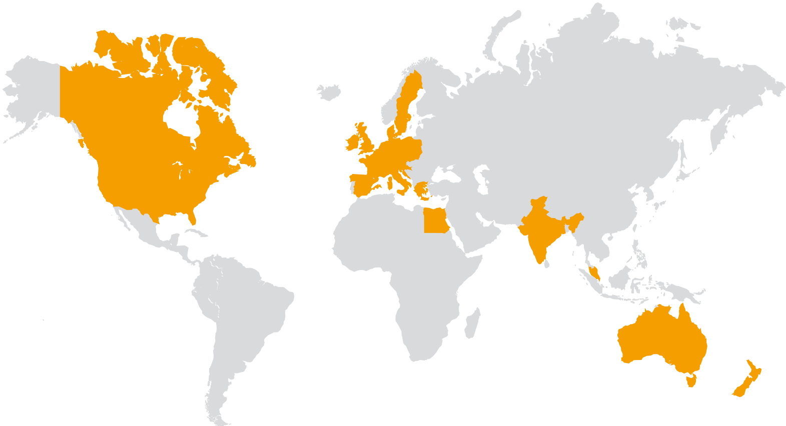
Other channels: shopping malls, high streets, trade fairs

Food & Beverage locations by region

	North America and Pacific	Italy	Other countries	Total
Motorways	90	367	253	710
Airports	98	17	32	147
Railway stations	–	12	44	56
Other channels: shopping malls, high streets, trade fairs	15	123	31	169
Total	**203**	**519**	**360**	**1,082**

Countries

Australia
Austria
Belgium
Canada
Czech Republic
Denmark
Egypt
France
Germany
Greece
India
Ireland
Italy
Luxembourg
Malaysia
New Zealand
Poland
Singapore
Slovenia
Spain
Sweden
Switzerland
The Netherlands
United Kingdom
USA



Proprietary brands

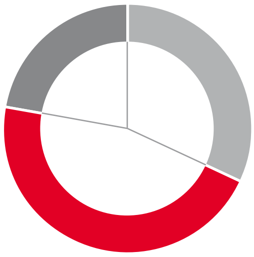
License brands

Proprietary brands

License brands

Travel Retail & Duty-Free

2009 revenue by geographical area



United Kingdom	46%
Spain	32%
Other countries	22%

Travel Retail & Duty-Free

The global size of the Travel Retail & Duty-Free market is roughly $ 37 billion[1] and reflects a number of trends: the rise in per capita income has influenced travellers' expectations and the range of products; transport systems have evolved; and there are significant savings to be made by purchasing goods under favourable tax regulations.

With the acquisition of Aldeasa, Alpha Group and World Duty Free, Autogrill has become one of the world's leading airport retail operators.

The biggest market is Europe, with a strong concentration in the United Kingdom and Spain. The Group also has a significant presence in the Middle East, the Americas and Asia. In the United Kingdom, Travel Retail & Duty-Free operations are performed by World Duty Free, while in Spain, the Middle East, the Americas and Asia they are handled by Aldeasa.

The Group serves a mostly international clientele, with a range of products consisting primarily of fragrances, cosmetics, spirits, tobacco products and candy.

Autogrill's "shop-in-shops" gather different kinds of merchandise together in one space, creating department stores that combine the savings of duty-free with the cachet of name-brand stores. They feature:

- souvenir shops for a country's typical products and brands, which create strong endorsements for the area (this trend is especially noteworthy in Spain and the United Kingdom, with concepts like "Thinking España" and "Glorious Britain");
- corners for the most internationally prestigious brands (luxury apparel and cosmetics);
- concepts developed internally to attain excellence in a specific product (e.g. World of Whiskies).

[1] Source: Generation figures

Channels

Airports

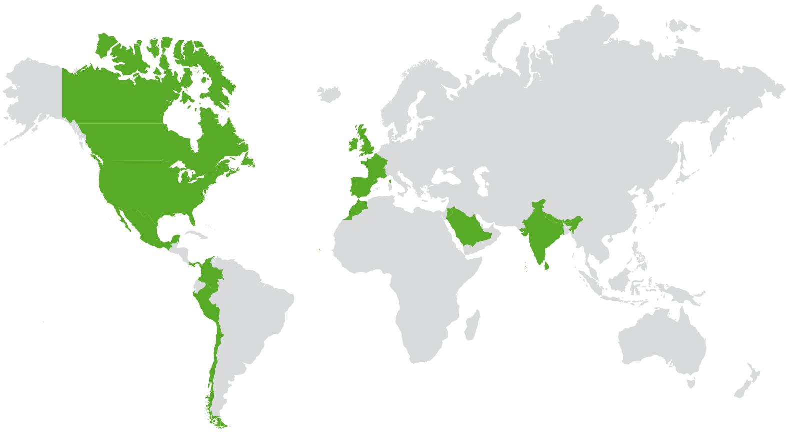
Museums and historical buildings

Travel Retail & Duty-Free locations by region

	Spain	United Kingdom	Other countries	Total
Airports	22	25	29	76
Museums and historical buildings	29	–	7	36
Total	**51**	**25**	**36**	**112**

Countries

Canada
Cape Verde
Chile
Colombia
Dutch Antilles
France
India
Ireland
Jordan
Kuwait
Maldives
Morocco
Mexico
Panama
Peru
Portugal
Saudi Arabia
Spain
Sri Lanka
United Kingdom
USA



wdf

Brands

worlddutyfree
Biza Tax & Duty Free
alpha airport shopping
World of Whiskies
Cocoon Beauty Sanctuary
Perfume Gallery
sunglasses
Collection
Glorious Britain

ALDEASA

Brands

delicious
BASICS!
The Sweet Point
THE Express SHOP
LABELS
Kids
Beauty SHOP
BOUTIQUES
alpha duty and tax free
LAND
FASHION & FUN
THE SHOP
FASHION
FASHION & Beauty
Plantation
thinking
Gift Shop
thinking canarias
THE Crew SHOP

Flight

2009 revenue by geographical area

- United Kingdom and Ireland 51%
- Other countries 49%

Channels

Flight

Countries

Australia
Bulgaria
Czech Republic
Ireland
Italy
Jordan
Romania
The Netherlands
United Arab Emirates
United Kingdom
USA

Flight

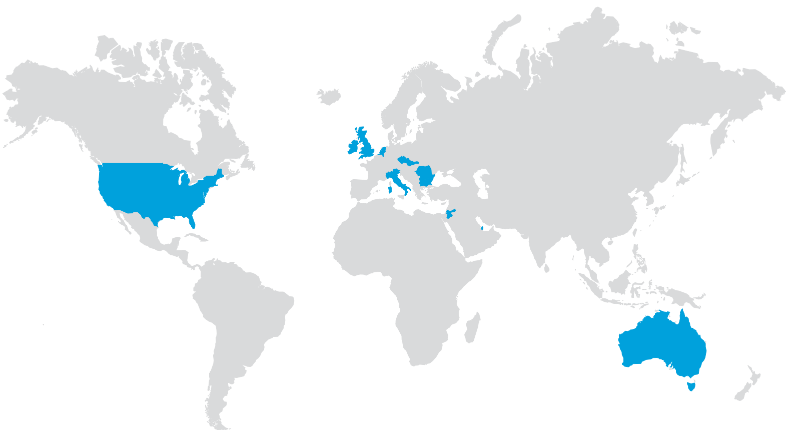
The Flight business is worth around € 8 billion[1] worldwide.

Autogrill operates in this sector through Alpha, a leading name in on-board catering, to provide in-flight meals and retail services to over 100 airlines (including American Airlines, British Airways, Delta Airlines, Emirates, Royal Jordanian, Tarom, CSA, Ryanair and United Airlines) in 11 countries of Europe, the Middle East, the United States and Australia.
The United Kingdom and Ireland are Alpha's traditional markets, where more than half of its operations still take place.

Over the years, the company has launched strategic development plans that have gradually expanded its presence abroad.

Flight locations by region

	United Kingdom and Ireland	Other countries	Total
Flight	19	42	61
Total	**19**	**42**	**61**



alpha

[1] Source: Group estimates

1.3 **The market**

The Group's core market, which reflects the performance of the general economy in the short to medium term, is in the long term more closely linked to mass changes in international mobility, the development of transport systems and infrastructure, GDP growth in the countries where it operates, and patterns in spending capacity and habits.

In this context, alongside the more developed countries – where traffic growth is linked to rising household income and the spread of new and cheaper means of transport (e.g. low-cost airlines) – a growing role is played by newly industrialized countries with their inherent transnational spirit and a young population influenced by Western lifestyles.

Flexibility, or the capacity to operate in all travel channels while adapting to different geographical and cultural settings, is therefore a key competitive edge.

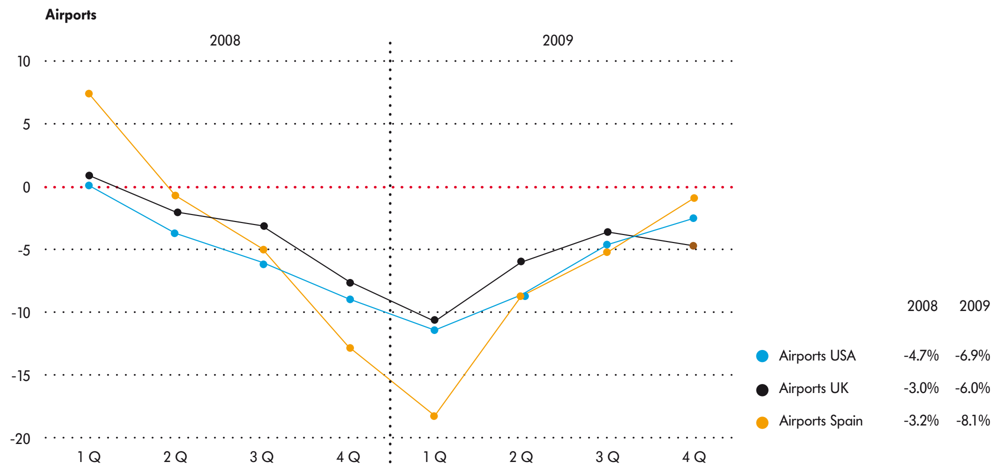
Motorway and airport traffic in 2009

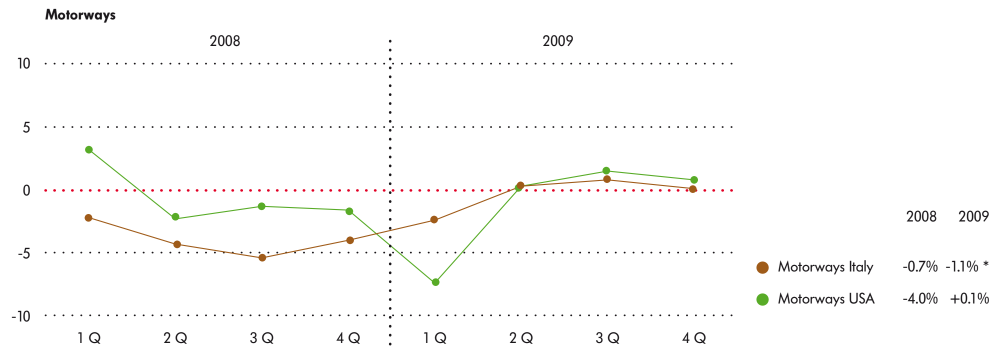
The recessive economy and weakened international trade created a very poor framework in 2009 for all businesses relating to the transport of people and goods. The air transport industry was particularly hard hit, suffering one of its worst years in history and failing to profit from the drop in the price of oil. Declines amounted to 6.9%[1] in North America, 3.3%[2] in Italy, 6%[3] in the United Kingdom and 8.1%[4] in Spain.

The relatively low oil prices allowed motorway traffic to hold better ground, although it too was weakened by the recession: –1.1%[5] on Italian motorways and +0.1%[6] on the U.S. highways served, with worse results for commercial freight trucks.
During the last two quarters, there were signs of an upturn in all of the Group's major channels; the decline in passenger traffic seems to have stopped, although conditions remain highly volatile.

[1] Source: A.T.A., January-December 2009
[2] Source: Group estimates based on Assaeroporti figures, January-December 2009
[3] Source: BAA, Manchester and Gatwick airports, January-December 2009
[4] Source: AENA, January-December 2009
[5] Source: AISCAT, January-November 2009
[6] Source: Group estimates based on Federal Highway Administration figures, January-December 2009

2008-2009 traffic trend by channels and country





* Figures at November 2009

Traffic forecasts for 2010

The early months of 2010 confirm the improvement noted towards the end of 2009. In February, for example, global airport traffic increased by nearly 6.8% year-on-year[7].
For 2010 Autogrill expects traffic in its business channels (US airports, UK airports, Spanish airports and Italian motorways) to grow within the ranges shown below:

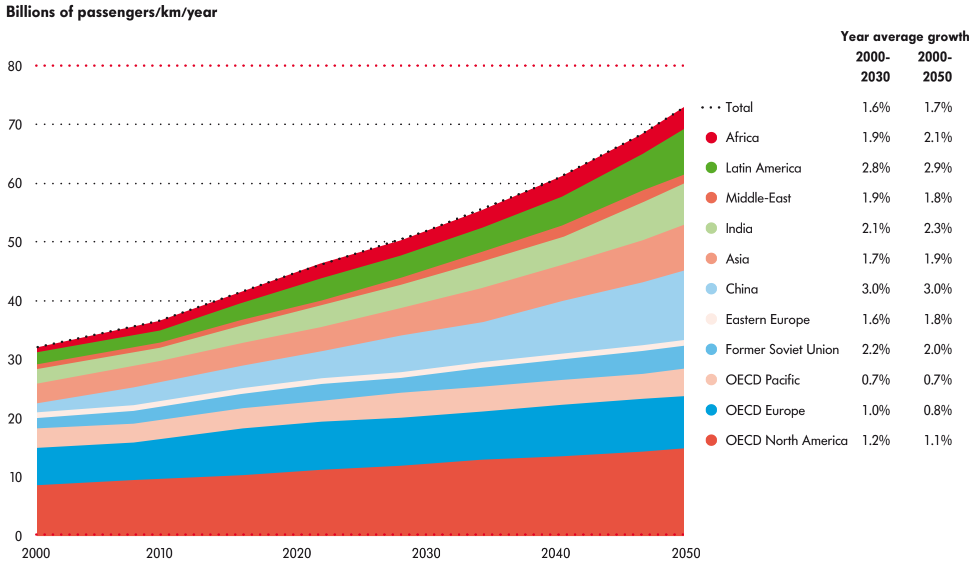
	Best scenario	Worst scenario
US airport traffic	2.5%	2.0%
Italian motorway traffic	1.0%	0.0%
UK airport traffic	1.0%	0.0%
Spanish airport traffic	0.0%	(1.0%)

[7] Source: A.C.I., figure at February 2010

Long-term global mobility

Although the unusually deep and widespread crisis has posed a challenge to long-term mobility forecasts, until new analyses are available we can expect growth in the overall demand for travel to average 1.6% to 3%[1] per year. This growing demand will directly correlate with a need for new infrastructure, which in the medium term (2010-2020) will exceed government investment capacity and open doors to the private sector.

Trasportation of passengers by geographical area



For air traffic in particular, medium to long-range forecasts suggest that by 2027, if annual growth stays around 3%, the number of passengers[2] could rise to 11 billion.

Today, all airports taken together have a capacity of no more than 6 billion, and about 93 airports (accounting for two thirds of global traffic) are already saturated. In Europe alone, more than 60 airports will be unable to satisfy the demand for flights and it will be necessary to build at least 10 large new airports and 15 midsize ones. Growth will be swiftest of all in Asia[3].

For surface transport as well, new roads will cost an estimated $ 220-290 billion per year between 2010 and 2030, with a 1-2%[3] increase in traffic in Europe and North America.

[1] Source: Mobility 2030
[2] Source: A.C.I. Global Traffic Forecast 2008-2027
[3] Source: OECD 2008

1.4 **The concession business**

The Group performs food & beverage and retail operations under concession contracts.

The concessions are finite and limit use of the area to the provision of specified services to the public.

The concession holder, in addition to providing the service, agrees to pay rent – which may be conditioned on various factors – and often to make investments in the facility. Provision of the service is monitored by the landlord.

Most concession contracts are awarded through competitive bidding; their content (duration, amount of rent, investments, etc.) varies according to the business channel and type of service. In some cases, contracts are awarded through direct negotiation.

Motorway concessions are generally valid for 10 to 25 years (with peaks of more than 30), compared with an average of 5-10 years for an airport contract. Contract duration can also vary by type of business: in general, food & beverage concessions are longer than those in the retail sector because they require more extensive investment.

Rent can be fixed, variable (indexed to revenue or profitability), or a combination of both.

The system for evaluating competitive bids can differ according to the sales channel, type of business, and country. The main selection criteria are usually:
- the quality of the business proposition;
- the brand portfolio;
- the design and layout of the venues;
- the operator's expertise and track record;
- the financial commitments assumed in terms of investments and rent.

In order to bid successfully on an international scale, companies need to have extensive know-how, high standards of quality and value for money, and the capacity to differentiate in order to satisfy local tastes.

In the shipboard and flight catering business, services are governed by contracts negotiated directly with the ship operators and airlines, and require investments in equipment that are more limited but highly specialised.

1.5 **Brands**

Brand portfolio

The diversity and wealth of our products and brands are a testament to our unique business model. By combining Food & Beverage and Travel Retail & Duty-Free formulas with the brands in our portfolio, we not only meet but anticipate the needs of consumers, while creating an ideal package for every kind of location and concession agreement according to the geographical and cultural context of the given country.

The Group's portfolio includes more than 350 international and local brands, both proprietary and under license.

In Food & Beverage, Autogrill tailors its portfolio country by country to include global brands, national and local chains, and concepts developed internally. These concepts rely on the Group's international experience to create innovative formulas in step with the latest trends.

In this vein, Autogrill keeps a close eye on market trends to ensure that consumers find what they want. Regional differentiation is part and parcel of our strategy and is achieved through partnerships with major local caterers and service providers. In the American market, for example, local and regional concepts are steadily growing in importance. More and more, along with the standard international chains that are intrinsic to Autogrill's portfolio, American consumers hope to experience the cultural identity of the region they are visiting by way of a state's or a city's iconic brands. The trend is similar in Europe, but with an even stronger accent on products, especially certified local foods that provide a direct link between the establishment and the surrounding territory.

In Travel Retail & Duty-Free, the commercial logic is somewhat different but the strategy is the same: the brands and assortment of products include major international names as well as shops celebrating local cultural traditions. In some cases, concepts are developed internally to showcase a certain specialty.

Managing these concepts is highly complex for a global corporation like Autogrill, but also a key competitive advantage. The Group's track record of outperforming market growth and of winning and renewing concessions are solid evidence of its strong brand portfolio.

Group development

1977

Incorporation of Autogrill S.p.A.

The Food & Beverage rest stops Pavesi, Motta and Alemagna are merged into Autogrill S.p.A., a subsidiary of SME (IRI group).

1993

International growth in the motorway channel

Autogrill acquires in France the Food & Beverage companies Les 4 Pentes (part of the Elitair group) and Procace (Spain).

1995

Privatisation

Edizione Holding, the investment arm of the Benetton family, becomes the majority shareholder.

1997

IPO on the Milan Stock Exchange

1999

Debut in North America and expansion in the airport channel

Autogrill acquires HMSHost, the leading airport catering business in North America. With the acquisition of Frantour Restauration, it also moves into railway stations in France.

2001-02

Growth in the railway station channel

With the development of high-speed rail, Autogrill expands its operations in France, and sets up business in Spanish stations with the acquisition of Receco.

2005

Debut in the Travel Retail & Duty-Free business

In a joint venture with Altadis, Autogrill acquires Aldeasa, a leading Travel Retail & Duty-Free operator with a solid presence in Spain and major international operations. Business in European airports is also boosted in the Food & Beverage sector with the acquisition of Steigenberger Gastronomie in Frankfurt; expansion in Spain, Austria and Italy and an initial presence in Northern Europe (Ireland and Sweden).

2007

First UK operations: development of Travel Retail & Duty-Free and Flight

Autogrill acquires Alpha Group, one of the biggest names in airport and in-flight catering and retail services. Expansion in Asia, at the airports covered by Alpha and the first outlet in Hyderabad (India).

2008

Autogrill: global provider of services for travellers

Autogrill acquires World Duty Free Europe, the United Kingdom's number one Travel Retail & Duty-Free operator, and completes the Aldeasa acquisition, becoming the leading service provider in both Travel Retail and Food & Beverage for travellers.

2009

Integration of Travel Retail & Duty-Free

Autogrill integrates the Travel Retail & Duty-Free business, creating Europe's largest platform and sharpening its competitive edge.

2.1 Definitions and symbols

Pro-forma: indicates the comparative figure on a like-for-like exchange rate and consolidation basis. More specifically:

Exchange rates: more than half the Group's operations are located in countries which use a non-euro currency, primarily the United States of America, the United Kingdom, Canada and Switzerland.

Due to the local nature of the business, in each country revenue is generally expressed in the same currency as costs and investments. The Group also has a currency risk policy, financing part of its net assets in the principal non-euro currencies with debt in the same currency, or entering into currency hedges that achieve the same effect. However, this does not neutralise the impact of exchange rate fluctuations when translating individual financial statement items. In particular, a comparison between average exchange rates for 2008 and those in 2009, used to translate income statement figures, shows that with respect to the euro the US dollar appreciated by 5.4% and the British pound depreciated by 10.6%[1].

Scope of consolidation: in 2008 the Group carried out some major acquisitions that changed the scope of the Travel Retail & Duty-Free sector, and to a lesser degree of the Flight sector.

To determine pro forma figures, the original comparative figures have therefore been supplemented by financial data drawn from the acquirees' internal reporting systems, which are not subject to the Group's administrative and accounting procedures and have not been audited.

In this Directors' report, 2008 pro forma figures:

- for the Food & Beverage segment are expressed on a currency adjusted basis, as there were no changes in the scope of consolidation;
- for the Travel Retail & Duty-Free segment are expressed on a currency adjusted basis and include the results of World Duty Free Europe Ltd. from 1 January to 30 April 2008 (the company has been consolidated since 1 May 2008) and the line-by-line consolidation of Aldeasa S.A. and Alpha Future Airport Retail Pvt. Ltd. (in 2008 these were consolidated at 50%, using the proportional method, respectively until 31 March 2008 and 17 November 2008 because they were still joint ventures). Conversely, the figures for World News (Alpha group) were excluded due to its sale in 2008;
- for the Flight segment are expressed on a currency adjusted basis and include the results of Alpha Flight A.S. (formerly Air Czech Catering A.S.) from 1 January to 31 March 2008 (consolidated since 1 April);
- they exclude the transaction costs of the business combinations taking place during the year.

When the adjustment concerns exchange rates only, the phrase "on a currency adjusted basis" or "at constant exchange rates" is also used, to signify the increase or decrease that would have occurred had the comparative figures of consolidated companies with functional currencies other than the euro been calculated at the same exchange rates employed this year.

[1] See section 3.2.1 of the Notes to the consolidated financial statements for detailed information on exchange rates between the euro and the main reporting currencies used by the consolidated companies

Revenue: in the Directors' report these refer to operating revenue, excluding fuel sales. Costs as a percentage of revenue are calculated on this basis. In Europe, the Group also operates a limited number of service stations. Fuel sales amounted to € 89.1m in 2009 (€ 104.3m the previous year).

Like-for-like: this refers to revenue generated only by locations open throughout the comparison period as well as the period under review, without any significant change in products sold or services provided.

EBITDA: this is the sum of EBIT (earnings before interest and tax) and goodwill amortisation and impairment, and can be gleaned directly from the consolidated financial statements, as supplemented by the Notes hereto. Because it is not defined in IFRS, it could differ from and thus not be comparable with EBITDA there to reported by other companies.

Investments: these exclude non-current financial assets and investments.

Symbols

Unless otherwise specified, amounts in the Directors' report are expressed in millions of euros (€m), millions of US dollars ($m), or millions of British pounds (£m). In the Notes to the financial statements unless otherwise specified, amounts are expressed in thousands (€k, $k and £k).

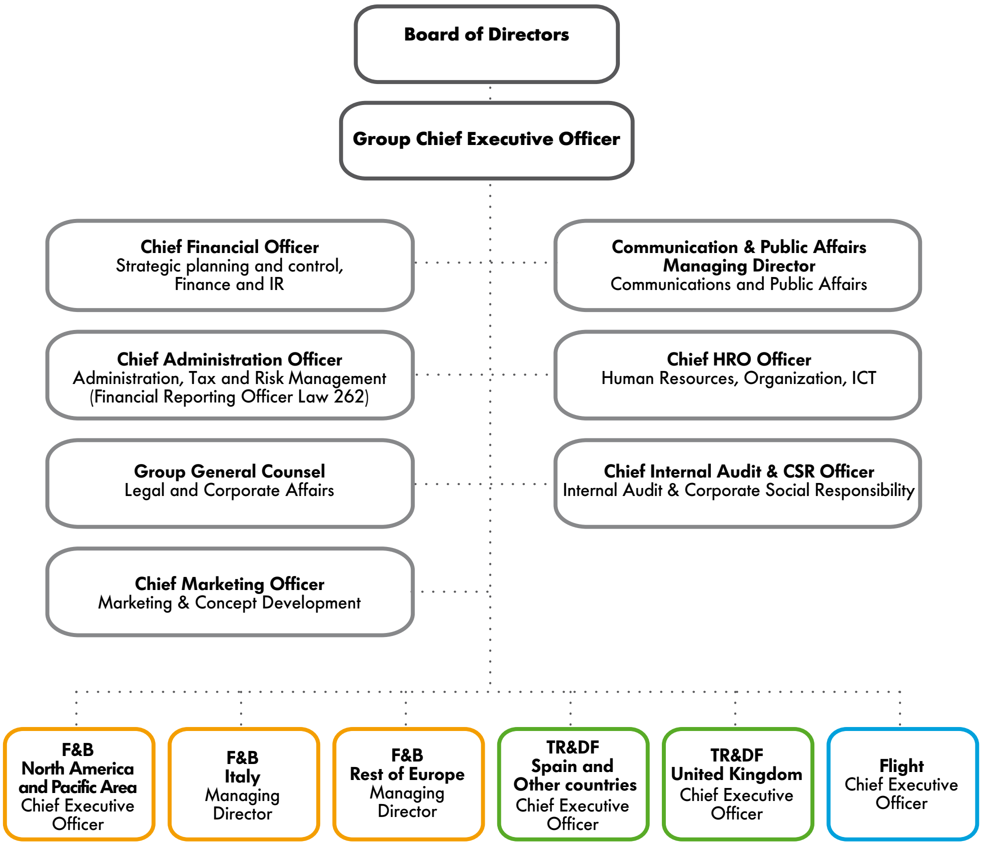
Where figures have been rounded to the nearest million, changes and ratios are calculated using figures extended to thousands for the sake of greater accuracy.

Figures for 2008 have been adjusted with respect to those originally published to reflect the early adoption of IFRS 3 – Business combinations (Revised). As explained in the Notes to the consolidated financial statements, use of this standard allows a more thorough measurement of the contractual rights held by Aldeasa S.A. and World Duty Free Europe Ltd. and required the consequent restatement of amortisation.

Also, some revenue figures shown for the different business segments differ from those originally published due to the regrouping of certain businesses during the integration of the companies acquired in 2007-2008.

2.2 **The Autogrill Group**

The Group is structured in business units, which manage operational levers according to objectives and guidelines defined by the corporate executives of Autogrill S.p.A.



The Autogrill Group operates almost exclusively in three business segments: catering ("Food & Beverage" or "F&B"), airport retail ("Travel Retail & Duty-Free" or "TR&DF"), and the provision to airlines of products and services for catering and on-board retail ("Flight").

Food & Beverage takes place wherever people travel (mostly airports, motorways and railway stations), serving a local, domestic and international clientele. Our offerings strongly reflect the local setting.

To a greater or lesser degree depending on the country and channel, and either separately or in conjunction with food and drink, the F&B units also sell everyday items (newspapers and magazines, tobacco products, toys) and other food and non-food items as well as fuel. The operational levers are typically assigned to local organisations that are centralised at the country level.

Travel Retail & Duty-Free has a mainly international clientele, and offers a uniform range sometimes supplemented by an assortment of local products. As a result, the operating structure (marketing, purchasing, etc.) is highly centralised. The integration of Alpha's operations into the segment was completed in 2008. In 2009, the process of integrating key functions concerned Aldeasa S.A. ("Aldeasa") and World Duty Free Europe Ltd. ("WDF"), and brought the expected synergies to fruition.

Success in the Flight segment is based on the production capacity of the individual units and on good relations with airlines. The operational levers are mainly assigned to local organisations, coordinated centrally by "Alpha Flight", which acts as the sole interface for the world air traffic market.

The Group operates in 42 countries, in one or more business segments:

	Segments		
	Food & Beverage	**Travel Retail & Duty-Free**	**Flight**
Australia	●		●
Austria	●		
Belgium	●		
Bulgaria			●
Canada	●	●	
Cape Verde		●	
Chile		●	
Colombia		●	
Czech Republic	●		●
Denmark	●		
Dutch Antilles		●	
Egypt	●		
France	●	●	
Germany	●		
Greece	●		
India	●	●	
Ireland	●		●
Italy	●		●
Jordan		●	●
Kuwait		●	
Luxembourg	●		
Malaysia	●		
Maldives		●	
Mexico		●	
Morocco		●	
New Zealand	●	●	
Panama		●	
Peru		●	
Poland	●		
Portugal		●	
Romania			●
Saudi Arabia *		●	
Singapore	●		
Slovenia	●		
Spain	●	●	
Sri Lanka		●	
Sweden	●		
Switzerland	●		
The Netherlands	●		●
United Arab Emirates			●
United Kingdom	●	●	●
USA	●	●	●

* No trading in 2009

2.3 **Group performance**

2.3.1 **Highlights**

(€m)	2009	2008	2008 pro forma	Change 2008	Change Pro forma
Revenue	5,728.4	5,794.5	6,034.3	(1 .1%)	(5.1%)
EBITDA	606.3	586.3	627.5	3.4%	(3.4%)
% of revenue	*10.6%*	*10.1%*	*10.4%*		
Profit attributable to owners of the parent	37.0	83.7		(55.8%)	
% of revenue	*0.6%*	*1.4%*			
Net cash flow from operating activities	393.6	429.6			
Capital expenditure	157.6	337.3	343.9	(53.3%)	(54.2%)
% of revenue	2.8%	5.8%	5.7%		
Earnings per share (€ cents)					
– basic	14.6	32.9			
– diluted	14.6	32.6			

(€m)	31.12.2009	31.12.2008	Change 2008	Change At constant exchange rates
Net invested capital	2,497.9	2,680.6	(182.8)	(216.5)
Net financial position	1,934.5	2,167.7	(233.2)	(257.4)

2.3.2 **Macroeconomic overview and traffic trends**

For the Autogrill Group, 2009 was an exceptionally challenging and complex year.

Starting in the second half of 2008 and throughout the year under review, the financial crisis that began in 2007 turned into the worst contraction of global GDP and international trade the world had seen since the end of the World War Two.

The breadth and pervasiveness of the crisis, which caused unemployment to top 8% in OCSE countries and 9% in the United States of America and the eurozone[1], dealt a serious blow to consumers' confidence and inclination to spend, in a downward spiral that for many months showed no sign of reversing.

[1] Source: OCSE, Economic Outlook no. 86, 19 November 2009

Worldwide GDP shrank by more than 6% (year-on-year) in the fourth-quarter of 2008 and the first quarter of 2009[1]. In the following months the decline was partially reabsorbed, thanks mainly to an upturn in the more recently industrialised countries. On the whole, 2009 closed with a real decrease of 0.8% in global GDP[2].

The economies of the most industrialised countries were hardest hit by the decline in activity, with an overall drop of 3.2% year-on-year[2]. Within that grouping, the estimated decline was 2.4% in the United States of America, 3.9% in the eurozone, 4.8% in the United Kingdom and 5.3% in Japan.

Since the second half of 2008, international trade has suffered even more than GDP: although 2008 managed to close with a positive growth rate, thanks exclusively to emerging economies, in 2009 – after many years of non-stop growth – international trade fell off by 12% with industrialised and emerging countries contributing equally to the decline[2].

The recessive economy and weakened international trade created a very poor framework in 2009 for all businesses relating to the transport of people and goods, despite a 36% decline in the average price of oil with respect to the previous year[2].

The air transport industry was spared even less than others, suffering one of its worst years in history with a 2.6% drop in global traffic[3].
Airlines reacted by drastically cutting the number of flights: in the first 11 months of 2009, Europe's main flagship carriers reduced passenger capacity by amounts ranging from –1.6% (Lufthansa) to –5.9% (Iberia). The decline was even steeper for North American airlines, from –5.6% for Continental to –7.7% for Delta[4].

Motorway traffic held up better, although it too was affected by the recession, especially in the merchandise transport sector. In Italy, the Group's largest motorway market, traffic decreased by 1.1%[5] overall and by 8.3%[5] for heavy vehicles.

2.3.3 **Performance**

Income statement

The Group's results in 2009 were better than the objectives set in view of a number of measures aimed at boosting efficiency, profitability and the generation of cash, which demonstrates Autogrill's quick and proactive response under especially complex conditions.

Diversification made it possible to limit the harm from individual channels, sectors and countries.

[1] Source: IMF, Annual Report 2009
[2] Source: IMF, World Economic Outlook, Update 26 January 2010
[3] Source: Airport Council International, February 2010
[4] Source: Centre for Asia Pacific Aviation, Global Airline Outlook 23 December 2009
[5] Source: AISCAT, January-November 2009

In Food & Beverage, the Group absorbed most of the impact of lower productivity, caused by the drop in sales, and of rent hikes produced by the renewal of Italian motorway contracts in 2008. In Travel Retail & Duty-Free, efforts to maximise efficiency and synergies from the integration process (the latter exceeding € 30m for the year, out of an estimated total of € 45m at the end of the process) afforded a substantial increase in margins. In the Flight business, profitability improved thanks to better sales performance in Australia and the Middle East and the successful limitation of central costs, despite the reduction in flights and the economic hardship of some airlines served by the Group.

Condensed consolidated income statement

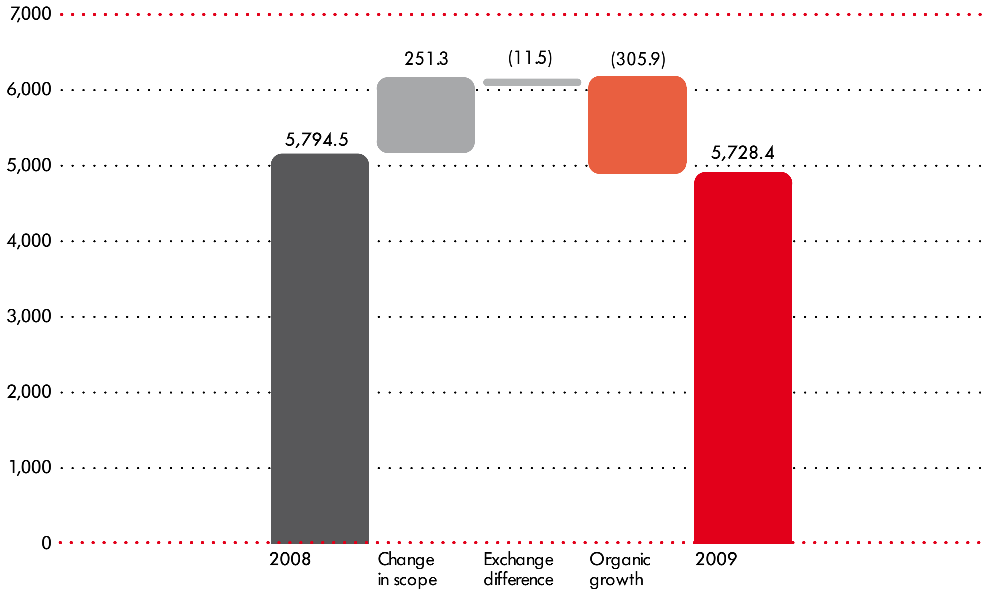
(€m)	2009	% of revenue	2008	% of revenue	2008 pro forma	% of revenue	Change 2008	Change Pro forma
Revenue	5,728.4	100.0%	5,794.5	100.0%	6,034.3	100.0%	(1.1%)	(5.1%)
Other operating income	150.9	2.6%	128.2	2.2%	129.6	2.1%	17.6%	16.5%
Total revenue and income	**5,879.3**	**102.6%**	**5,922.8**	**102.2%**	**6,163.8**	**102.1%**	**(0.7%)**	**(4.6%)**
Cost of raw materials, consumables and supplies	(2,139.2)	37.3%	(2,202.6)	38.0%	(2,293.8)	38.0%	(2.9%)	(6.7%)
Personnel expense	(1,455.0)	25.4%	(1,486.4)	25.7%	(1,530.2)	25.4%	(2.1%)	(4.9%)
Leases, rents, concessions and royalties	(1,084.2)	18.9%	(1,007.4)	17.4%	(1,068.7)	17.7%	7.6%	1.4%
Other operating costs	(594.5)	10.4%	(640.1)	11.0%	(643.5)	10.7%	(7.1%)	(7.6%)
EBITDA	**606.3**	**10.6%**	**586.3**	**10.1%**	**627.5**	**10.4%**	**3.4%**	**(3.4%)**
Depreciation, amortization and impairment losses	(345.6)	6.0%	(303.9)	5.2%	(329.6)	5.5%	13.7%	4.9%
Impairment losses on goodwill	(9.8)	0.2%	(0.2)	0.0%	(0.2)	0.0%	n,s,	n,s.
EBIT	**250.9**	**4.4%**	**282.1**	**4.9%**	**297.7**	**4.9%**	**(11.1%)**	**(15.7%)**
Net financial expense	(94.7)	1.7%	(123.8)	2.1%			(23.5%)	
Net impairment losses on financial assets	(0.1)	0.0%	3.3	0.1%			n,s,	
Profit before tax	**156.1**	**2.7%**	**161.7**	**2.8%**			**(3.5%)**	
Tax	(104.7)	1.8%	(58.1)	1.0%			80.1%	
Profit	**51.4**	**0.9%**	**103.6**	**1.8%**			**(50.4%)**	
Attributable to:								
– owners of the parent	37.0	0.6%	83.7	1.4%			(55.8%)	
– non-controlling interests	14.4	0.3%	19.9	0.3%			(27.6%)	

Revenue

Autogrill closed 2009 with consolidated revenue of € 5,728.4m, essentially stable (–1.1%) with respect to last year's € 5,794.5m. On a pro forma basis there would be a decrease of 5.1%, due to the impact of the recession on traffic and consumption, most evident in the first half of the year.

The graph below presents the organic change in revenue for the year, with the effect of exchange rates and scope of consolidation shown separately.

Change in revenue - 2009



In Food & Beverage, where sales were harder hit by the decline in traffic, the Group took measures to boost profitability and efficiency. In Travel Retail & Duty-Free, commercial initiatives offset the decline in traffic, affording revenue growth at UK airports and a moderate decrease at Madrid and other Spanish airports that cater mainly to business clientele. In the Flight segment, international growth offset the decrease in sales in the United Kingdom, which was due in part to the bankruptcy of some airlines served by the Group.

The following table summarises the trend in sales by segment in 2009 and 2008. See section 2.4 (Business segments) for a more detailed description of segment-by-segment performance.

				Change	
(€m)	**2009**	**2008**	**2008 pro forma**	**2008**	**Pro forma**
Food & Beverage	3,787.3	3,934.3	4,037.2	(3.7%)	(6.2%)
Travel Retail & Duty-Free	1,538.1	1,429.0	1,585.8	7.6%	(3.0%)
Flight	403.0	431.2	411.4	(6.5%)	(2.0%)
Total	**5,728.4**	**5,794.5**	**6,034.3**	**(1.1%)**	**(5.1%)**

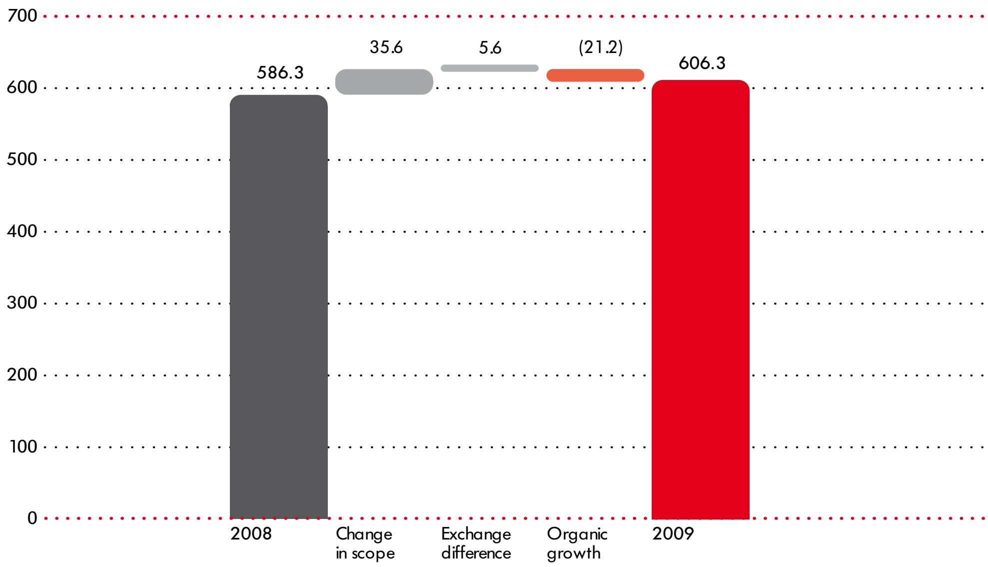
In the fourth-quarter, consolidated revenue came to € 1,462.9m, a decrease of 6% on the € 1,556.1m grossed the previous year (–2.3% pro forma). This confirms the first signs of a recovery in traffic during the period, in particular on US and Italian motorways.

EBITDA

In 2009 Autogrill earned consolidated EBITDA of € 606.3m, an increase of 3.4% on the previous year's € 586.3m (–3.4% pro forma). Contributing to EBITDA was € 11.3m in ordinary income attributable to prior periods, mostly in relation to the settlement of concession costs.

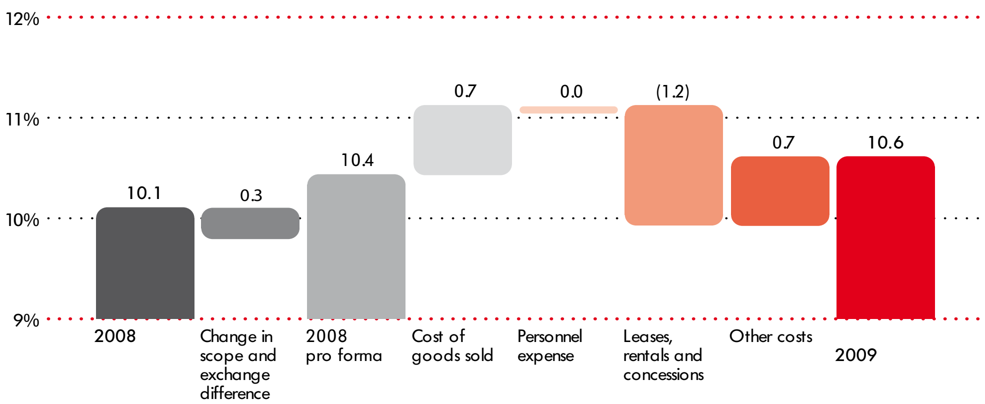
(€m)	2009	2008	2008 pro forma	Change 2008	Change Pro forma
Food & Beverage	437.5	465.4	478.7	(6.0%)	(8.6%)
	11.6%	*11.8%*	*11.9%*		
Travel Retail & Duty-Free	156.9	123.7	136.0	26.9%	15.4%
	10.2%	*8.7%*	*8.6%*		
Flight	42.2	41.5	41.8	1.8%	1.1%
	10.5%	*9.6%*	*10.2%*		
Corporate and unallocated	(30.3)	(44.3)	(29.0)	(31.6%)	4.4%
Total	**606.3**	**586.3**	**627.5**	**3.4%**	**(3.4%)**
	10.6%	*10.1%*	*10.4%*		

Change in EBITDA - 2009



The efficiency measures launched in the second half of 2008, the synergies achieved through the integration of businesses acquired in the Travel Retail & Duty-Free segment, and the decrease in prices for the main food raw materials made up for much of the drop in traffic and higher rent. As a result, EBITDA rose from 10.1% of sales in 2008 to 10.6%.

Change in EBITDA margin - 2009



Consolidated fourth-quarter EBITDA amounted to € 126.9m (€ 141.8m the previous year), a decrease of 10.5% (–6.6% pro forma), due in part to the impact on profitability of the change in November and December sales. As a percentage of revenue, EBITDA went from 9.1% in the fourth-quarter of 2008 to 8.7%.

Depreciation, amortisation and impairment losses

In 2009 depreciation, amortisation and impairement losses amounted to € 345.6m, an increase of 13.7% on the previous year's € 303.9m (+4.9% pro forma).
That trend reflects the investment programme launched after the growth of the contracts portfolio and the acquisitions in 2008.

Much of the increase is explained by the full-year amortisation of the intangible assets to which part of the price paid for the Aldeasa S.A. and WDF acquisitions was allocated, amounting to € 74.6m in 2009 (€ 54.5m the previous year).

Goodwill impairment

Impairment losses of € 9.8m were charged on goodwill for the year, referring to minor CGUs.

EBIT

EBIT, at € 250.9m (€ 282.1m in 2008), decreased by 11.1% (–15.7% pro forma).

Financial expense

Net financial expense in 2009 came to € 94.7m, down from € 123.8m in 2008 due mainly to the reduction in net debt and the decrease in money market interest rates for all of the main currencies in which the Group has borrowings (Eur, Gbp and Usd). The average annual cost of debt was 4.3%, compared with 6.15% in 2008.

Income tax

Tax increased from € 58.1m in 2008 to € 104.7m, due to the concentration of taxable income in high-tax countries and the effect of measuring the recoverability of tax losses generated in other countries where the Group operates.

The impact of taxes on the consolidated pre-tax profit was 67.1%, compared with 35.9% in 2008. Excluding IRAP, the average incidence of taxes on the consolidated pre-tax profit was 59.3%, compared with 27.6% the previous year, due to the results of testing prior-year tax losses for recoverability and to the impairment losses on deferred tax assets for € 14.1m.

If we also exclude the net effect of fiscal losses not recognized for the year, using unrecognized prior-year losses and revising estimates of the recoverability/taxability of temporary differences, the rate falls to 35%, compared with 30% in 2008.

Profit for the year

Profit attributable to owners of the parent is € 37m (€ 83.7m the previous year), after non-controlling interests of € 14.4m (€ 19.9m in 2008).

2.3.4 **Financial position**

Reclassified consolidated statement of financial position[1]

(€m)	31.12.2009	31.12.2008	Change 2008	Change At constant exchange rates
Intangible assets	2,323.0	2,387.2	(64.2)	(110.9)
Property, plant and equipment	985.2	1,065.5	(80.3)	(75.6)
Financial assets	25.1	29.3	(4.3)	(4.6)
A) Non-current assets	**3,333.3**	**3,482.0**	**(148.8)**	**(191.2)**
Inventories	236.0	267.0	(31 .0)	(34.5)
Trade receivables	110.0	98.4	11 .7	7.8
Other receivabels	205.4	210.6	(5.2)	(4.0)
Trade payables	(709.0)	(711 .7)	2.7	8.4
Other payables	(353.1)	(348.4)	(4.7)	(4.8)
B) Working capital	**(510.7)**	**(484.2)**	**(26.6)**	**(27.0)**
C) Capital invested, less current liabilities	**2,822.5**	**2,997.9**	**(175.3)**	**(218.2)**
D) Other non-current non-financial assets and liabilities	**(325.6)**	**(318.3)**	**(7.3)**	**1.9**
E) Assets held for sale	**0.9**	**1.1**	**(0.2)**	**(0.2)**
F) Net invested capital	**2,497.9**	**2,680.6**	**(182.8)**	**(216.5)**
Equity attributable to owners of the parent	509.2	456.0	53.2	45.3
Equity attributable to non-controlling interests	54.2	56.9	(2.8)	(4.4)
G) Equity	**563.4**	**512.9**	**50.4**	**40.9**
Non-current financial liabilities	1,876.3	2,143.6	(267.3)	(296.7)
Non-current financial assets	(3.0)	(5.2)	2.2	2.0
H) Non-current financial position	**1,873.3**	**2,138.3**	**(265.1)**	**(294.6)**
Current financial liabilities	267.2	261 .7	5.5	9.8
Cash and cash equivalents and current financial assets	(206.0)	(232.3)	26.3	27.5
I) Current net financial position	**61.2**	**29.4**	**31.8**	**37.3**
Net financial position (H + I)	**1,934.5**	**2,167.7**	**(233.2)**	**(257.4)**
L) Total, as in F)	**2,497.9**	**2,680.6**	**(182.8)**	**(216.5)**

[1] The figures in the reclassified consolidated statement of financial position are directly derived from the consolidated financial statements and notes there to, with the exception of "Other receivables" and "Other non-current non-financial assets and liabilities", which respectively include the short-term and the long-term portion of deferred tax assets (these are shown indistinctly under current assets in the consolidated financial position)

Net invested capital at 31 December 2009 came to € 2,497.9m, a decrease of € 182.8m since the close of 2008 (€ 2,680.6m). On a currency adjusted basis, the decrease would have been € 216.5m, caused by the prevalence of depreciation and amortisation and by a structural decline in inventories in the Travel Retail & Duty-Free business, achieved in part by streamlining the logistical structure.

Net financial position at 31 December 2009 stood at € 1,934.5m, a decrease of € 233.2m compared with the previous year-end figure of € 2,167.7m. At constant exchange rates, the reduction would have been € 257.4m.

Loan contracts were unchanged since the previous year, and at 31 December 2009 had an average remaining life of about 3.5 years.

At the close of 2009, 21% of consolidated net debt was denominated in US dollars, 31% in British pounds, and the rest in euros.

Either originally or through renegotiation, 52% of debt was fixed-rate, compared with 53% a year earlier.

The fair value of interest and exchange rate hedges at 31 December 2009 was a negative € 58.6m (negative € 61.4m at the close of 2008).

Stable EBITDA, and the reduction in debt achieved through the net generation of cash, significantly improved the financial ratios the Group is required to uphold by the main loan contracts outstanding.

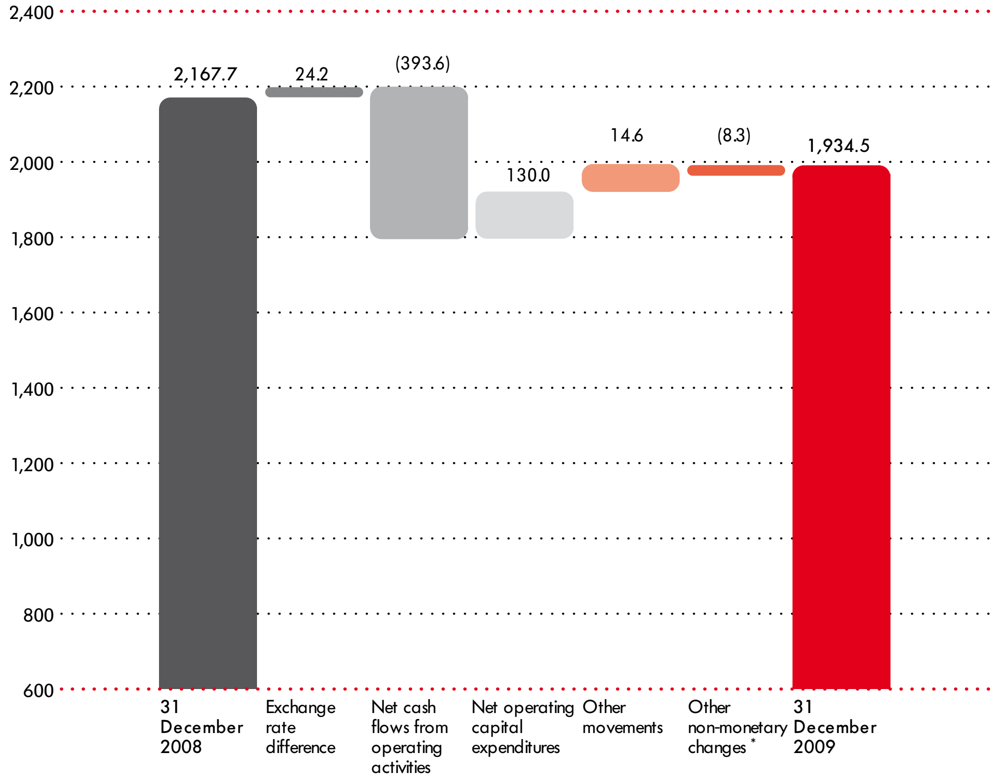
Specifically, the leverage ratio (Net debt/EBITDA) fell from 3.30-3.40 at 31 December 2008 to 2.97-3.10, versus a ceiling of 3.50, while interest coverage (EBITDA/Net financial expense) increased to 6.93-7.24 (from 5.03-5.43 at the close of 2008) versus minimum thershold of 4.50. A good amount of financial flexibility was therefore restored to the Group.

Cash flow and Net financial position

The considerable generation of cash[1], amounting to € 263.6m (+149.9% with respect to the previous year's € 105.5m), reduced net debt by a substantial € 233.2m. Net debt, in fact, decreased from € 2,167.7m at 31 December 2008 to € 1,934.5m despite the effect of translating debt denominated in Usd and Gbp (totalling a negative € 24.2m versus a positive € 25.9m at the end of 2008). This was achieved by adapting investment strategies to the new market context, in keeping with the policy of optimising resources without compromising the capacity for growth, and through measures to improve the efficiency of working capital.

[1] Net cash flow from operating activities, less net operating investments

Change in Net financial position



* Including fair value change of derivatives

2.3.5 **Development initiatives**

Investments

Capital expenditure in 2009 amounted to € 157.6m. Compared with the peak in 2008 (€ 337.3m), the decrease reflects the lower number of contract expirations and above all a more selective approach to new initiatives, especially in the Food & Beverage segment.

Fourth-quarter investments came to € 66.6m, down from € 99.9m the previous year.

	2009				2008			
(€m)	**Develop-ment/ Renovation**	**Mainte-nance**	**ICT & other**	**Total**	**Develop-ment/ Renovation**	**Mainte-nance**	**ICT & other**	**Total**
Food & Beverage	92.1	23.0	6.4	121.5	219.6	38.4	20.6	278.6
Travel Retail & Duty-Free	20.3	–	1.5	21.8	42.8	1.7	6.6	51.1
Flight	2.3	5.0	–	7.3	–	7.3	0.2	7.5
Corporate and unallocated	–	–	6.9	7.0	–	–	–	–
Total	**114.7**	**28.1**	**14.8**	**157.6**	**262.4**	**47.5**	**27.4**	**337.3**
% of total	*72.8%*	*17.8%*	*9.4%*		*77.8%*	*14.1%*	*8.1%*	

New contracts

In 2009 Autogrill renewed expiring contracts and won new ones of significant size and strategic merit.

Specific achievements in the **Food & Beverage** segment were as follows:

- build-up in North America. This included a five-year renewal of the catering services agreement at Charlotte Douglas International Airport in North Carolina, with total projected revenue of more than $ 500m from June 2009 to June 2015, and at Dayton International Airport in Ohio, where total estimated revenue should top $ 30m from 2013 to 2018. An extension was also obtained for the contract at Chicago O'Hare, which is expected to gross $ 215m from June 2009 through June 2012;

- in Germany, a more visible profile along the motorway network through an agreement with Tank & Rast for the management of 16 Food & Beverage locations, which by the end of 2010 should gross more than € 30m per year;

- in Poland, through the newly formed Autogrill Polska Sp.z.o.o. (51% Autogrill, 49% Impel Group), acquisition of four Food & Beverage units and an agreement to buy another seven along the country's major roadways, which by 2011 should generate annual revenue of around € 14m;

- in the Czech Republic, a stronger and more diversified presence through the opening of the first seven Food & Beverage locations at Prague railway station; these are expected to gross about € 70m throughout the 18-year term of the contract;

- in France, completion of the food court renovation at Carrousel du Louvre and an exclusive new partnership with McDonald's, which will open restaurants at motorway rest stops operated by Autogrill.

In the **Travel Retail & Duty-Free** segment, the Group:

- reinforced its presence in the United Kingdom with a new seven-year contract to manage Travel Retail & Duty-Free operations at Bristol International Airport, with projected total revenue of £ 135m over the term of the contract;

- launched operations at the new T1 terminal at Barcelona Airport in Spain.

Finally, in the **Flight** segment, the Group:

- obtained a 10-year renewal of the on-board catering contract with British Airways, its largest source of business in the UK;

- obtained a 10-year renewal of the contract with Royal Jordanian for the exclusive supply of on-board catering services for all flights leaving from airports in Jordan;

- set up a joint venture with Journey Group for the supply of on-board catering services at London Heathrow, with estimated sales of more than £ 70m per year.

2.4 **Business segments**

2.4.1 **Food & Beverage**

(€m)	2009	2008	2008 pro forma	Change 2008	Change Pro forma
Revenue	**3,787.3**	**3,934.3**	**4,037.2**	**(3.7%)**	**(6.2%)**
EBITDA	**437.5**	**465.4**	**478.7**	**(6.0%)**	**(8.6%)**
EBITDA margin	*11.6%*	*11.8%*	*11.9%*		
Capital expenditure	**121.5**	**278.6**	**274.0**	**(56.4%)**	**(55.7%)**
% of revenue	*3.2%*	*7.1%*	*6.8%*		

Revenue

In 2009, Food & Beverage sales came to € 3,787.3m, compared with € 3,934.3m in 2008 (–3.7% or –6.2% pro forma). During the first half of the year there was a steep reduction in traffic, which in some months topped 10% at US airports and the main European hubs. As for the Group's most important markets, the slight upturn in the second half of the year helped limit the year-on-year decline to –6.9%[1] at North American airports and –1.1%[3] on Italian motorways.

With traffic weak and highly volatile, the Group took steps to defend its profitability, for example by limiting menu offerings during the slower times of day at US airports.

Italian motorway revenue was essentially stable (–1% after adjusting for the number of locations) despite a 1.1%[3] decrease in traffic, thanks to numerous promotions, concentrated mostly in the "market" section of rest stops.

Food & Beverage sales reflect a more selective approach to the contracts portfolio, which in 2009 in particular led to the Group's exit from the management of Food & Beverage locations on the Florida Turnpike.

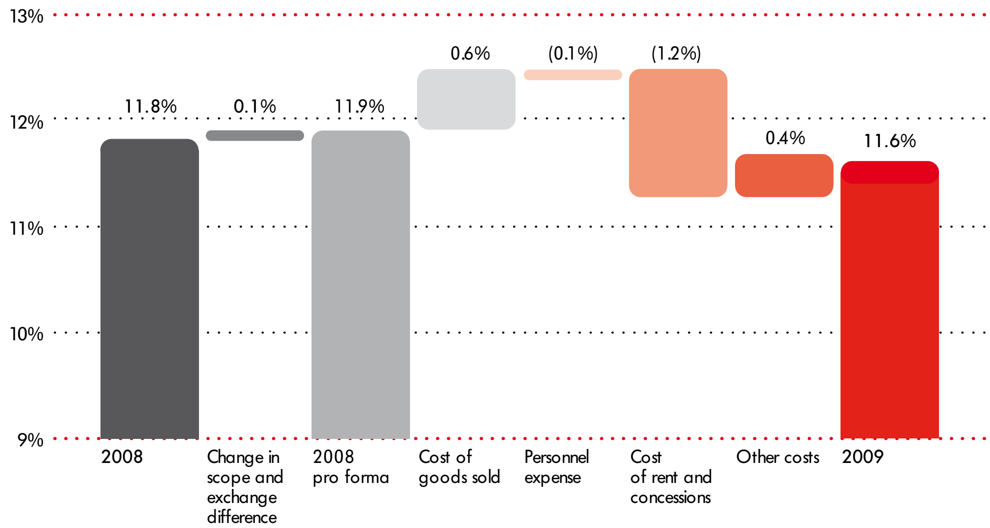
Fourth-quarter revenue amounted to € 974.2m, a decrease of 9% with respect to the € 1,070.6m grossed in the last quarter of 2008 (–5.1% pro forma). However, the quarter did show signs of improving traffic, both at US airports (–2.5%[2]) and on Italian motorways (0.8%[4]). In these two settings, on a like-for-like basis, revenue respectively decreased by 2% and 1.7%.

[1] Source: A.T.A., January-December 2009 figure
[2] Source: A.T.A., October-December 2009 figure
[3] Source: AISCAT, January-December 2009 figure
[4] Source: AISCAT, October-November 2009 figure

EBITDA

In 2009 EBITDA for the Food & Beverage segment amounted to € 437.5m, a decrease of 6% on last year's € 465.4m (–8.6% pro forma), with 11.6% EBITDA margin compared with 11.8% in 2008. The amount includes € 3.8m ordinary income attributable to prior periods. Efficiency measures, lower prices for the main food raw materials, and a more favourable sales mix helped offset the decrease in traffic and the rise in rents, mainly on new contracts in the motorway channel in Italy.

Change in EBITDA margin - Food & Beverage - 2009



The above graph breaks down the EBITDA margin into the main cost items, showing how the lower incidence of the cost of goods sold and of other operating costs made it possible to absorb much of the increase in rent and concession fees.

Fourth-quarter EBITDA came to € 86.3m, compared with € 107.2m the previous year (–19.5% or –15% pro forma). The EBITDA margin went from 10% to 8.9%, due primarily to the high volatility of daily business volumes.

Capital expenditure

Investments of € 121.5m (€ 278.6m in 2008) were adequate for the situation at hand. Most of the expenditure allocated to development concerned motorway locations under refurbishment and new airport openings in Italy and the United States. In the fourth-quarter, capital expenditure came to € 52.5m (€ 87.6m the previous year).

HMSHost (North America and Pacific Region)[1, 2]

To eliminate interference from fluctuations in the euro/dollar exchange rate and make it easier to interpret performance, figures are reported in millions of US dollars ($m).

($m)	2009	2008	Change
Revenue	**2,478.4**	**2,773.2**	**(10.6%)**
Airports	1,984.6	2,222.7	(10.7%)
Motorways	403.9	451 .8	(10.6%)
Shopping malls	89.9	98.7	(8.9%)
EBITDA	**307.4**	**339.2**	**(9.4%)**
EBITDA margin	*12.4%*	*12.2%*	
Capital expenditure	**83.5**	**196.0**	**(57.4%)**
% of revenue	*3.4%*	*7.1%*	

Revenue

In 2009 this area generated sales of $ 2,478.4m, a 10.6% decrease with respect to the previous year's $ 2,773.2m (–8.9% on a time-adjusted basis, –5.9% like-for-like), due to the continued economic slump and the resulting decline in travel. Fourth-quarter revenue of $ 728.0m was 9.4% lower than the same period in 2008 ($ 803.6m), or lower by 3.2% on a time-adjusted basis and by 1.1% like-for-like.

Performance by channel is described below:

- **Airports:** with revenue of $ 1,984.6m, this channel suffered a drop of 10.7% (–9.1% on a time-adjusted basis and –7.7% like-for-like) with respect to the $ 2,222.7m earned the previous year, versus a 6.9% decrease in passenger traffic[3] at US airports. In the final quarter, sales totalled $ 592.7m, compared with $ 640.6m the previous year (–7.5%, or –1.5% on a time-adjusted basis and –2% like-for-like), with passenger traffic down by 2.5%[4] at US airports.

- **Motorways:** with a positive trend in motorway traffic (+0.1% on the sections served by the Group[5]), revenue in this channel totalled $ 403.9m, a decrease of 10.6% (–8.6% on a time-adjusted basis) compared with the $ 451.8m grossed in 2008 due to temporary closures for renovations of units on the Delaware Turnpike and the Pennsylvania Turnpike, and especially to the Group's exit from the Florida Turnpike in the second quarter of 2009. On a like-for-like basis, sales increased by 0.9%. The fourth-quarter, with traffic up by 0.1%[6] closed with revenue of $ 105.3m: –18.8% (–12% time-adjusted) on the previous year's $ 129.7m, but +3.9% on a like-for-like basis.

[1] Under the trade name HMSHost, Autogrill Overseas Inc. (USA) manages mostly Food & Beverage services in North America, at Amsterdam's Schiphol Airport and at other airports in Asia and Australasia

[2] The comparison with 2008 also reflects its longer duration. Closing on the Friday closest to 31 December, the year was actually 53 weeks long, compared with 52 weeks in 2009. Likewise, the fourth-quarter had 17 weeks in 2008 and 16 weeks this year. For this reason, comparisons with 2008 are also shown on a "time-adjusted basis", as if the two periods were identical in length

[3] Source: A.T.A., January-December 2009 figure

[4] Source: A.T.A., October-December 2009 figure

[5] Source: Federal Highway Administration, January-December 2009 figure

[6] Source: Federal Highway Administration, October-December 2009 figure

- **Shopping malls:** revenue in this channel came to $ 89.9m, a decrease of 8.9% (–6.3% time-adjusted) compared with the previous year's $ 98.7m, due in part to the closure of certain locations. On a like-for-like basis, the change would be –5.7%. Fourth-quarter sales fell from $ 33.3m in 2008 to $ 30.0m (–10.0% or –2% time-adjusted), but the decline was 1.0% on a like-for-like basis.

EBITDA

EBITDA amounted to $ 307.4m ($ 339.2m in 2008, after $ 8.0m in reorganisation costs), a decrease of 9.4% for the year (–6.6% on a time-adjusted basis). As a percentage of sales, it rose from 12.2% to 12.4%. A better sales mix and lower prices for the main raw materials helped improve the cost of goods sold as a percentage of revenue. Personnel expense accounted for a higher share of revenue, because of reduced productivity (due to the decrease in sales), and a rise in the hourly rate stemming from an increase in healthcare costs and social security charges. The lower business volumes also led to an increase in the incidence of rent, concession fees and other operating costs.

In the fourth-quarter EBITDA decreased by 15.2% (–7.6% on a time-adjusted basis), from $ 93.5m in 2008 to $ 79.3m, falling from 11.6% to 10.9% of sales.

Capital expenditure

Investments amounted to $ 83.5m ($ 196.0m in 2008), and went from 7.1% to 3.4% of sales. Most expenditure went toward rest stops on the Delaware Turnpike and the Pennsylvania Turnpike and locations at North American airports (St. Louis, San José, Vancouver, Las Vegas, Orlando and Atlanta).

Fourth-quarter investments totalled $ 43.1m ($ 44.8m in 2008) and went from 5.6% to 5.9% of sales.

Italy

(€m)	2009	2008	Change
Revenue	**1,296.8**	**1,319.9**	**(1.7%)**
Motorways	1,008.7	1,039.5	(3.0%)
Airports	88.4	77.9	13.5%
Railway stations and shipboard	37.3	36.5	2.3%
Other	162.4	166.0	(2.2%)
EBITDA	**160.4**	**173.5**	**(7.6%)**
EBITDA margin	*12.4%*	*13.1%*	
Capital expenditure	**34.6**	**85.1**	**(59.4%)**
% of revenue	*2.7%*	*6.4%*	

Revenue

In 2009 the Group grossed € 1,296.8m in Italy, a decrease of 1.7% with respect to the previous year's revenue of € 1,319.9m (–1% after adjusting for the number of locations).

In the fourth-quarter, revenue came to € 312.3m (€ 318.3m the previous year), a decrease of 1.9% (–0.8% on a same-store basis).

Performance by channel is described below:

- **Motorways:** revenue in this channel came to € 1,008.7m, a decrease of 3.0% on the previous year's € 1,039.5m, with overall traffic down by 1.1%[1] and an 8.3% drop in heavy traffic[1]. After adjusting for the number of locations, the decrease is 1%, with an increase in Food & Beverage and market sales[2] of 0.4%. Fourth-quarter revenue was € 239.4m, a reduction of 3.9% with respect to the previous year. On a same-store basis, sales were down by 1.7%, and there was a 0.8% rise in Food & Beverage and market revenue[2] in line with the change in traffic in October-November.

- **Airports:** revenue in this channel grew by 13.5%, from € 77.9m in 2008 to € 88.4m, thanks in part to the Rome airport locations acquired during the year. On a like-for-like basis, the increase was 1.2%, versus a 3.3%[3] decline in passenger traffic at the airports served. In the fourth-quarter, the recovery in passenger traffic (+6.5% at the airports served[4]) helped sales increase by 24.6% to € 21.2m (€ 17.1m the previous year), for growth of 9.6% on a same-store basis.

- **Railway stations and shipboard catering:** sales in this channel increased by 2.3% to € 37.3m (€ 36.5m in 2008), due primarily to the shipboard catering service on Grandi Navi Veloci. Excluding the latter, sales were essentially stable (–0.3%). Fourth-quarter revenue was down by 2.9% to € 6.8m (+0.3% on a like-for-like basis).

- **Other channels (high streets, shopping malls, trade fairs and museums):** revenue amounted to € 162.4m, a decrease of 2.2% with respect to the previous year's € 166.0m, due to the closure of certain locations. Fourth-quarter sales came to € 44.8m, down by 0.7% on the final quarter of 2008 (€ 45.2m).

EBITDA

EBITDA amounted to € 160.4m, a decrease of 7.6% with respect to the previous year's € 173.5m. The 2008 figure included reorganisation expenses of € 1.6m, while in 2009 EBITDA benefitted from € 2m in ordinary income pertaining to previous years. As a percentage of sales, EBITDA came to 12.4%, down from 13.1% in the previous year due to the higher incidence of rent and concession fees (mostly as a result of the motorway contracts awarded in 2008 and the new airport units). Their impact was partially absorbed by improvements to the product mix (which reduced the cost of goods sold as a percentage of revenue) and the reduction in other operating costs, particularly energy. Personnel expense went up as a percentage of sales due to an increase in the average hourly cost, which was not fully offset by the rise in productivity.

For the fourth-quarter of 2009, EBITDA was € 27.2m, compared with € 32.1m in the previous year (–15.4%). It came to 8.7% of sales (10.1% in the final quarter of 2008).

Capital expenditure

The Group invested € 34.6m in 2009 (€ 85.1m the previous year), amounting to 2.7% of sales (6.4% in 2008). Most of the expenditure concerned contract renewals at motorway rest stops and new openings inside airports. Capital expenditure for the fourth-quarter came to € 10.2m (€ 35.7m in the previous year).

[1] Source: AISCAT, January-December 2009 figure
[2] Excluding sales of lottery tickets, toys and newspapers
[3] Source: Group estimates on Assaeroporti figures for January-December 2009
[4] Source: Group estimates on Assaeroporti figures for October-December 2009

Other countries

(€m)	2009	2008	2008 pro forma	Change 2008	Change Pro forma
Revenue	**713.9**	**729.1**	**729.4**	**(2.1%)**	**(2.1%)**
Motorways	416.2	423.2	425.9	(1 .6%)	(2.3%)
Airports	164.0	178.1	174.0	(7.9%)	(5.7%)
Railway stations	93.2	86.4	87.0	7.8%	7.1%
Other	40.5	41 .4	42.5	(2.0%)	(4.5%)
EBITDA	**56.7**	**61.2**	**62.0**	**(7.4%)**	**(8.6%)**
EBITDA margin	*7.9%*	*8.4%*	*8.5%*		
Capital expenditure	**28.9**	**52.6**	**52.9**	**(45.1%)**	**(45.3%)**
% of revenue	*4.1%*	*7.2%*	*7.2%*		

Revenue
In 2009 the Group grossed € 713.9m in other countries, a decrease of 2.1% (both actual and pro forma) with respect to the previous year (€ 729.1m) due to the general decline in motorway and airport traffic.

Fourth-quarter sales grew from € 161.1m to € 166.1m, an increase of 3.1% (+2.9% pro-forma).

Performance by channel is described below:

- **Motorways:** revenue in this channel totalled € 416.2m (€ 423.2m the previous year), decreasing by 1.6% (–2.3%). Results in France were good (+3.3%), thanks in part to the reduction in the VAT rate as from 1 July, and in Switzerland (+1.6% in the local currency). The setbacks in Belgium (–27%) and Spain (–16.4%) stemmed from the drop in traffic and the closure of certain locations.
  Fourth-quarter revenue amounted to € 92.1m, an increase of 3.1% on the same period in 2008 (€ 89.3m), or of 3.0%.

- **Airports:** revenue of € 164.0m was 7.9% lower than the previous year's € 178.1m (–5.7%). Airport sales were down in Brussels (–3%) and Zurich (–9%). In France, an increase of 6.5% reflects new low-cost flights operating out of Marseille. Fourth-quarter revenue of € 37.4m was 1.2% lower than the previous year (€ 37.8m), or 1.4% lower on a pro forma basis.

- **Railway stations:** revenue in this channel grew from € 86.4m in 2008 to € 93.2m (+7.8%, or +7.1% pro forma), showing progress in all countries served by the Group. Performance was especially notable in Belgium (+48.6%), thanks to development in underground transit stations, and in the Czech Republic, where Food & Beverage locations were opened at the central train station in Prague. Results were also good in Switzerland (+1.5% pro forma), where a new location was opened in Berne; in France (+4.3%) thanks to the Group's excellent performance at Paris Gare de l'Est; and in Spain (+2.8%), where new outlets were opened in Seville and Madrid.
  Fourth-quarter revenue increased by 10.9%, from € 22.8m in 2008 to € 25.3m (+10.6% on a pro forma basis).

- **Other channels:** sales totalled € 40.5m, a decrease of 2.0% on the previous year's € 41.4m (–4.5% pro forma), as a result of the renovation work carried out at Carrousel du Louvre in France (completed in early December 2009).
  For the fourth-quarter, revenue climbed by 1.1% (+0.2% pro forma) to € 11.3m, compared with € 11.2m in 2008.

EBITDA
EBITDA in 2009 came to € 56.7m, a decrease of 7.4% with respect to the € 61.2m reported in 2008 (–8.6% pro forma), and went from 8.4% to 7.9% of revenue. The result was affected by the decline in sales and by various fixed cost items. In Belgium, the Netherlands and Austria, the cost of goods sold improved as a percentage of sales, but the incidence of personnel expense went up. The 2009 figure includes € 1.8m in ordinary income attributable to prior years, while in 2008 EBITDA was reduced by € 1.4m in restructuring costs.

Fourth-quarter EBITDA was € 5.6m, compared with € 5.8m the previous year (–3.9%, or –6.7% pro forma).

Capital expenditure
Capital expenditure came to € 28.9m (€ 52.6m the previous year). The main projects concerned motorway locations in Austria (YYBS and St. Veit) and the Carrousel du Louvre in France.

2.4.2 **Travel Retail & Duty-Free**

The overall contribution of Travel Retail & Duty-Free operations to the main consolidated results for the year is summarised below:

				Change	
(€m)	2009	2008	2008 pro forma	2008	Pro forma
Revenue	**1,538.1**	**1,429.0**	**1,585.8**	**7.6%**	**(3.0%)**
Spain	494.3	536.0	594.5	(7.8%)	(16.9%)
United Kingdom	713.9	601 .0	670.7	18.8%	6.4%
Other countries	329.9	292.1	320.5	13.0%	2.9%
EBITDA	**156.9**	**123.7**	**136.0**	**26.9%**	**15.4%**
EBITDA margin	*10.2%*	*8.7%*	*8.6%*		
Capital expenditure	**21.8**	**51.1**	**61.8**	**(57.3%)**	**(64.7%)**
% of revenue	*1.4%*	*3.6%*	*3.9%*		

Revenue

Travel Retail & Duty-Free closed the year with revenue of € 1,538.1m, an increase of 7.6% with respect to the previous year's € 1,429.0m. The change with respect to the 2008 pro forma figure is a negative 3.0%, caused mainly by the reduction in European passenger traffic.

Fourth-quarter sales came to € 387.4m, down from € 395.3m in the previous year (–2.0%). On a pro forma basis there was an increase of 1.9%, reflecting signs of a recovery in traffic.

Given the significance of the trend by region, the pro forma changes in the Group's main operating environments are discussed below:

- **Spain**[1]**:** revenue of € 494.3m showed a 16.9% decrease on the previous year (€ 594.5m), with passenger traffic down by 8.1%[2]. Performance was hurt by the troubled Spanish economy and by the depreciation of the pound against the euro, which reduced the numbers and the spending capacity of British passengers, who make up a significant share of Spain's international traffic. Another hindrance was the fact that some low-cost airlines have set tighter limits on the number of bags allowed on board. Several promotional campaigns during the year attempted to combat the drop in traffic and in spending per passenger. At Madrid Airport, sales totalled € 161.8m (–7.4%), while at tourist-heavy airports the decline was 21.9%. Fourth-quarter sales of € 113.1m were down by 11.6% with respect to last year's € 127.9m, while the decrease in traffic was limited to –0.9%[3]. In addition to an improvement at Madrid Airport, where the decline was reduced to 2.7%, there was a positive start to the high season in the Canary Islands.

- **United Kingdom:** revenue in 2009 was £ 636.0m, compared with £ 597.6m in the previous year (+6.4%), despite a 6%[4] drop in traffic. This was partly due to the more competitive prices enjoyed by international passengers as a result of the weakness of the British pound. Performance in the United Kingdom was driven by sales at Heathrow Airport, which came to £ 289.9m and increased by 14.2%, against a 1.5%[5] drop in traffic. Contributing to this progress was the stores' confirmed ability to attract passengers, especially in the new T5 that was opened in 2008. Revenue at other UK airports was basically in line with the previous year; the smaller airports, which are more sensitive to domestic demand, suffered more from the economic slump. Fourth-quarter sales of £ 173.3m were 9.0% higher than in the same period last year (£ 159m), confirming the growth trend of the previous months, against an improvement in traffic during the period (–4.7%)[6]. During the quarter, the closure of Heathrow's T2 in November was offset by good performance in the remaining terminals and by the new concession at Bristol Airport, opened in November 2009.

- **Other countries**[7]**:** revenue for the year came to € 329.9m, compared with € 320.5m in 2008 (+2.9%). Halfway through the year, sales were hurt by swine flu (particularly in Mexico) and political unrest in Sri Lanka, as well as by the global recession. Business was on the rise in Kuwait. Results were also affected by the line-by-line consolidation of Indian operations, which for much of 2008 were conducted as a joint venture. The fourth-quarter closed with revenue of € 82.5m, up from € 76.5m the previous year (+7.9%). Performance was especially strong in Canada, thanks in part to the upgrading of retail stores, and in Chile, where there was a substantial upturn in traffic.

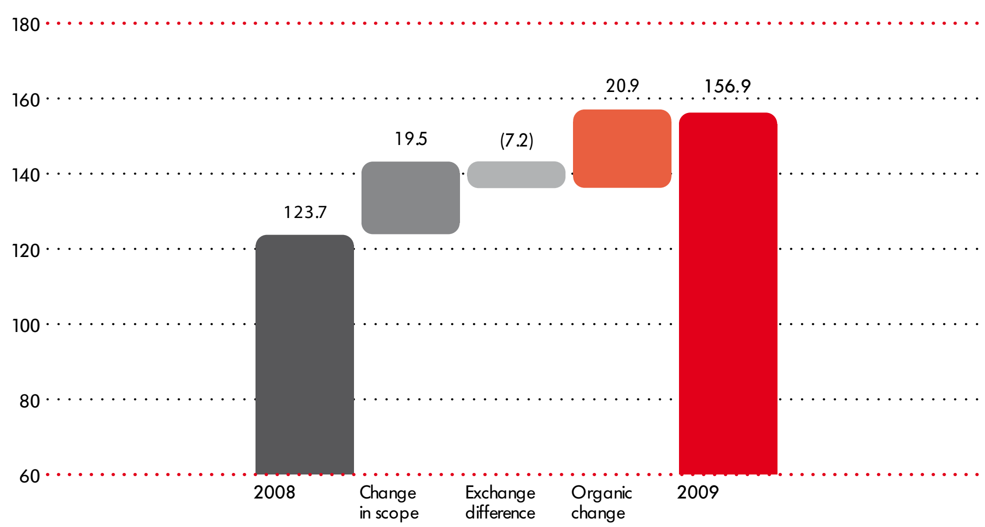
[1] Sales in Spain correspond to the domestic operations of Aldeasa
[2] Source: AENA, January-December 2009 figure
[3] Source: AENA, October-December 2009 figure
[4] Source: BAA, Manchester and Gatwick Airports, January-December 2009 figure
[5] Source: BAA, January-December 2009 figure
[6] Source: BAA, Manchester and Gatwick airports, October-December 2009 figure
[7] Sales in the "Rest of the world" correspond to the Group's retail operations in Sri Lanka, the United States, India, Jordan, Chile, Canada, Kuwait, Peru, Portugal, Colombia, Cape Verde, Panama, Maldives, Mexico, Dutch Antilles and France

EBITDA

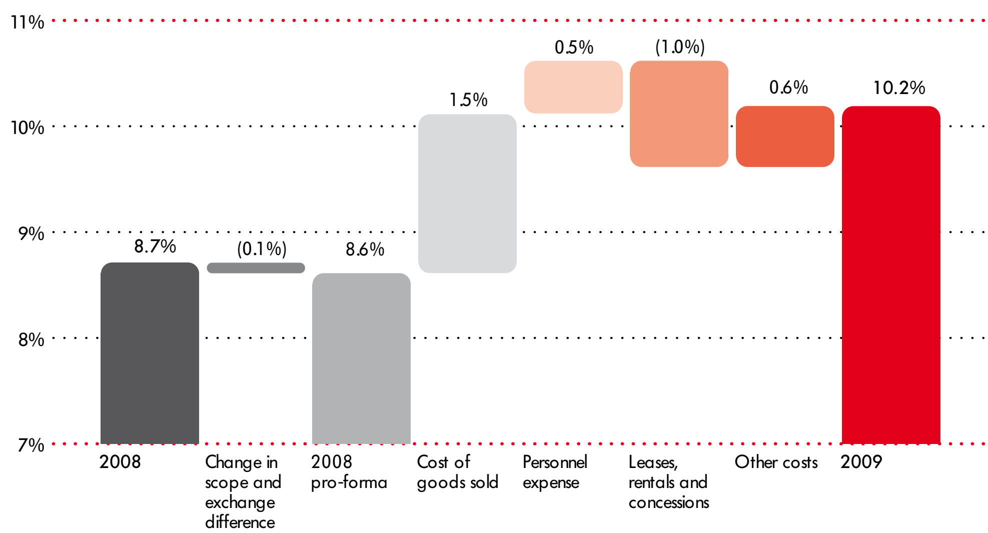
EBITDA in the Travel Retail & Duty-Free segment came to € 156.9m, growing by 26.9% on the previous year (€ 123.7m), or by 15.4% on a pro forma basis. The 2008 figure included costs for the integration process (€ 10.9m), whose outcome – along with the efficiency measures taken to counteract the drop in sales – helped the EBITDA margin climb from 8.7% to 10.2% of revenue. The integration of retail operations produced synergies of over € 30m for the year, out of an estimated € 45m once the process is complete.

EBITDA also benefitted from the previous year's share of the reduction in concession fees at Vancouver Airport in Canada (€ 7.5m). Net of that contribution, EBITDA would still have improved by 9.9% compared with the pro forma 2008 amount. Fourth-quarter EBITDA totalled € 42.2m, up 35% on the € 30.3m (pro-forma) reported for the same period in 2008, when it included integration costs of € 9.3m. The EBITDA margin rose from 8.0% to 10.9%.

Change in EBITDA - Travel Retail & Duty-Free - 2009



Change in EBITDA margin - Travel Retail & Duty-Free - 2009



Capital expenditure

Capital expenditure in 2009 amounted to € 21.8m, compared with € 51.1m in the previous year. The decrease is due partly to the streamlining of capital expenditure and partly to the segment's development, as 2008 was influenced by the opening of Heathrow T5 and by a major upgrading of airport shops in Madrid. In Europe, key projects in 2009 involved works for the June opening of the new terminal in Barcelona, new concepts at T2 in Manchester, fresh retail offerings in Jersey to mark the renewal of the concession contract, and ongoing IT investment as a result of the integration process. The Group also expanded its premises at Amman Airport in Jordan. Capex in the fourth-quarter came to € 3.5m (€ 11.2m the previous year), amounting to 0.9% of sales.

2.4.3 **Flight**

(€m)	2009	2008	2008 pro forma	Change 2008	Change Pro forma
Revenue	**403.0**	**431.2**	**411.4**	**(6.5%)**	**(2.0%)**
United Kingdom and Ireland	204.2	241 .6	215.9	(15.5%)	(5.4%)
Other countries	198.8	189.6	195.5	4.8%	1 .7%
EBITDA	**42.2**	**41.5**	**41.8**	**1.8%**	**1.1%**
EBITDA margin	*10.5%*	*9.6%*	*10.2%*		
Capital expenditure	**7.3**	**7.5**	**8.0**	**(2.3%)**	**(8.9%)**
% of revenue	*1.8%*	*1.7%*	*2.0%*		

Revenue

In 2009 the Flight segment grossed € 403m, down from € 431.2m in the previous year (–6.5%, or –2.0% pro forma). This was the first full year of consolidation of Alpha Flight A.S. (formerly Air Czech Catering A.S.), which in 2008 was consolidated as from 1 April. Good international performance, especially in the Middle East and Australia, countered the decline in United Kingdom sales, which was caused by the bankruptcy of some airlines served by the Group during the second half of 2008 (Excel, Maxyjet, Silverjet and Futura) and by the general drop in passenger traffic in 2009.

The fourth-quarter closed with revenue of € 101.3m, an increase of 12.3% with respect to previous year's € 90.2m (+12.6% pro forma). Contributing factors were especially robust sales in Australia and the Middle East, and the consolidation of the operations contributed by Journey Group to the joint venture formed in the United Kingdom on 20 November 2009.

Region-by-region performance was as follows:

- **United Kingdom and Ireland:** revenue of € 204.2m was 15.5% lower than the previous year's € 241.6m (–5.4% pro forma). Revenue for the fourth-quarter came to € 50.1m, up from € 42.1m the previous year (+19.1% or +24% pro forma; +11.8% net of the operations contributed by Journey Group).

- **Other countries:** overall revenue growth amounted to 4.8%, from € 189.6m to € 198.8m (+1.7% pro forma), thanks to positive performance in Australia (+14%) and the Middle East (+3.3%) which offset a 6.0% decline in European countries. Fourth-quarter sales grew to € 51.2m from € 48.2m in 2008, rising by 6.3% (+3.3% pro forma), due in part to new openings in the Middle East.

EBITDA

EBITDA in 2009 rose by 1.8%, from € 41.5m to € 42.2m (+1.1% pro forma). Major efficiency gains, improvements in the contracts portfolio, and better visibility in high-growth markets (Middle East and Australia) pushed the EBITDA margin up from 9.6% to 10.5%.

Fourth-quarter EBITDA came to € 7.3m, compared with € 7.6m in 2008 (–4.2%, or –11.2% pro forma). The result was affected by the initial cost of integrating the new operations in the United Kingdom.

Capital expenditure

Capital expenditure in 2009 amounted to € 7.3m (€ 7.5m in 2008), mostly concentrated at the airports of Sharjah (United Arab Emirates), Amman and Sydney.
In the fourth-quarter the Group invested € 3.6m, compared with € 1m in the previous year.

2.5 **Outlook**

In the first eight weeks of 2010, the Group had sales of € 783.2m[1] an increase of 2.7% (+3.5% on a like-for-like basis) on the same period in 2009 at constant exchange rate.

Development activities have moved forward, especially at American airports. The Group has renewed its Food & Beverage concession at Anchorage International Airport in Alaska, and signed a new contract for F&B and retail operations at San Antonio International Airport in Texas.

In 2010 Autogrill will continue to focus on profitability, the efficient use of resources, and cash generation in a context of improving yet still highly volatile traffic.

Depending on the actual trend in traffic, we have designed two possible scenarios:

- "Best Case" would mean faster traffic growth at American airports and a moderate recovery for UK airports and Italian motorways, while traffic at Spanish airports would be unchanged;
- "Worst Case" indicates a slower recovery at US airports, stable traffic for Italian motorways and United Kingdom airports, and a slight decline in Spain.

Traffic projections:

	Best case	**Worst case**
Traffic US Airports	2.5%	2.0%
Traffic Italian motorways	1.0%	0.0%
Traffic United Kingdom sirports	1.0%	0.0%
Traffic Spanish motorways	0.0%	(1.0%)

As a result, figures for the year[2] are projected to lie within the following ranges:

(€m)	**Best case**	**Worst case**
Revenue	6,025	5,925
EBITDA	635	615
Capital expenditure	250	250

[1] Average exchange rates in the first eight weeks: €/$ 1:1.40, €/£ 1:0.88
[2] Average €/$ exchange rate 1:1.35; average €/£ exchange rate 1:0.86

2.6 **The Parent**

Condensed income statement

(€m)	2009	% of revenue	2008	% of revenue	Change
Revenue	1,280.4	100.0%	1,296.2	100.0%	(1 .2%)
Other operating income	78.3	6.1%	70.6	5.4%	10.9%
Total revenue and income	**1,358.7**	**106.1%**	**1,366.8**	**105.4%**	**(0.6%)**
Cost of raw materials, consumables and supplies	(604.8)	(47.2%)	(628.3)	(48.5%)	(3.7%)
Personnel expense	(302.9)	(23.7%)	(300.1)	(23.2%)	0.9%
Leases, rentals, concessions and royalties	(175.7)	(13.7%)	(140.3)	(10.8%)	25.2%
Other operating costs	(144.9)	(11 .3%)	(155.4)	(12.0%)	(6.8%)
EBITDA	**130.4**	**10.2%**	**142.7**	**11.0%**	**(8.6%)**
Amortisation, depreciation and impairment losses	(54.8)	(4.3%)	(47.7)	(3.7%)	14.9%
EBIT	**75.6**	**5.9%**	**95.0**	**7.3%**	**(20.4%)**
Financial income (expense)	27.8	2.2%	(35.2)	(2.7%)	(179.0%)
Impairment losses on financial assets	(6.8)	(0.5%)	(11 .2)	(0.9%)	(39.3%)
Pre-tax profit	**96.6**	**7.5%**	**48.6**	**3.7%**	**98.8%**
Income tax	(33.9)	(2.6%)	(30.3)	(2.3%)	11 .9%
Net profit	**62.7**	**4.9%**	**18.3**	**1.4%**	**242.6%**

In addition to managing and controlling the Group by way of its business units, Autogrill S.p.A. directly conducts the businesses that earn over 98% of revenue in the Italian market. The remaining 2% is generated by its Italian subsidiaries: Trentuno S.p.A., Nuova Sidap S.r.l. and Alpha Retail Italia S.r.l.

The year closed with revenue of € 1,280.4m, down from € 1,296.2m in 2008 (–1.2%).

EBITDA came to € 130.4m, with respect to € 142.7m in 2008.

See the "Business segments" section under "Italy" for comments on domestic commercial operations.

EBIT amounted to € 75.6m (€ 95.0m in 2008). Amortisation and depreciation increased by € 7.1m, due mainly to the completion of major investments on the sales network begun in previous years.

Net financial income came to € 21.0m, compared with next financial expense of € 46.4m the previous year. Most of the change is due to higher dividends received from subsidiaries (from € 1.9m in 2008 to € 34.2m in 2009) and to a reduction in net debt achieved through the generation of cash from commercial operations, as well as to the full benefit of the sale of Autogrill Holdings UK Plc. (formerly Alpha Group Plc.) to World Duty Free Europe Ltd. in the autumn of 2008.

Autogrill S.p.A. earned a profit of € 62.7m (€ 18.3m in 2008), after taxes of € 33.9m (€ 30.3m the previous year).

Statement of financial position[1]

(€m)	31.12.2009	31.12.2008	Change
Intangible assets	118.4	127.4	(9.0)
Property, plant and equipment	210.1	223.1	(13.0)
Financial assets	623.4	616.9	6.5
A) Non-current assets	**951.9**	**967.4**	**(15.5)**
Inventories	57.7	51 .5	6.2
Trade receivables	27.2	25.0	2.2
Other receivables	60.4	48.0	12.4
Trade payables	(292.7)	(281 .9)	(10.8)
Other payables	(80.1)	(94.7)	14.7
B) Working capital	**(227.5)**	**(252.1)**	**24.7**
C) Invested capital, less current liabilities	**724.5**	**715.3**	**9.2**
D) Other non-current non-financial assets and liabilities	**(84.4)**	**(83.2)**	**(1.2)**
E) Net invested capital	**640.1**	**632.1**	**8.0**
G) Equity	**610.2**	**553.2**	**57.0**
Non-current financial liabilities	1,352.8	1,629.5	(276.7)
Non-current financial assets	(1,458.6)	(1,250.3)	(208.3)
H) Non-current financial position	**(105.8)**	**379.2**	**(485.0)**
Current financial liabilities	240.1	117.9	122.2
Cash and current financial assets	(104.5)	(418.0)	313.6
I) Net current financial position	**135.7**	**(300.1)**	**435.8**
Net financial position (H + I)	**29.8**	**79.1**	**(49.3)**
L) Total, as in F)	**640.1**	**632.1**	**8.0**

The statement of financial position shows an increase of € 8m in net invested capital, due to a € 15.5m decrease in non-current assets and a € 24.7m rise in working capital.

The change in fixed assets is mainly due to:
- a decrease of € 22m in property, plant and equipment and intangible assets, due to the prevalence of amortisation, depreciation and impairment losses (€ 54.8m) on investments for the year (€ 34.9m), and to the sale of properties in the "high street" channel for a net carrying amount of € 3.3m;

[1] The main statement of financial position figures are directly derived from the consolidated financial statements and Notes hereto

- an increase in non-current financial assets due to the buy-out of HMSHost Sweden AB, HMSHost Ireland Ltd. and Autogrill Catering UK Ltd. (formerly indirect subsidiaries) as part of the Group's rearrangement of ownership chains. The acquisition prices were negotiated on the basis of the companies' fair value on the transaction date and are representative of their expected ability to produce earnings and generate cash.

Most of the change in working capital is due to:
- a € 10.8m increase in trade payables for rent and concession fees, further to the renewal of motorway concession contracts awarded at the end of 2008 (other trade payables went down slightly in parallel with the trend in revenue);
- a € 6.2m rise in inventories, mostly for the introduction of new goods for sale and the exceptional procurement of instant lottery tickets at the end of the year, which was reabsorbed in early 2010;
- settlement of the IRES (corporate income tax) liability at 31 December 2008 (€ 14.7m) and recognition of an IRES credit of € 11.3m at the close of 2009, due mostly to the overpayment of advances with respect to the liability on 2009 income.

Autogrill S.p.A. has maintained its role as the Group's "internal bank", mostly by acquiring and distributing long-term bank loans, as described in note XVII to the Separate financial statements.

Although there has been no significant impact on the Group's finances, in 2009 – with retroactive effect from 1 January 2009 for tax and accounting purposes – Autogrill S.p.A. absorbed its wholly-owned subsidiary Autogrill International S.p.A.

Capital expenditure

Autogrill S.p.A. invested € 34.9m in 2009 (€ 84m the previous year). For further information, see the "Business segments" section under "Italy".

Workforce

	31.12.2009			31.12.2008		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Managers	66	–	66	67	–	67
White collars	801	165	966	842	166	1,008
Blue collars	3,643	6,061	9,704	3,708	6,078	9,786
Junior managers	529	5	534	492	6	498
Total	**5,039**	**6,231**	**11,270**	**5,109**	**6,250**	**11,359**

At the end of 2009 there were 11,270 employees on the payroll, a decrease of 89, referring mainly to personnel at commercial locations.

2.7 **Other information**

2.7.1 **Corporate Social Responsibility**

For Autogrill, sustainability is an important way of involving and motivating our workers, as well as an innovation driver that will sharpen the Group's competitive edge. Autogrill is committed to developing good sustainability practices in its various business segments. The intent is to consider the aspects and the impact of our activities on the community and the environment, while raising stakeholder awareness about these issues.

Since 2006 we have been providing stakeholders with a Sustainability Report, prepared on the basis of international standards set by the Global Reporting Initiative (GRI-G3). The 2009 report gives stakeholders useful insight into how we manage the many aspects related to the nature and characteristics of our business segments and how such aspects have evolved.

The structure of the new report reflects the philosophy of "Afuture", the Autogrill Group's project to instill a conception of the business founded on sustainability and on the quest for innovative ways to meet the needs of all who interact with our Group, while also giving us a competitive advantage. The project has been developed taking account of Autogrill's considerable growth in recent years, which has transformed it into a household name that speaks not only of a full assortment of quality goods and services but of strong and healthy relations with an increasingly diverse range of people, cultures and markets, all of them honoured for what makes them unique.

The information provided in the 2009 report supplements the full Sustainability Report, available online at www.autogrill.com.

Human resources

For a "people" company like Autogrill, the workforce – numbering about 67,000 in 2009 – is a fundamental asset both as the driving engine of the business and as the basic point of contact with consumers.

In the context of personnel management and growth, the Group's main initiatives for the present and the next few years concern: the development of individual skill sets and their adaptation to changing business scenarios, career plans, interdepartmental and international postings, training and coaching, safety in the workplace, equality and respect for diversity, teamwork, and open communication.

Our constant geographical expansion has also signified broader responsibilities and an ever greater need to consider the cultures, laws and traditions of the countries where we operate and the people we employ.

A diverse employee base brings the Group closer to the consumer through the development of products and services that celebrate local customs in a global context. A multicultural workforce that reflects the social changes taking place in our various regions is a valuable resource for understanding how today's markets and consumers may be different from what we have known in the past.

Autogrill believes that diversity is a great opportunity to develop its business. From cultural to gender diversity, from age differences to individual uniqueness, the goal of diversity management is to make the most of the one-of-a-kind contribution that each worker can bring to achieving the company's aims.

As Autogrill's mission is to provide quality catering and retail services to people on the move, the business is highly seasonal, with peaks in activity during holidays and vacation periods – which vary around the globe. Flexibility is therefore paramount, starting with the organisation of working hours. To ensure that our operations are well managed, we take pains to use our employees' time wisely. Through collective bargaining in each country, we offer part-time contracts and organize work in weekly shifts, which also helps achieve the best possible balance between work and family.

Autogrill treats health and safety in the workplace and the prevention of risks to workers as a strategic business objective. We constantly endeavour to find procedures and technology that can guarantee the highest standards of worker safety and to organise specific training programmes. To reflect the most recent legislation on health and safety in the workplace, we have revised our operating practices and the Organisational Model called for by Italy's corporate liability law.

Autogrill's focus on people is also manifest in our efforts to obtain important worker protection credentials, including:

- Social Accountability 8000 certification for Autogrill S.p.A., demonstrating our commitment to human rights and workers' rights and to preventing child exploitation, while ensuring a safe and healthy place of work;
- OHSAS 18001 certification for World Duty Free Europe Ltd., which promotes a safe and healthy workplace by maintaining an infrastructure that allows it to systematically monitor health and safety risks, reduce hazards, foster regulatory compliance and improve overall standards.

Environment

Once again in 2009, Autogrill's commitment to the environment led it to conduct initiatives based on the philosophy of the Afuture project. The focus of the project is to improve, from an environmental standpoint, all aspects of a point of sale: from the store itself (energy efficiency of the building, installation of better technologies and renewable energy sources like geothermic and solar, eco-friendly furnishings and equipment, etc.) to what it sells (better raw materials, re-engineered packaging). New initiatives are tested at certain locations and then replicated at other stores and in different countries.

The more significant projects carried out are briefly described below:

- In 2009 work began on the new **Delaware Welcome Center**, a 3,900 square meter facility built according to the standards of the Leadership in Energy and Environmental Design (LEED). The building will house the new state visitors' center, for information on tourist attractions, events and activities in the state of Delaware. Some of the aspects that have earned the building **LEED Silver certification** are a water and energy savings system and the use of recycled or locally salvaged building materials.
- The Brianza Sud location in Italy is not only certified to ISO 14001:2004 standards, but in 2009 received EMAS certification for its voluntary participation in the EU Eco-Management and Audit Scheme.

- In July 2009, **Autogrill and Conai** launched the "**Destinazione Ambiente**" pilot project, which encourages travellers to sort their waste for recycling and salvage even while on the motorway. Potentially involving 300 million people who stop at motorway rest areas in Italy each year, the project began with five pilot locations and will gradually be extended to more and more Autogrill stops along the roads.
- **The fourth international "Design for All" competition** invited industry students and professionals to disseminate a new culture of design that considers the needs of everyone and the accessibility and user friendliness of everyday locations. The theme of this year's entry was the design of the free-flow Food & Beverage area and of the seating at Autogrill locations, and involved 466 designers.
- Since December, **Aldeasa –** Autogrill's Spanish division in the Travel Retail & Duty-Free segment – has been using **biodegradable shopping bags** at Spanish airports, made from potato starch and natural inks, in an effort to reduce the environmental impact of traditional plastic bags. Proceeds from the sale of the bags will be donated to charity, in support of marine life preservation projects sponsored by WWF in Spain.

2.7.2 **Main risks and uncertainties faced by Autogrill S.p.A. and the Group**

Autogrill S.p.A. and the Autogrill Group are exposed to external risks and uncertainties arising from general or specific conditions in the industries in which they work, as well as to risks arising from strategic decisions and internal operational risks.

In the latter months of 2008, due in part to the Group's significant expansion as a result of acquisitions during the first half of the year, the Group Risk Management department was formed to ensure the uniform handling of risks across the different organisational units. This complements the centralized management that has long been in place for financial and reporting risks.

During the year, in light of macroeconomic trends, the activities of Group Risk Management consisted of updating the risk matrix and analysing the corrective measures that had been taken on a segment-by-segment basis.

The updated risk matrix presents no new risks with respect to those found in 2008. The more stable macroeconomic context, which makes it somewhat easier to predict trends in exogenous variables that are beyond the Group's control, and above all the Group's greater tolerance for risk due to its deleveraging during the year, significantly reduced the absolute relevance of risks and altered their priority levels.

Below we describe the main risks common to all of our business segments, whose common denominator is the traveller, followed by the specific risks faced by each one.

To avoid redundancy, exposure to financial risks is discussed in the Notes to the Consolidated financial statements and the Notes to the Separate financial statements of Autogrill S.p.A.

Risks common to all business segments

Decreased traffic
Any exogenous or endogenous variable that causes a reduction in the flow of traffic where the Group conducts its Food & Beverage, Travel Retail & Duty-Free, and Flight operations constitutes a threat to the production of value.

Exogenous (hence uncontrollable) factors that may affect the flow of traffic and travellers' inclination to spend include the general economy, the price of oil, and the cost of travel in general.

The impact of this risk is mainly economic, leading to a reduction in sales and profitability.

Strategic factors that help mitigate this risk include:
- the diversification of channels (airports, motorways, railway stations, etc.) in which the three segments operate, as their traffic is influenced differently by the variables mentioned above;
- the Group's presence in countries with different exposures to the economic cycle, due to their varying degrees of development and consumer habits.

The Group also relies on the following internal factors to counter recessions, or soften the impact of any concentration of its businesses in channels or regions hit by a downturn:
- focus on the profitability of sales, by cutting costs and revising menus and catalogues where this can be achieved without sacrificing quality of service;
- emphasis on competitive prices and attractive products, in order to adapt to consumers' different spending habits in difficult economic times;
- remodulation of investments in order to limit the impact on cash flow.

Reputation

Loss of reputation with concession grantors, due to an inability to satisfy contractual commitments or to a tarnished image as a result of deteriorating service, is a significant risk for the maintenance of existing contracts and the acquisition of new ones.

To counter that risk, Autogrill constantly monitors the quality of the service it provides to the grantor, in light of the quantitative and qualitative standards defined in the concession contract, and to customers, in terms of perceived satisfaction and product safety. Procedures and processes are controlled internally and by outside firms; training programmes ensure high standards of service; and the systematic review of operating methods and procedures keeps service efficient and workers safe.

In Italy, the fact that many travellers use the Group's name to refer to highway rest stops in general ("let's stop at the next Autogrill") exposes the food & Beverage operations in this channel to reputation risk caused indirectly by any shortcomings on the part of competitors.

Suitable brand protection measures are taken in Italy if unpleasant experiences are wrongly attributed to Autogrill.

Change in consumption habits

A change in consumption habits can lead to customer dissatisfaction if the Group does not realise and react in time, leading to a loss of reputation and clientele.

Autogrill's extensive portfolio of brands and commercial formulas lessens the risk of ignoring the preferences or expectations of various customer groups.

In developing its concepts and offerings, Autogrill takes care to stay flexible enough to respond to changes in consumption, which it monitors through customer satisfaction surveys, "mystery clients" and market research.

Concession fees

Most Food & Beverage and Travel Retail & Duty-Free operations are conducted under long-term contracts awarded through competitive bidding by the holder of the infrastructure management concession (airport, motorway, etc.). Over time, concession fees have marched steadily upward and more business risk has been transferred to the operator, which meanwhile is held to more precise and exacting standards of service.

Intrinsically, this is a highly significant risk, as it can expose the Group to a long-term drop in profitability if a contract is awarded under unfavourable terms or if an error is made in estimating volumes and profitability for each business in question.

In this respect, Autogrill has solid experience and follows best practices in appraising and negotiating contracts, which limits the risk of overestimating profitability and protects it from rigid terms and conditions throughout the life of a concession. Because of this focus on profitability, the Group does not bid at all for contracts considered to offer poor returns.

Autogrill also fights against rising fees by offering a value proposition that includes a long-term partnership arrangement with the concession grantor, based on the Group's sound reputation, along with solutions designed to maximise the overall gain.

Risks from employee relations

The cost of labour is a significant production factor for the two principal segments, Food & Beverage and Travel Retail & Duty-Free. The need to maintain service standards acceptable to customers and to the concession grantor, and the complexity of international labour laws, limit the flexibility of HR management.

Major increases in the cost per employee or more stringent regulations can have a significant impact on the Group's profitability.

One of Autogrill's top priorities is to maintain a constructive dialogue with personnel and labour unions, to ensure that business goals are met while assuming full social responsibility for worker safety and employment levels, even during times of recession.

This risk is also lessened through the constant updating of procedures in order to make efficient use of labour, increase flexibility and reduce occupational hazards.

Regulatory compliance

The Group's business segments are highly regulated in terms of customer and worker safety, which involves personal protections as well as product quality. Any violation of the norms for each segment would not only expose the Group to legal consequences but could diminish its reputation with concession grantors and customers, possibly leading to the loss of existing contracts or the failure to acquire new ones.

To mitigate this risk, with the help of outside specialists, Autogrill stays constantly abreast of legal developments so it can adapt its processes and procedures to the new requirements and bring personnel up to date. It also relies on constant monitoring and frequent audits of service quality with respect to contractual and legal obligations.

Specific risks for Food & Beverage

Customer satisfaction
An inability to keep service standards and products in line with customers' expectations is the most significant risk specific to the Food & Beverage segment. The failure to satisfy customers has a direct impact on sales and reputation.

Efforts to thwart the risk of reputation loss and regulatory non-compliance (concerning the quality of food & beverage preparation and service), along with quality controls on raw materials, are enough to lessen the risk of customer dissatisfaction.

Specific risks for Travel Retail & Duty-Free

Shop effectiveness
Customer satisfaction depends on the ability of each shop to provide an attractive assortment when the initial contact is made. Effective and efficient supply chain management are therefore crucial for this segment: a strategic and well-balanced assortment that maximises the propensity for impulse buying, and effective sales personnel, are top priorities for achieving a profitable location while optimising the investment in stocks.

The integration of the recently acquired Aldeasa S.A. and World Duty Free Europe Ltd. has raised the bar even higher for the good management of operating cycles.

Exchange rates and price setting
Impulse buying at an airport is strongly influenced by the exchange rate between the country of origin and the destination. It is essential to monitor the price perceived by the customer as a result of exchange rate fluctuations, in order to boost sales of products that are especially good value in certain countries.

The Group's widespread operations around the globe, and its constant attention to product supply and demand in countries of origin and destination, help it identify the advantage customers will perceive from favourable rates of exchange.

Specific risks for Flight

The Flight segment has a different business model from the other two, as the direct customer is generally the airline. The two main risks for this segment are as follows:

The logistical process
Meeting contractual obligations (punctuality and quality of service, as well as prevention of damage to aircraft) is fundamental for avoiding penalties and loss of reputation, which would be detrimental to revenue and the profitability of contracts.

Alpha Flight (the Group's operating unit in this segment) enjoys a reputation for high standards of service. This stems from employee training and the constant updating of processes and procedures, which are the cornerstone of efforts to mitigate this risk.

Contract duration
Contracts are usually of limited duration, or else require relatively little notice in the event of termination. This carries a risk of discontinuity, in a sector rife with competition, including from the airline's in-house service.

Alpha Flight's reputation and strong customer base, thanks to its presence in different regions, limits the economic risk of unconfirmed contracts by reducing each one's importance with respect to the whole.

2.7.3 **Corporate Governance**

The complete Corporate Governance Report is available online (www.autogrill.com), or in print by request from the head office.

2.7.4 **Management and coordination**

At its meeting of 27 April 2004, the Board of Directors decided that there were no conditions whereby Autogrill would be subject to the management and coordination of the parent, Edizione Holding S.p.A., pursuant to Art. 2497-*bis* of the Italian Civil Code. Following Edizione Holding's transfer of its entire investment in Autogrill to its wholly-owned subsidiary Schematrentaquattro S.r.l., on 18 January 2007 the Board of Directors agreed that there were still no conditions whereby Autogrill would be subject to the management and coordination of its new parent, Schematrentaquattro S.r.l.

Effective 1 January 2009, Edizione Holding S.p.A. was merged into Ragione S.A.p.A. di G. Benetton e C., which changed its name and legal status to Edizione S.r.l.

2.7.5 **Related party transactions**

Transactions with related parties of Autogrill S.p.A. and the Group do not qualify as atypical or unusual and fall within the normal sphere of operations. They are conducted on an arm's length basis.

See the section "Other information" in the Notes to the consolidated and separate financial statements for further information on related party transactions.

2.7.6 **Statement pursuant to Art. 2.6.2(12) of the Regulations for Markets organised and managed by Borsa Italiana S.p.A.**

In respect of Art. 36 of Consob Regulation no. 16191 of 29 October 2007 on conditions for the listing of companies that control entities formed or governed under the laws of countries outside the European Union that are of material significance to the consolidated financial statements, we report that four companies fall under these provisions (Autogrill Overseas Inc., Autogrill Group Inc., HMSHost Corp., and Host International Inc.), that suitable procedures have been adopted to ensure total compliance with said rules, and that the conditions stated in Art. 36 have been satisfied.

2.7.7 **Research and development**

In relation to the nature of its activities, the Group invests in innovation, product development, and improvements to the quality of service.

It does not conduct technological research as such.

2.7.8 **Data protection**

Autogrill S.p.A. has implemented and updated for 2009 the Data Protection Document, required by Italy's data protection law and prepared in consideration of our particular business needs.

In 2009, Autogrill S.p.A. continued to monitor compliance with the law, by:

- training new hires involved in the processing of personal data and organising refresher courses for existing personnel;
- meeting the obligations set forth by the Data Protection Authority with regard to system administrator functions (designation, training, access log);
- renewing PCI DSS certification for credit card payment systems ("Attestation of Compliance");
- adapting the security measures of IT infrastructures on an ongoing basis.

In December 2009 the Aconnect portal came online along with the HR application, which will gather the personal data of employees throughout the Group. The initial set of data security and protection measures will grow along with the functions offered and the company population served.

2.7.9 **Shares held by Directors, Statutory Auditors and General Managers**

As required by Art. 79 of the implementation rules for Legislative Decree 58/98, adopted by Consob with Resolution no. 11971 of 14 May 1999, the following table shows the shares of Autogrill S.p.A. and its subsidiaries held by directors and statutory auditors of Autogrill S.p.A., general managers and executives with strategic responsibilities, and their spouses (unless legally separated) and minor children.

	Shares in	Number of shares held at the end of 2008	Number of shares purchased	Number of shares sold	Number of shares held at the end of 2009
Gianmario Tondato Da Ruos	Autogrill S.p.A.	14,700	–	–	14,700
Gianni Mion	Autogrill S.p.A.	5,000	–	–	5,000

2.7.10 **Treasury shares**

At 31 December 2009, Autogrill S.p.A. held 125,141 treasury shares, or 0.049% of the share capital. Its subsidiaries do not own shares or other securities representing the share capital of Autogrill S.p.A., and did not at any time during the year, either directly or through trust companies or other intermediaries.

Autogrill S.p.A. and its subsidiaries do not own shares or other securities representing the share capital of the ultimate parents, and did not at any time during the year, either directly or through trust companies or other intermediaries.

2.7.11 Reconciliation between Parent company and consolidated equity

(€k)	Equity at 31.12.2008 *	Changes in equity	Profit for 2009	Equity at 31.12.2009
Autogrill S.p.A. Separate financial statements	553,150	(5,735)	62,741	610,156
Effect of the consolidation of subsidiaries' Financial statements and related deferred taxes	13,010	5,138	(25,727)	(7,579)
Measurement of the convertible bond option	–			–
Translation reserve	(110,338)	14,172	–	(96,166)
Hedging reserve **	**152**	**2,664**	**–**	**2,816**
Group Consolidated financial statements	455,974	16,239	37,014	509,226
Equity attributable to non-controlling interests	56,905	(17,156)	14,403	54,152
Total consolidated equity	**512,879**	**(917)**	**51,417**	**563,378**

* Please refer to section 3.2.1 for the description of adjustments made to the figures since their original publication
** Net of tax effect

2.8 Proposal for approval of the financial statements and allocation of the 2009 profit

Dear shareholders,

The year ended 31 December 2009 closed with a profit of € 62,741,392.

The Board of Directors recommends that the profit be allocated as follows:

I. € 2,617,629 to the legal reserve;
II. € 60,123,763 to be carried forward.

Given the above, we submit for your approval the following

motion

"The Annual general meeting of Shareholders:

- having examined the financial statements at 31 December 2009 which close with a profit of € 62,741,392;
- having acknowledged the report of the Board of Statutory Auditors and of the independent auditors, KPMG S.p.A.

hereby resolves

a) to approve the Financial statements at and for the year ended 31 December 2009, showing a profit of € 62,741,392;
b) to approve the recommended allocation of profit as follows:
   i) € 2,617,629 to the legal reserve;
   ii) € 60,123,763 to be carried forward".

4 March 2010

The Board of Directors

3.1 Consolidated financial statements

3.1.1 Statement of financial position

Note	(€k)	31.12.2009	31.12.2008 *	Change
I	Cash and cash equivalents	194,116	209,538	(15,422)
II	Other financial assets	11,904	22,778	(10,874)
III	Tax assets	3,809	17,977	(14,168)
IV	Other receivables	179,307	171,774	7,533
V	Trade receivables	110,045	98,360	11,685
VI	Inventories	236,006	266,995	(30,989)
	Total current assets	**735,187**	**787,422**	**(52,235)**
VII	Property, plant and equipment	985,192	1,065,484	(80,292)
VIII	Goodwill	1,418,511	1,401,855	16,656
IX	Other intangible assets	904,468	985,287	(80,819)
X	Investments	11,164	10,170	994
XI	Other financial assets	16,957	24,394	(7,437)
XII	Deferred tax assets	98,748	113,437	(14,689)
XIII	Other receivables	33,487	24,348	9,139
	Total non-current assets	**3,468,527**	**3,624,975**	**(156,448)**
XIV	**Assets held for sale**	**877**	**1,095**	**(218)**
	TOTAL ASSETS	**4,204,591**	**4,413,492**	**(208,901)**
XV	Trade payables	709,028	711,725	(2,697)
XVI	Tax liabilities	15,618	11,451	4,167
XVII	Other payables	324,431	318,620	5,811
XVIII	Due to banks	159,171	168,960	(9,789)
XIX	Other financial liabilities	77,505	92,710	(15,205)
XXII	Bonds	30,543	–	30,543
XXIV	Provisions for risks and charges	13,055	18,315	(5,260)
	Total current liabilities	**1,329,351**	**1,321,781**	**7,570**
XX	Other payables	77,584	75,446	2,138
XXI	Loans, net of current portion	1,541,855	1,761,314	(219,459)
XXII	Bonds	334,453	382,255	(47,802)
XII	Deferred tax liabilities	179,406	183,388	(3,982)
XXIII	Post-employment benefits and other employee benefits	101,699	107,502	(5,803)
XXIV	Provisions for risks and charges	76,865	68,927	7,938
	Total non-current liabilities	**2,311,862**	**2,578,832**	**(266,970)**
	TOTAL LIABILITIES	**3,641,213**	**3,900,613**	**(259,400)**
XXV	**EQUITY**	**563,378**	**512,879**	**50,499**
	– attributable to owners of the parent	509,226	455,974	53,252
	– attributable to non-controlling interests	54,152	56,905	(2,753)
	TOTAL LIABILITIES AND EQUITY	**4,204,591**	**4,413,492**	**(208,901)**

* Please refer to section 3.2.1 for the description of adjustments made to the figures since their original publication

3.1.2 **Income statement**

Note	(€k)	2009	2008 *	Change
XXVI	Revenue	5,817,450	5,898,875	(81,425)
XXVII	Other operating income	145,285	123,447	21,838
	Total revenue and other operating income	**5,962,735**	**6,022,322**	**(59,587)**
XXVIII	Raw materials, supplies and goods	2,223,168	2,302,163	(78,995)
XXIX	Personnel expense	1,455,021	1,486,398	(31,377)
XXX	Leases, rentals, concessions and royalties	1,084,169	1,007,449	76,720
XXXI	Other operating costs	594,071	640,025	(45,954)
XXXII	Depreciation and amortization	324,557	294,670	29,887
XXXII	Impairment losses on plant, property and equipment and intangible assets	30,841	9,494	21,347
	Operating profit	**250,908**	**282,123**	**(31,215)**
XXXIII	Financial income	6,511	6,703	(192)
XXXIV	Financial expense	(101,193)	(130,480)	29,287
X	Adjustment to the value of financial assets	(127)	3,347	(3,474)
	Pre-tax profit	**156,099**	**161,694**	**(5,594)**
XXXV	Income tax	(104,682)	(58,117)	(46,565)
	Profit for the year	**51,417**	**103,576**	**(52,159)**
	Attributable to:			
	– owners of the parent	37,014	83,680	(46,666)
	– non-controlling interest	14,403	19,896	(5,493)
	Earnings per share (in € cents)			
XXV	– basic	14.6	32.9	
XXV	– diluted	14.6	32.6	

* Please refer to section 3.2.1 for the description of adjustments made to the figures since their original publication

3.1.3 **Statement of comprehensive income**

Note	(€k)	2009	2008
	Profit for the year	**51,417**	**103,576**
	Effective portion of fair value change in cash flow hedges	3,180	(58,432)
	Foreign currency translation differences for foreign operations	44,128	(111,785)
	Gains (losses) on net investment hedge	(29,563)	60,609
XXV	Income tax on comprehensive income	7,016	(4,223)
	Total comprehensive income for the year	**76,178**	**(10,254)**
	– attributable to owners of the parent	53,253	(30,161)
	– attributable to non-controlling interest	22,925	19,907

3.1.4 **Statement of changes in equity**

(€k)	Share capital	Legal reserve	Hedging reserve	Translation reserve	Other reserves and retained earnings	Treasury shares	Profit for the year	Equity attributable to owners of the parent	Equity attributable to non-controlling interests
31.12.2007	**132,288**	**15,508**	**640**	**(38,660)**	**295,542**	**–**	**158,081**	**563,399**	**58,169**
Effective portion of fair value change in cash flow hedges, net of the tax effect	–	–	(42,163)	–	–	–	–	(42,163)	–
Foreign currency translation differences for foreign operations	–	–	–	(111,796)	–	–	–	(111,796)	11
Gains (losses) on net investment hedge, net of the tax effect	–	–	–	40,118	–	–	–	40,118	–
Total other gains (losses), net of tax effects	**–**	**–**	**(42,163)**	**(71,678)**	**–**	**–**	**–**	**(113,841)**	**11**
Effect of acquiring non-wholly-owned investments	–	–	–	–	–	–	–	–	2,404
Treasury shares	–	–	–	–	–	(944)	–	(944)	–
Allocation of 2007 profit to reserves	–	7,417	–	–	74,344	–	(81,761)	–	–
Dividend distribution	–	–	–	–	–	–	(76,320)	(76,320)	(23,575)
Profit for the year	–	–	–	–	–	–	83,680	83,680	19,896
31.12.2008 *	**132,288**	**22,925**	**(41,523)**	**(110,338)**	**369,886**	**(944)**	**83,680**	**455,974**	**56,905**
Effective portion of fair value change in cash flow hedges, net of the tax effect	–	–	2,067	–	–	–	–	2,067	–
Foreign currency translation differences for foreign operations	–	–	–	35,606	–	–	–	35,606	8,522
Gains (losses) on net investment hedge, net of the tax effect	–	–	–	(21,434)	–	–	–	(21,434)	–
Total other gains (losses), net of tax effects	**–**	**–**	**2,067**	**14,172**	**–**	**–**	**–**	**16,239**	**8,522**
Allocation of 2008 profit to reserves	–	–	–	–	83,680	–	(83,680)	–	–
Dividend distribution	–	–	–	–	–	–	–	–	(25,678)
Profit for the year	–	–	–	–	–	–	37,014	37,014	14,403
31.12.2009	**132,288**	**22,925**	**(39,456)**	**(96,166)**	**453,566**	**(944)**	**37,014**	**509,226**	**54,152**

* Please refer to section 3.2.1 or the description of adjustments made to the figures since their original publication

3.1.5 **Statement of cash flows**

(€m)	2009	2008 [1]
Opening net cash and cash equivalents	**192.0**	**152.7**
Pre-tax profit and net financial charges for the year (including non-controlling interests)	250.8	300.8
Amortization, depreciation and impairment losses, net of reversals	355.4	304.1
Adjustments and (gains)/losses on the disposal of financial assets	0.1	(3.3)
(Gains)/losses on the disposal of financial assets	(15.1)	(2.7)
Change in working capital in the year [2]	46.7	79.7
Net change in non-current non-financial assets and liabilities	(37.8)	(29.9)
Cash flow from operating activities	**600.1**	**648.6**
Taxes paid	(98.5)	(77.8)
Interest paid	(108.0)	(141 .3)
Net cash flow from operating activities	**393.6**	**429.6**
Acquisition of property, plant, equipment and intangible assets	(157.6)	(337.3)
Proceeds from sale of assets	27.6	13.2
Acquisition of consolidated investments [3]	–	(863.0)
Net change in non-current financial assets	4.9	(1 .2)
Net cash flow from investing activities	**(125.1)**	**(1,188.2)**
(Repayment)/issue of bonds	–	(31 .2)
New long-term loans	–	1,019.7
Repayments of long-term loans	(173.2)	(136.7)
Repayments of short-term loans, net of new borrowing	(93.7)	58.9
Dividends paid	–	(76.3)
Other movements [4]	(15.8)	(25.8)
Net cash flow from financing activities	**(282.7)**	**808.7**
Cash flow for the year	**(14.2)**	**50.0**
Effect of exchange rate fluctuations on net cash and cash equivalents	1 .9	(10.7)
Closing net cash and cash equivalents	**179.7**	**192.0**

1 Please refer to section 3.2.1 for a description of the adjustments made to the figures since their original publication
2 Including exchange rate gains (losses) on income statement components
3 Net of € 48.2m in net cash and cash equivalents as of the acquisition date and includes accessory charges of € 15.3m
4 Including dividends paid to non-controlling interests of consolidated companies

Reconciliation of net cash and cash equivalents

(€m)		
Opening net cash and cash equivalents at 31.12.2008 and at 31.12.2007:	**192.0**	**152.7**
Cash and cash equivalents	209.5	202.0
Current account overdrafts	(17.5)	(49.3)
Closing net cash and cash equivalents at 31.12.2009 and at 31.12.2008:	**179.7**	**192.0**
Cash and cash equivalents	194.1	209.5
Current account overdrafts	(14.4)	(17.5)

3.2 **Notes to the consolidated financial statements**

3.2.1 **Accounting policies and consolidation methods**

Group operations

The Autogrill Group operates in the Food & Beverage and Travel Retail sectors in Italy, and in other countries through subsidiaries, mostly at airports, motorway rest areas and railway stations by way of concession contracts. It also provides food and drink and merchandise that is served or sold on-board planes. Autogrill is the only group among the main players in its market that operates almost exclusively under concession.

General standards

These financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and endorsed by the European Union. IFRS means International Financial Reporting Standards including International Accounting Standards (IAS), supplemented by the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), previously called the Standing Interpretations Committee (SIC).

Below are the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union for mandatory adoption in financial statements for years beginning on 1 January 2009:

- IFRS 8 – Operating segments;
- IAS 1 – Presentation of financial statements (Revised in 2007);
- IAS 23 – Borrowing costs (Revised in 2007);
- Amendments to IAS 32 and IAS 1 – Puttable financial instruments and obligations arising on liquidation;
- Amendments to IFRS 1 and IAS 27 – Cost of an investment in a subsidiary, jointly controlled entity or associate;
- Amendments to IFRS 2 – Share-based payments: vesting conditions and cancellations;
- IFRIC 13 – Customer loyalty programmes;
- IFRIC 14 – IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction;
- Amendments to IAS 39 and IFRS 7 – Reclassification of financial assets – Effective date and transition;
- Amendments to IFRS 4 and IFRS 7 – Improved disclosures regarding financial instruments;
- Amendments to IFRIC 9 – Reassessment of embedded derivatives and IAS 39 – Financial instruments: recognition and measurement;
- Improvements to IFRS (2008) – except amendments to IFRS 5.

Of these, only the adoption of IFRS 8 – Operating Segments and IAS 1 – Presentation of financial statements (Revised in 2007) have had a significant impact on Autogrill, as the others address cases and circumstances that are not relevant to the Group as of this writing.

The Group had opted for early adoption of IFRS 8 – Operating segments starting with the 2008 financial statements. As for IAS 1 (Revised) - Presentation of financial statements, for the sake of consistency, the adoption of the revised standard required changes to some terms used in other IFRS or SIC/IFRIC and the preparation of a statement of comprehensive income, which includes the profit for the year as well as income and expense from non-owner transactions that are recognised directly in equity. Application of IAS 1 – Presentation of financial statements (Revised in 2007) has affected the presentation of comparative information, but has had no impact on the computation of profit for the year or earnings per share.

Below are the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union for mandatory adoption in financial statements for years beginning after 1 January 2009:

- IFRS 3 (Revised in 2008) – Business combinations;
- Amendments to IAS 27 – Consolidated and separate financial statements;
- Amendment to IFRS 5 – Non-current assets held for sale and discontinued operations;
- Amendments to IAS 39 – Financial instruments: Recognition and measurement (exposures qualifying for hedge accounting);
- IFRS 1 (Revised in 2008) – First-time adoption of International Financial Reporting Standards;
- IFRIC 12 – Service concession arrangements;
- IFRIC 15 – Agreements for the construction of real estate;
- IFRIC 16 – Hedges of a net investment in a foreign operation;
- IFRIC 17 – Distributions of non-cash assets to owners;
- IFRIC 18 – Transfers of assets from customers;
- Improvements to IFRS (2008) – amendments to IFRS 5;
- Amendments to IAS 32 – Classification of rights issues.

With the exception of IFRS 3 (Revised in 2008) – Business Combinations and the amendment to IAS 27 – Consolidated and Separate Financial Statements, as discussed below, the adoption of the other standards and interpretations listed above would be unlikely to have an impact on the Autogrill Group's consolidated financial statements of enough significance to warrant reporting in these Notes.

Autogrill has opted for early adoption of IFRS 3 Revised.

The new standard was endorsed for adoption within the EU on 3 June 2009, with Regulation (EC) 495/2009, which calls for mandatory application from the year beginning after 30 June 2009 (for Autogrill this would be 2010).

The transitional provisions permit the "early adoption" of the standard, provided that (for companies with financial years ending on 31 December, like the Autogrill Group) it is not applied before 1 January 2008 and is adopted simultaneously with the 2008 amendment of IAS 27.

Supported by an opinion from independent accounting experts, Autogrill's Management has concluded that the new standard can be applied to the recognition of business combinations carried out in 2008 and 2009 (thus in advance of the mandatory effective date, subject to any necessary adjustments of corresponding figures previously published).

In light of these considerations, the new standard has been applied not only to business combinations carried out in 2009 (see section 3.2.2), but also to those carried out in 2008, hence to the acquisitions of World Duty Free Europe Ltd. ("WDF"), Aldeasa S.A. ("Aldeasa"), Air Czech Catering A.S., and Alpha Future Airport Retail Ltd.

The new standard allows a more complete representation of the intangibles, especially contractual rights, acquired in the context of these business combinations.

It offers a broader opportunity to identify the acquired intangibles separately and to measure their value taking account of the probability that the contractual rights will be renewed (depending on the "retention capacity" of the concession holder), rather than subsuming that value in goodwill.

Use of the new standard has thus entailed a fresh measurement of the main asset acquired with the business combinations carried out in 2008 (contractual rights) in order to incorporate the value arising from retention capacity, which is especially significant for WDF and Aldeasa due to their strong local roots and their relationships with landlords.

An aggregate asset equivalent to "customer contracts" was therefore estimated, following the multi-period excess earnings method, which is considered to be the gold standard not only in the literature but also in international practice (International Valuation Standards Council, Appraisal Foundations, Global Intangible Tracker and Appraisal Issue Task Force). This was used to measure those intangibles which, together with other assets (tangible and intangible), contribute to the generation of cash flows of the business in which they are employed.

The estimate was made by independent appraisers engaged by Autogrill, on the basis of plans drawn up for the purposes of the acquisitions in question.

As required by the new standard, the 2008 income statement reflects the transaction costs of the acquisitions, previously added to the carrying amount of the investments and thus recognised in goodwill.

The corresponding statement of financial position figures as 31 December 2008 have been adjusted accordingly. The tables below show the items of the statement of financial position, income statement, statement of cash flows, and statement of changes in equity that have undergone changes with respect to the 2008 consolidated figures originally published on the basis of IAS 1 – Presentation of financial statements. The adjusted balances reflect the impact that would have occurred if the business combinations carried out in 2008 had been recognised in accordance with IFRS 3 Revised.

(€k)	2008 consolidated financial statements	2008 consolidated financial statements adjusted for IFRS 3 Revised application	Change
Income statement for 2008			
Other operating costs	624,764	640,025	15,261
Depreciation and amortization	260,349	294,670	34,321
Income tax	68,204	58,117	(10,087)
Profit for the year:	143,071	103,576	(39,495)
– attributable to owners of the parent	123,158	83,680	(39,478)
– attributable to non-controlling interests	19,913	19,896	(17)
Earnings per share (in € cents)			
– basic	48.4	32.9	(15.5)
– diluted	48.0	32.6	(15.4)
Statement of financial position as at 31.12.2008			
Goodwill	2,001,484	1,401,855	(599,629)
Other intangible assets	311,417	985,287	673,870
Deferred tax liabilities	78,648	183,388	104,740
Equity:	543,378	512,879	(30,499)
– attributable to owners of the parent	486,456	455,974	(30,482)
Other reserves and retained earnings	493,044	453,566	(39,478)
Translation reserve	(119,334)	(110,338)	8,996
– attributable to non-controlling interests	56,922	56,905	(17)
Statement of cash flows for 2008 (€m)			
Pre-tax profit and net financial charges for the year	335.1	300.8	(34.3)
Amortization, depreciation and impairment losses, net of reversals	269.8	304.1	34.3

The following tables summarise the effect of the new standard on allocating the purchase price as at the acquisition date for the business combinations in question:

Aldeasa S.A.

(€m)	Aldeasa group	Adjustments	Aldeasa group adjusted
Intangible assets	2.8	534.6	537.4
Property, plant and equipment	56.9	–	56.9
Financial assets	5.2	–	5.2
A) Non-current assets	**64.9**	**534.6**	**599.5**
Inventories	93.0	–	93.0
Trade receivables	3.3	–	3.3
Other receivables	32.1	–	32.1
Trade payables	(96.1)	–	(96.1)
Other payables	(28.1)	–	(28.1)
B) Working capital	**4.2**	**–**	**4.2**
C) Invested capital, less current liabilities	**69.1**	**534.6**	**603.8**
D) Other non-current non-financial assets and liabilities	**(9.7)**	**(53.5)**	**(63.2)**
E) Net invested capital	**59.5**	**481.1**	**540.6**
Equity attributable to owners of the parent	(101 .4)	481 .1	379.7
Equity attributable to non-controlling interests	9.4	–	9.4
F) Equity	**(92.0)**	**481.1**	**389.1**
G) Net financial position	**151.5**	**–**	**151.5**
H) Total, as in E)	**59.5**	**481.1**	**540.6**
Consideration transferred			523.6
Goodwill			143.9

As described in detail on the previous pages, the Group has recognised “contractual rights” of € 534.6m, as well as deferred tax assets of € 53.5m for the difference between the carrying amounts attributed to these rights and their amount for tax purposes. Useful life has been set at 10 years, corresponding to the estimated duration of the recognised economic value.

World Duty Free Europe Ltd.

(£m)	World Duty Free Europe Ltd.	Adjustments	World Duty Free Europe Ltd. adjusted
Intangible assets	8.8	355.1	363.9
Property, plant and equipment	26.3	4.2	30.5
A) Non-current assets	**35.1**	**359.3**	**394.4**
Inventories	28.4	–	28.4
Other receivables	7.4	–	7.4
Trade payables	(39.3)	–	(39.3)
Other payables	(19.8)	–	(19.8)
B) Working capital	**(23.3)**	**–**	**(23.3)**
C) Invested capital, less current liabilities	**11.8**	**359.3**	**371.1**
D) Other non-current non-financial assets and liabilities	**(1.1)**	**(103.5)**	**(104.6)**
E) Net invested capital	**10.7**	**255.8**	**266.5**
F) Equity	**37.1**	**255.8**	**292.9**
G) Net financial position	**(26.4)**	**–**	**(26.4)**
H) Total, as in E)	**10.7**	**255.8**	**266.5**
Consideration transferred			562.3
Goodwill			269.4

The accounts as at the acquisition date have been adjusted for:

- the recognition of £ 2.6m for alignment of the useful life of software (4 or 7 years) to the Autogrill Group's policy (3 years) and the relative tax effect;
- the recognition of £ 4.2m in repair and replacement costs for concessions requiring that premises be returned in a given condition. The item "Property, plant and equipment" has been increased as a contra-entry. This higher value will be amortized across the residual life of the contracts;
- the recognition of £ 254m in "contractual rights" and the relative tax effect (£ 71.1m). Useful life has been set at 20 years, corresponding to the estimated duration of the recognised economic value;
- attribution of £ 102.8m to the World Duty Free tradename. Fair value was measured using the premium profits method, which discounts the differential income that the intangible asset is able to produce for its owner. That income is determined by estimating the specific benefits (higher margins/lower costs) that the intangible can theoretically provide to its owner with respect to the normal situations of competitors unable to use it. The useful life of the tradename is estimated at 20 years. A tax effect of £ 28.8m was also recorded;
- recognition at fair value of the brand "World of Whisky" (£ 0.8m) and the relative tax effect (£ 0.2m). Fair value was estimated using the relief from royalty method.

For the business combinations Air Czech Catering A.S. and Alpha Future Airport Retail Ltd., use of the new accounting standard had no significant effect compared with the previously published figures, which have therefore not been adjusted.

As for WDF and Aldeasa, impairment testing was also conducted on the original amount of goodwill, i.e. the amounts recognised before application of the new standard, verifying full recoverability on the basis of the revised estimates as reported in note VIII.

In the interests of clear disclosure, payables to external agencies for defined contribution programs, which were previously included under "post-employment and other employee benefits", are now classified under "Other payables." Accordingly, the corresponding figure at 31 December 2008 has been restated by € 18,627k.

The consolidated financial statements were prepared on a going-concern basis using the euro as the presentations currency. Unless otherwise specified, the figures in the financial statements and notes are in thousands of euros (€k), while those in the statement of cash flows, are in millions of euros (€m).

Structure, format and content of the consolidated financial statements

In accordance with IAS 1 Revised and IAS 7, the formats used in the 2009 consolidated financial statements are as follows:

- Statement of financial position: with assets and liabilities split between current and non-current items;
- Income statement: with costs classified by nature;
- Statement of comprehensive income;
- Statement of changes in equity;
- Statement of cash flows: using the indirect method to determine cash flows from operating activities.

The financial statements of each company in the scope of consolidation are prepared in the currency of its primary location (functional currency). For the purposes of the consolidated financial statements, the assets and liabilities of consolidated foreign subsidiaries with a functional currency other than the euro, including goodwill and fair value adjustments generated by the acquisition of a foreign operation, are translated at the rates prevailing on the reporting date. Revenue and income and cost and expense are translated at average exchange rates for the year. Exchange differences are recognised in the statement of comprehensive income and shown in the “Translation reserve” under equity.

Exchange gains and losses arising from receivables or payables with foreign operations, the collection or payment of which is neither planned nor likely in the foreseeable future, are treated as part of the net investment in foreign operations and are recognised in other comprehensive income and shown in the “Translation reserve” under equity.

Below are the exchange rates used to translate the financial statements of the main subsidiaries with a functional currency other than the euro:

	2009		2008	
	Rate at 31 December	**Average rate for the year**	**Rate at 31 December**	**Average rate for the year**
US dollar	1.4406	1.3948	1.3917	1.4707
Canadian dollar	1.5128	1.5850	1.6998	1.5594
Swiss franc	1.4836	1.5100	1.4850	1.5874
British sterling	0.8881	0.8910	0.9525	0.7963

Scope and consolidation methods

The scope of consolidation includes subsidiaries (companies for which Autogrill S.p.A. has the power to determine financial and operational policies so as to obtain benefits from their business, pursuant to IAS 27), joint ventures (entities subject to joint control, per IAS 31), and associates (entities subject to significant influence, per IAS 28, which are consolidated using the equity method). The list of consolidated companies is annexed to these Notes.

Specifically, the consolidated financial statements include the financial statements at 31 December 2009 of Autogrill S.p.A., and all companies of which it directly or indirectly holds the majority of the voting rights or over which it exerts dominant influence. These latter include Sorebo S.A., Soberest S.A., Volcarest S.A., La Rambertine S.n.c., Société Restauration Autoroutes Dromoise S.a.s., and S.R.S.R.A. S.A., as well as some joint ventures belonging to the American group (see annex), which are controlled on the basis of a 50% stake and an agreement that puts their business under the management of Autogrill.

The financial statements of subsidiaries are consolidated on a line-by-line basis, i.e. by recognising the full amount of each asset, liability, income and expense item of the individual company and eliminating the carrying amount of the consolidated investments held by the parent against the relative share of equity.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from equity attributable to owners of the parent. They are determined on the basis of the non-controlling investors' share of the fair value of the assets and liabilities recognised at the date of acquisition (see "Business combinations") and of changes in equity attributable to non-controlling interests after that date.

Any material unrealised gains and losses arising out of transactions between consolidated companies are eliminated, as are all significant payables, receivables, income and expense between Group companies. These adjustments, like the other consolidation adjustments, take account of any deferred tax effects.

The Autogrill Group also holds equal joint control of Steigenberger Gastronomie GmbH (Germany), Caresquick N.V. (Belgium), Servair Air Chef S.r.l., Servizi di Bordo S.r.l., and Alpha ASD Ltd. (United Kingdom). All are consolidated using the proportional method.

The income and expense of subsidiaries acquired or sold during the year are included in the consolidated income statement from the actual date of acquisition or to the actual date of disposal, with slight timing adjustments where these dates do not coincide with monthly accounting dates. If necessary, adjustments are made to subsidiaries' financial statements to bring their accounting policies into line with those of the Group.

Alpha Airfayre Ltd. entered the scope of consolidation during the course of 2009.

See section 3.2.2 for details of the acquisition.

Autogrill Overseas Inc. and its subsidiaries close their fiscal year on the Friday closest to 31 December and divide it into 13 four-week periods, which in turn are grouped into 12-week quarters with the exception of the last which is a 16-week quarter. As a result, the accounts included in the 2009 consolidated financial statements cover the period 3 January 2009 to 1 January 2010, while the previous year's accounts covered the period 29 December 2007 to 2 January 2009.

Regarding the income statement, World Duty Free Europe Ltd. and Air Czech Catering A.S. contributed for the full year in 2009 and, respectively, for eight and nine months last year, as WDF has been consolidated since 1 May 2008 and Air Czech Catering since 1 April 2008. Also, the results of Aldeasa and Alpha Future Airport Retail Pvt. Ltd. were consolidated on a line-by-line basis for all of 2009, while in 2008 the proportional method (50%) was used for respectively three months and eleven months, as exclusive control of the former was acquired on 14 April 2008 and of the latter on 17 November 2008.

Accounting policies

The Group follows the historical cost principle, except for items that in accordance with IFRS are measured at fair value, as specified in the individual accounting policies below.

Business combinations carried out until 31 December 2007

The Group accounts for all business combinations by applying the acquisition method. The cost of each combination is determined as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Any costs directly attributable to a business combination also form part of its overall cost.

The acquiree's identifiable assets, liabilities and contingent liabilities that can be recognised under IFRS 3 – Business Combinations are posted at their fair value on the date of acquisition.

Goodwill arising from the acquisition is recognised as an asset and initially measured at cost, i.e., the amount by which the acquisition cost exceeds the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities recognised on acquisition.

Non-controlling interests in the acquiree are initially measured according to their percentage interest in the fair value of the assets, liabilities and contingent liabilities recognised on acquisition.

On first-time adoption of IFRS (1 January 2005), the Group decided not to apply IFRS 3 – Business Combinations retrospectively to the acquisitions made prior to the date of changeover to IFRS (1 January 2004). Consequently, goodwill arising on acquisitions made prior to that date has been maintained at the previous amount determined under Italian GAAP, subject to measurement and recognition of any impairment losses.

Business combinations carried out since 1 January 2008

The Group accounts for all business combinations by applying the acquisition method. The consideration transferred in a business combination includes the fair value, as of the acquisition date, of the assets and liabilities transferred and of the interests issued by the Group, as well as the fair value of any contingent consideration and of the incentives included in share-based payments recognised by the acquiree that have to be replaced in the business combination. If the business combination settles a pre-existing relationship between the Group and the acquiree, the lesser of the settlement amount, as established by contract, and the off-market price of the element is deducted from the consideration transferred and recognised under other costs.
The identifiable assets acquired and the identifiable liabilities assumed are measured at their respective acquisition-date fair values.
A contingent liability of the acquiree is assumed in a business combination only if this liability represents a current obligation deriving from past events and when its fair value can be reliably measured.
For each business combination, any non-controlling interest in the acquiree is measured at fair value or in proportion to the non-controlling share of the acquiree's net identifiable assets.

Goodwill arising from the acquisition is recognised as an asset and is initially measured as the excess between the consideration transferred and the acquisition-date net amount of the identifiable assets acquired and the identifiable liabilities assumed.

In case of a business combination achieved in stages, the interest previously held in the acquiree is remeasured at its acquisition-date fair value and any resulting gain or loss is recognised in profit or loss.
The costs relating to the acquisition are recognised in profit or loss in the period in which the costs are incurred and the services received; the sole exception is for the cost of issuing debt securities or equities.

The Group has applied IFRS 3 Revised to all business combinations carried out since 1 January 2008.

Associates

An associate is a company over which the Group has a significant influence, but not control or joint control, through participation in decisions regarding the associate's financial and operational policies.

The associate's income, expense, assets and liabilities are recognised in the consolidated financial statements using the equity method, except where the investment is classified as held for sale.

Under this method investments in associates are recognised at cost, adjusted to reflect subsequent changes in the associates' net assets and any impairment losses on individual investments.

The amount by which the acquisition cost exceeds the Group's share of the fair value of the associate's assets, liabilities and contingent liabilities identifiable on acquisition is recognised as goodwill.

Joint ventures

Entities set up or acquired on the basis of agreements giving equal powers to each investor are classified as joint ventures. The Group recognises joint ventures using the proportional method of consolidation. In this case, the Group's share of the joint venture's assets, liabilities, costs and revenue is incorporated line by line with the equivalent items in the consolidated financial statements.

Unrealised gains and losses on transactions between a Group company and a joint venture are eliminated in proportion to the Group's percentage interest in the joint venture, unless the unrealised losses are evidence of an impairment loss on the transferred asset.

Joint ventures are detailed separately in the list of Group companies at the end of these consolidated financial statements.

Recognition of revenue and costs

Purchases and sales of goods are recognised on transfer of title at fair value, i.e., the price paid or received net of returns, rebates, sales discounts and year-end bonuses.

Service revenue and costs are recognised according to the stage of completion at year end.

Interest income and expense are reported on an accruals basis. Dividends are recognised when the shareholders are entitled to receive payment.

Recoveries of costs borne on behalf of third parties are recognised as a deduction from the related cost.

Financial expenses are recognised in profit or loss on an accruals basis, with the exception of those directly attributable to the acquisition, construction or production of assets requiring a significant period of time before being ready for their planned use or sale. Financial expense relating to such assets, which are capitalised as from 1 January 2009 (the effective date of Revised IAS 23 – Borrowing costs), is capitalised as part of the assets' cost.

Employee benefits

All employee benefits are recognised and disclosed on an accruals basis.

Group companies provide defined benefit and defined contribution plans.

Post-employment benefit plans are formalised and non-formalised agreements whereby the Group provides post-employment benefits to one or more employees.

The manner in which these benefits are provided varies according to legal, fiscal and economic conditions in the countries in which the Group operates, and are normally based on compensation and years of service.

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions to a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions should the fund have insufficient assets to pay all benefits to employees.

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Defined benefit plans may be unfunded or entirely or partly funded by contributions paid by the employer, and sometimes by the employee, to a company or fund which is legally separate from the company that pays the benefits.

The amount accrued is projected forward to estimate the amount payable on termination of employment and is then discounted using the projected unit credit method, to account for the time that will elapse before actual payment occurs.

The liability is recognised net of the fair value of any plan assets. If the calculation generates a benefit for the Group, the amount of the asset recognised is limited to the sum of any unrecognised cost for previous employment and the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. To establish the present value of these economic benefits, the minimum funding requirements applicable to any Group plan are considered. An economic benefit is available to the Group when it can be realised throughout the duration of the plan or upon settlement of the plan liabilities.
Actuarial valuations are made by actuaries outside the Group. Regarding the actuarial gains and losses arising from the calculation of plan liabilities, the Group uses the "corridor" approach, by which actuarial gains and losses are not reported as long as they are within ±10% of the greater of the plan assets or the present value of the plan obligations. Any excess is recognised in profit or loss on a straight-line basis over the average remaining service lives of the beneficiaries, under the item "personnel expense," along with the provision accrued for the year. The financial component is included among financial expense.

Due to changes in the system of post-employment benefits ("Trattamento di fine rapporto" or "TFR") brought about by Law 296 of 27 December 2006 and by the decrees and regulations issued in early 2007 (the "Social security reform"), the Group has adopted the following accounting treatment:

- TFR accrued at 31 December 2006 is treated as a defined benefit plan in accordance with IAS 19. The benefits promised to employees in the form of TFR, which are paid upon termination of service, are recognised in the period when the right matures;
- TFR accrued from 1 January 2007 is treated as a defined contribution plan, so contributions accrued during the period are fully recognised as costs and shown as a liability under post-employment benefits and other employee benefits, net of any contributions already paid.

Income tax

Tax for the year is the sum of current and deferred taxes recognised in profit or loss for the year, with the exception of those relating to business combinations or items recognised directly in equity or in other comprehensive income.

Current tax is calculated on taxable income for the year. Taxable income differs from the result reported in the income statement because it excludes costs and income that will be deducted or taxed in other years, as well as items that will never be deducted or taxed. Current tax liabilities are determined using the tax rates in effect (on an official or de facto basis) on the reporting date.

For the period 2007-2009, Autogrill S.p.A., together with its wholly-owned Italian subsidiaries Nuova Sidap S.r.l., Trentuno S.p.A. and Alpha Retail Italia S.r.l., have joined the domestic tax consolidation scheme of the ultimate parent Edizione S.r.l. as permitted by the Consolidated Income Tax Act. The regulation signed by the parties provides for payment in full of the amount corresponding to the transferred losses or profits times the IRES (corporate tax) rate, as well as the transfer of any tax credits. The net current tax asset or liability for the year, in respect of IRES only, is therefore recognised as a receivable or payable from/to Edizione S.r.l. and is therefore not shown under tax assets or liabilities but under “Other receivables” or “Other payables”.

Deferred tax liabilities are generally recognised for all taxable temporary differences, while deferred tax assets are recognised to the extent that future taxable income is likely to be earned allowing use of the deductible temporary differences. Specifically, the carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that sufficient future taxable income is available to cover them wholly or in part.

Deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill or, for transactions other than business combinations, of other assets or liabilities in transactions that have no influence either on accounting profit or on taxable income. Deferred tax liabilities are recognised on taxable temporary differences relating to investments in subsidiaries, associates or joint ventures, unless the Group is able to monitor the reversal of the temporary differences and they are unlikely to be reversed in the foreseeable future.

Deferred tax assets and liabilities are measured using the tax rate expected to be in force at the time the asset is realised or the liability is settled.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax balances, when they pertain to the same tax authorities, and when the Group plans to settle its current tax assets and liabilities on a net basis.

Non-current assets

Goodwill

Goodwill arising from the acquisition of subsidiaries is shown separately in the statement of financial position. See the “Business Combinations” section for further information on the initial measurement of goodwill.

Goodwill is not amortised, but is subject to impairment testing on a yearly basis or when specific events or changed circumstances indicate the possibility of a loss in value. After its initial recognition, goodwill is measured at cost net of any accumulated impairment loss.

Upon the sale of a company or part of a company whose previous acquisition gave rise to goodwill, account is taken of the residual value of the goodwill in determining the gain or loss from the sale.

Other intangible assets

“Other intangible assets” are recognised at purchase price or production cost, including ancillary charges, and amortized over their useful life when it is likely that use of the asset will generate future economic benefits.

The Group reviews their estimated useful lives at each year end and whenever there is evidence of possible impairment losses.

If impairment losses arise – determined in accordance with the section on Impairment losses on assets – the asset is impaired accordingly.

The following are the amortisation periods used for the various kinds of intangible assets:

Concessions, licenses, trademarks and similar rights:	
Software licenses	3 years
License to sell state monopoly goods	Term of license
Trademarks and brands	15-20 years
Contractual rights	Term of the rights
Other:	
Software on commission	3 years
Other costs to be amortised	5 years or term of underlying contract

Property, plant and equipment

Property, plant and equipment are recognised when it is probable that use of the asset will generate future benefits and when the cost of the asset can be reliably determined.

They are stated at purchase price or production cost, including ancillary charges and direct or indirect costs according to the share that can reasonably be attributed to the asset.

On transition to IFRS, any revaluations carried out in accordance with monetary revaluation laws were maintained in the financial statements as they are consistent with IFRS 1.

Property, plant and equipment are systematically depreciated on a straight-line basis at rates deemed to reflect their estimated residual useful lives. The Group reviews the useful life of each asset at every year end. The cost of assets to be relinquished free of charge includes expenses (provided they meet the conditions set in IAS 37) that the entity reasonably estimates it will incur at the end of the contract period to ensure that the assets are handed back in the specified condition, assuming the usual frequency and extent of maintenance work. Components of significant value (in excess of € 500k) or with a different useful life (50% longer or shorter than that of the asset to which the component belongs) are considered separately when determining depreciation.

The depreciation rates are as follows:

Industrial buildings	3%
Plant and machinery	8%-33%
Industrial and commercial equipment	15%-33%
Furniture and fittings	10%-20%
Motor vehicles	25%
Other	12%-20%

Land is not depreciated.

For “Assets to be relinquished free of charge”, these rates, if higher, are replaced by those corresponding to the term of the concession contract.

An asset’s useful life is reviewed annually, and is changed when maintenance work during the year has involved enhancements or replacements that materially change its useful life.

Regardless of depreciation already recognised, if there are impairment losses (determined as described under “Impairment losses on assets”), the asset is impaired accordingly.

Costs incurred to enhance and maintain an asset that produce a material and tangible increase in its productivity or safety or extend its useful life are capitalised and increase the carrying amount of the asset. Routine maintenance costs are taken directly to the income statement.

Leasehold improvements are included in property, plant and equipment on the basis of the type of cost incurred. They are depreciated over the asset's residual useful life or the term of the contract, whichever is shorter.

Lease contracts are classified as finance leases if the terms of the contract are such to transfer all risks and rewards of ownership to the lessee. All other lease contracts are treated as operating leases.

Assets acquired under finance leases are recognised at fair value as of the commencement date of the contract less ancillary charges and any expenses for replacing another party in the lease, or, if lower, at the present value of the minimum payments due under the contract. The corresponding liability to the lessor is charged to "Other financial liabilities". Lease payments are divided into principal and interest so as to attain a constant interest rate on the residual liability. Financial expense is recognised in the income statement.

Operating lease payments are recognised on a straight-line basis over the term of the lease. Benefits received or to be received, and those given or to be given, as incentives for taking out operating leases are also recognised on a straight-line basis over the term of the lease.

The gain or loss from the sale of property, plant or equipment is the difference between the net proceeds of the sale and the asset's carrying amount, and is recognised under "Other income" or "Other operating costs".

Impairment losses on assets
At each annual or interim reporting date, the Group tests whether there is evidence of impairment of its property, plant and equipment or intangible assets. If so, the recoverable amount of the assets is estimated to determine any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs; a cash-generating unit is a group of assets that generates cash flows broadly independent from other assets or groups of assets. With regard to property, plant and equipment used in the sales network, this minimum aggregation unit is the sales outlet or sales outlets covered by a single concession agreement.

Goodwill is tested for impairment at each year end and any time there is evidence of possible impairment.

The cash generating units to which goodwill has been allocated are grouped so that the level of detection of impairment reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to the cash generating units expected to benefit from the synergies of the combination.

The recoverable amount is the higher of fair value less costs to sell and value in use. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, it is reduced to the recoverable amount. Impairment losses are recognised in the income statement.

Impairment losses on cash-generating units are first deducted from the carrying amount of any goodwill attributed to the unit, and then from the other assets of the unit (or group of units) in proportion to their carrying amount.

If the reason for the impairment no longer exists, the asset or cash-generating unit is reversed to the new estimate of recoverable amount (except in the case of goodwill), which may not exceed the carrying amount net of depreciation/amortisation that the asset would have had if the impairment loss had not been charged. The reversal is taken immediately to the income statement.

Assets held for sale
A non-current asset is classified as held for sale if its carrying value will be recovered mainly through its sale and not through its continued use. Once an asset is classified as held for sale, it is recognised at the lower of carrying amount and fair value less costs to sell.

Current assets and current & non-current liabilities

Inventories
Inventories are recognised at the lower of purchase or production cost and market value. Purchase or production cost includes directly attributable expenses, net of discounts, rebates, annual bonuses and similar promotions, calculated using the FIFO method.

Financial assets and liabilities

Trade and other receivables
"Trade receivables" and "Other receivables" are initially recognised at fair value, and subsequently at amortised cost using the effective interest method. They are impaired to reflect estimated impairment losses.

In accordance with IAS 39, factoring transactions are reported by derecognising the factored assets if the contract entails the full transfer of contractual rights to receive cash flows from the asset, and the Company has substantially transferred all of the risks and rewards of ownership. The difference between the carrying amount of the asset transferred and the amount received is recognised in the income statement.

Other financial assets
"Other financial assets" are recognised and derecognised on the trade date and are initially measured at fair value, including direct acquisition costs.

On subsequent reporting dates, the financial assets that the Group has the intention and capacity to hold to maturity (held to maturity investments) are measured at amortised cost net of impairment losses.

Financial assets other than those held to maturity are classified as held for trading or available for sale and are measured at each year end at fair value. If the financial assets are held for trading, gains and losses arising from changes in fair value are recognised in that year's income statement. Fair value gains and losses on other financial assets available for sale are recognised directly in comprehensive income and presented under equity until they are sold or impaired. In this case total gains or losses previously recognised in equity are taken to the income statement.

Share capital and purchase of own shares
Ordinary shares form part of equity.

If own shares are purchased, the amount paid – including directly attributable expenses and net of tax effects – is deducted from equity. The shares thus purchased are classified as treasury shares and reduce the amount of total equity. The amount received from the subsequent sale or re-issue of treasury shares is added back to equity. Any positive or negative difference from the transaction is transferred to or from retained earnings.

Cash and cash equivalents

Cash and cash equivalents include cash and current accounts with banks and post offices, as well as demand deposits and other highly liquid short-term financial investments (maturity of three months or less) that are immediately convertible to cash; they are stated at face value as they are subject to no significant risk of impairment.

Loans, bank loans, bonds and overdrafts

Interest-bearing bank loans, bonds and account overdrafts are initially recognised at fair value taking account of the amounts received, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Convertible bonds

Convertible bonds are financial instruments comprised of a liability component and an equity component. The fair value of the liability is measured at the issue date using the spot market interest rate for similar, non-convertible bonds. The difference between the net amount raised by the issue and the fair value assigned to the liability, which represents the embedded option to convert the bonds into shares of Group companies, is recognised in equity.

Trade payables

"Trade payables" are recognised at face value (which represents their fair value), and since the financial effect of payment deferral is not material, the carrying amount approximates the amortised cost.

Derivative financial instruments and hedge accounting

The Group's liabilities are exposed primarily to financial risks due to changes in interest and exchange rates. To manage these risks the Group uses financial derivatives, mainly in the form of interest rate swaps, forward rate agreements, interest rate options, and combinations of these. Some Group companies have a policy of converting part of floating-rate debt into fixed-rate. The use of derivatives is governed by Group policies duly approved by Autogrill S.p.A.'s Board of Directors, which establish precise written procedures concerning the use of derivatives in accordance with the Group's risk management strategies. Derivative contracts have been entered into with counterparties deemed to be financially solid, with the aim of reducing default risk to a minimum. Group companies do not use derivatives for purely trading purposes, but rather to hedge identified risks.

See the policy described in section 3.2.6.

In accordance with IAS 39, derivative financial instruments used for hedging qualify for hedge accounting only if, at the inception of the hedge: (i) there is formal designation and documentation of the hedging relationship; (ii) the hedge is assumed to be effective; (iii) effectiveness can be reliably measured; (iv) the hedge is effective throughout the financial reporting periods for which it was designated.

All derivative financial instruments are initially measured at fair value, with the related transaction costs recognised in profit or loss when incurred. They are subsequently carried at fair value. More specifically, the fair value of forward exchange contracts is based on the listed market price, where available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current spot rate for the residual maturity of the contract using a risk-free interest rate (based on government securities).

Interest rate swaps are valued at the quotes listed by intermediaries. Such quotes are verified using cash flows estimated on the basis of the conditions and residual maturity of each contract, and using the year-end market interest rates of comparable instruments.

Fair value changes are measured as described below.

When financial instruments qualify for hedge accounting, the following rules apply:

- Fair value hedge: if a derivative financial instrument is designated as a hedge against changes in the fair value of a recognised asset or liability attributable to a particular risk that may affect profit or loss, the gain or loss arising from subsequent fair value accounting of the hedge is recognised in the income statement. The gain or loss on the hedged item attributable to the hedged risk adjusts its carrying amount and is recognised in profit or loss;

- Cash flow hedge: if a financial instrument is designated as a hedge against exposure to variations in the future cash flows of a recognised asset or liability or a forecast transaction that is highly probable and could affect profit or loss, the effective portion of the gain or loss on the financial instrument is recognised in comprehensive income and presented in the “hedging reserve” under equity. The cumulative gain or loss is reclassified from comprehensive income and recognised in profit or loss in the same year in which the hedged transaction is recognised. Fair value gains and losses associated with a hedge (or part of a hedge) which has become ineffective are recognised in the income statement immediately. If a hedge or a hedging relationship is closed, but the hedged transaction has not yet taken place, the gains or losses accrued up to that time in the statement of comprehensive income are reclassified to profit or loss as soon as the transaction occurs. If the transaction is no longer expected to take place, the gains or losses not yet realised that have been included in comprehensive income are reclassified immediately to profit or loss;

- Hedge of net investment: if a derivative is designated as a hedge of a net investment in a foreign operation, held directly or indirectly through an intermediary holding company, the portion of the gain or loss on the hedge that is determined to be effective is recognised in comprehensive income and presented in the “translation reserve” under equity, while the ineffective portion is taken to profit or loss. On disposal of the foreign operation, the gain or loss on the effective portion of the hedge that has been cumulatively recognised in the translation reserve is also taken to profit or loss.

If hedge accounting does not apply, the gains or losses arising from measurement at fair value of the financial derivative are immediately recognised in the income statement.

Provisions for risks and charges
Provisions are recognised when the Group has a present obligation as a result of a past event and will likely have to use resources in order to produce economic benefits that satisfy that obligation, and when the amount of the obligation can be reliably determined. Provisions are based on the best estimate of the cost of fulfilling the obligation as at the reporting date, and when the effect is material, are discounted to their present value.

The Group recognises an onerous contracts provision when the unavoidable costs necessary to fulfill the obligations of a contract are greater than the economic benefits the Group can expect to obtain therefrom. The provision is measured at the present value of the lower of the cost of terminating the contract and the net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment losses on the assets associated with the contract.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or been publicly announced. Future operating costs are not provided for.

Foreign currency transactions
Transactions in foreign currencies are converted into the functional currency at the exchange rate in effect on the transaction date. Foreign currency assets and liabilities are converted at the year end exchange rate. Exchange differences arising from translation are recognised in the income statement.

Earnings per share
Autogrill presents basic and diluted earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for treasury shares. Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, as defined above, for the effects of all dilutive potential ordinary shares.

Use of estimates
The preparation of the consolidated financial statements and notes hereto requires management to make estimates and assumptions that affect the carrying amounts of assets, liabilities, costs and income and the disclosure about contingent assets and liabilities at year end. Actual results may differ. Estimates are used to determine the effects of business combinations, asset impairment, the fair value of derivatives, allowance for impairment and inventory obsolescence, amortisation and depreciation, employee benefits, tax and other provisions. Estimates and assumptions are periodically reviewed and the effect of any change is taken to the income statement of the current and future years.

3.2.2 **Business combinations**

Acquisitions taking place during the year were recognised in accordance with IFRS 3 Revised.

Airfayre Heathrow Ltd.

Alpha, Autogrill's Flight division, and Journey Group, a British flight services and logistics company, have formed a joint venture for the management of support operations for the on-board catering services of airlines flying out of London Heathrow.

Called Alpha-Airfayre Ltd. (51% Alpha and 49% Journey Group), the joint venture has taken over the operating activities of Alpha Flight UK Ltd. and Air Fayre Ltd., a subsidiary of Journey Group, at Heathrow Airport. It will prepare and furnish around 30,000 meals per day, to be served by 18 international airlines flying out of London, for estimated annual revenue of over £ 70m.

Journey Group manages in-flight catering services in London through its subsidiary Air Fayre, which grossed £ 33.6m in 2008.

Airfayre Heathrow Ltd. has been consolidated on a line-by-line basis since 20 November 2009.

The deal took place through the contribution of assets to the new company by Autogrill and Journey Group. The fair value of the assets and liabilities contributed by Autogrill has been assumed to equal their carrying amount as of the contribution date.

The table below shows assets and liabilities at the acquisition date. Because the acquisition took place near the end of the year, it was not possible to finish valuing the assets and liabilities of the group, so the excess between the amount paid for the acquisition and Autogrill S.p.A.'s interest with respect to carrying amount has been fully recognised, on a provisional basis, as goodwill. IFRS 3 Revised allows the adjustment of figures measured at the time of the acquisition, within 12 months of the acquisition date.

(£m)	Airfayre Heathrow Ltd.	Adjustments	Airfayre Heathrow Ltd. adjusted
Intangible assets	0.1		0.1
Property, plant and equipment	7.5		7.5
Financial assets	–		–
A) Non-current assets	**7.6**	**–**	**7.6**
Inventories	0.6		0.6
Trade receivables	0.1		0.1
Other receivables	0.3		0.3
Trade payables	(0.9)		(0.9)
Other payables	(1 .2)		(1 .2)
B) Working capital	**(1.1)**	**–**	**(1.1)**
C) Invested capital, net of current liabilities	**6.5**	**–**	**6.5**
D) Other non-current non-financial assets and liabilities	**–**		**–**
E) Net invested capital	**6.5**	**–**	**6.5**
F) Equity	**1.5**	**–**	**1.5**
G) Net financial position	**5.0**	**–**	**5.0**
H) Total, as in E)	**6.5**	**–**	**6.5**
Consideration transferred	3.0		3.0
Goodwill			1.5

As described in section 3.2.1, IFRS 3 Revised has also been applied to the acquisitions of WDF and Aldeasa in 2008.

3.2.3 **Notes to the statement of financial position**

Current assets

I. Cash and cash equivalents

(€k)	31.12.2009	31.12.2008	Change
Bank and post office deposits	133,178	139,508	(6,331)
Cash and equivalents on hand	60,938	70,030	(9,091)
Total	**194,116**	**209,538**	**(15,422)**

"Bank and post office deposits" consist mainly of current accounts (€ 120,191k).

"Cash and equivalents on hand" include cash floats at stores and amounts in the process of being credited to bank accounts. Variations depend on the frequency of deposits.

At constant exchange rates, the change in this item would have been € –17,103k.

II. Other financial assets

(€k)	31.12.2009	31.12.2008	Change
Fair value of interest rate hedges	5,655	10,555	(4,899)
Receivables from associates	2,898	7,187	(4,289)
Fair value of exchange rate hedges	1,145	2,819	(1,674)
Other financial assets	2,206	2,217	(11)
Total	**11,904**	**22,778**	**(10,874)**

The "Fair value of interest rate hedges" refers to derivatives outstanding at 31 December 2009, with a combined notional amount of $ 75m.

The "Fair value of exchange rate hedges" refers in particular to the forward purchase and/or sale of currency.

See section 3.2.6, "Financial risk management," for a more detailed analysis.

Most of the "Other financial assets" are receivables from joint venture partners.

III. Tax assets

These amount to € 3,809k and refer to income tax advances and credits.

IV. Other receivables

(€k)	31.12.2009	31.12.2008	Change
Suppliers	73,768	71,516	2,252
Lease and concession advance payments	24,653	19,003	5,650
Inland revenue and government agencies	14,361	19,090	(4,729)
Credit card receivables	10,604	7,285	3,319
Personnel	4,528	4,938	(411)
Advances to grantors for investments	3,136	3,986	(850)
Sub-concessionaires	3,017	3,826	(809)
Other	45,240	42,130	3,111
Total	**179,307**	**171,774**	**7,533**

"Suppliers" refers chiefly to amounts receivable for promotional contributions and supplier bonuses awaiting settlement, as well as advances for services to be received. "Lease and concession advance payments" consist of lease instalments paid in advance; receivables from "Inland revenue and government agencies" relate mostly to indirect taxes and those from "Sub-concessionaires" to businesses licensed to others, while "Advances to grantors for investments" concern commercial investments carried out on behalf of landlords.

"Other" includes the amount due from the parent Edizione S.r.l. to the main Italian companies that have opted for the domestic tax consolidation scheme for the years 2007 through 2009 (€ 11,586k), prepayments for maintenance, insurance policies, and local taxes, and commissions receivable on commission-generating businesses.

At constant exchange rates, the change would amount to € +7,041k.

V. Trade receivables

(€k)	31.12.2009	31.12.2008	Change
Third parties	113,092	102,201	10,892
Disputed receivables	8,384	6,809	1,575
Allowance for impairment	(11,432)	(10,650)	(782)
Total	**110,045**	**98,360**	**11,685**

"Third parties" refers mainly to catering service agreements, accounts with affiliated companies and agreements with airlines to provide meals and retail products, the latter referring to the Flight business.

At constant exchange rates, the change would amount to € +7,789k.

Movements in the "Allowance for impairment" are shown below:

(€k)	
Allowance for impairment at 31.12.2008	**10,650**
Increases	1,327
Other movements	22
Utilisations	(567)
Allowance for impairment at 31.12.2009	**11,432**

VI. Inventories

(€k)	31.12.2009	31.12.2008	Change
Food & beverage and retail items	232,077	263,110	(31,033)
Sundry merchandise and other items	3,929	3,885	44
Total	**236,006**	**266,995**	**(30,989)**

The reduction in inventories mainly reflects measures carried out to optimize the logistical chain in the Travel Retail & Duty-Free business.

Inventories are shown net of the provision for obsolescence of € 5,081k (€ 4,991k at 31 December 2008), determined on the basis of slow-moving goods. The accrual for the year was € 6,468k and utilisations came to € 6,178k.

At constant exchange rates, the change in this item would have been € –34,466k.

Non-current assets

VII. Property, plant and equipment

	31.12.2009			31.12.2008		
(€k)	Gross amount	Accumulated depreciation & impairment losses	Carrying amount	Gross amount	Accumulated depreciation & impairment losses	Carrying amount
Land and buildings	173,338	(69,859)	103,479	179,696	(72,149)	107,547
Leasehold improvements	991,296	(654,942)	336,354	1,013,788	(665,405)	348,383
Plant and machinery	300,789	(216,982)	83,807	319,600	(215,978)	103,622
Industrial and commercial equipment	741,060	(510,923)	230,137	755,997	(531,387)	224,610
Assets to be transferred free of charge	464,352	(347,098)	117,254	478,171	(342,980)	135,191
Other	109,648	(75,730)	33,918	118,274	(89,732)	28,542
Assets under construction and payments on account	80,243	–	80,243	117,589	–	117,589
Total	**2,860,726**	**(1,875,534)**	**985,192**	**2,983,115**	**(1,917,631)**	**1,065,484**

Investments in 2009 amounted to € 157,580k, while the net carrying amount of disposals was € 13,607k; disposals generated net capital gains of € 15,068k.

In addition to depreciation of € 227,127k, impairment testing of individual locations or contracts resulted in impairment losses of € 19,665k. These tests are based on projected cash flows, without taking potential efficiency gains into account.

The discount rate used corresponds to the average cost of capital gross of tax and varied from 6.1% to 15.5%, depending on the cost of money and the specific business risks associated with each country of operation.

At constant exchange rates, the change would amount to € –75,760k.

"Leasehold improvements" refer to expenses incurred to set up or adapt leased premises and concessions. This includes costs for the development of locations managed at airports, at shopping centers in North America, and at several motorway locations.

The decrease in assets under construction and advances reflects the completion of some investment programmes undertaken as a result of contracts that were won or renewed in 2007-2008, and a more selective approach to new initiatives, especially in the Food & Beverage segment.

The Group uses third party assets worth € 1,697k and rents businesses with assets worth € 14,581k.

In accordance with the financial method, this item includes the contractual value of the following property, plant and equipment held under finance leases:

	31.12.2009			31.12.2008		
(€k)	Gross amount	Accumulated depreciation	Carrying amount	Gross amount	Accumulated depreciation	Carrying amount
Land and buildings	2,869	(1,429)	1,439	2,869	(1,007)	1,861
Plant and machinery	294	(235)	59	294	(176)	118
Assets to be transferred free of charge	13,809	(9,099)	4,710	13,809	(8,491)	5,318
Other	6,244	(1,633)	4,611	2,052	(2,052)	–
Total	**23,215**	**(12,396)**	**10,820**	**19,024**	**(11,727)**	**7,297**

The item "Other" refers to means of transport used by the Flight business.

The financial payable for these goods amounts to € 10,192k and is included under "Other financial liabilities" (current) for € 2,595k (€ 2,313k at the end of 2008) and "Other financial liabilities" (non-current) for € 7,597k (€ 9,385k the previous year). Future lease payments total € 11,310k.

VIII. Goodwill

At 31 December 2009 goodwill amounted to € 1,418,511k, compared with € 1,401,855k in the previous year.

The cash-generating units (CGUs) were identified on the basis of business segments, and in some cases further split by geographical region, consistently with the minimum level at which goodwill is monitored for internal management purposes.

Details of goodwill allocation are provided in the table below:

(€k)	31.12.2009	31.12.2008	Change
Food & Beverage Italy	83,516	87,886	(4,370)
Food & Beverage HMSHost	412,796	424,185	(11,389)
Food & Beverage Other	268,198	268,841	(642)
Travel Retail & Duty-Free:			
Europe	480,779	408,705	72,073
Americas	41,072	41,964	(892)
Rest of the world	43,066	74,992	(31,926)
Flight	89,084	95,282	(6,198)
Total	**1,418,511**	**1,401,855**	**16,656**

As explained in section 3.2.1 ("General standards"), Autogrill has opted for the early adoption of IFRS 3 Revised in order to improve the representation of intangibles acquired in the context of recent business combinations. The figures at 31 December 2008 have been adjusted accordingly.

The recoverability of the goodwill allocated to each CGU is tested by estimating their value in use, defined as the present value of estimated future cash flows discounted at a rate reflecting the time value of money (differentiated by currency area) and specific risks of the individual CGUs at the measurement date.

The discount rate was set in consideration of the capital assets pricing model, which is based, as far as possible, on indicators and variables that can be observed from the market.

Future cash flows have been estimated on the basis of the 2010 budget and forecasts for 2011-2014. Cash flows beyond 2014 have been projected by extrapolating information from those forecasts and applying nominal growth rates ("g"), which do not exceed the long-term growth estimates of each CGU's sector and country of operation.

Below are the main assumptions used for impairment testing. Only the discount rate has changed since the previous year, to reflect market conditions at 31 December 2009:

	Forecast period	Terminal value calculation method Yield used	Forecast nominal growth rate "g"	Discount rate after taxes		Discount rate before taxes	
				31.12.2009	31.12.2008	31.12.2009	31.12.2008
Food & Beverage							
Italy	5 years	Perpetual	2.0%	7.15%	7.57%	9.85%	10.16%
HMSHost	5 years	Perpetual	2.0%	5.80%	8.00%	7.81%	11.65%
Other	5 years	Perpetual	2.0%	5.45%-8.58%	5.88%-7.30%	6.12%-9.11%	7.24%-9.80%
Travel Retail & Duty-Free							
Europe	5 years	Perpetual	2.0%	6.52%-7.17%	7.20%-7.30%	7.88%-9.15%	8.82%-9.30%
Americas	5 years	Perpetual	2.0%	5.76%-13.84%	6.30%-9.00%	5.76%-17.22%	8.19%-11.11%
Rest of the world	5 years	Perpetual	3.5%	9.23%	9.40%	10.53%	11.38%
Flight	5 years	Perpetual	2.0%	7.96%	8.79%	10.15%	11.14%

To estimate cash flows for the period 2010-2014, management made several assumptions, including an estimate of air and road traffic volumes and thus of the future trend in sales, operating costs, investments, and changes in working capital.

The principal assumptions used to estimate cash flows can be broken down by business segment:

Food & Beverage Italy:
for 2010-2014, average revenue growth is projected at 2.7% per year. This assumes a moderate recovery in motorway traffic and a renewal rate for expiring contracts in line with the Group's track record. Operating costs are expected to rise as a percentage of revenue as leases and concession contracts expire, reflecting a probable increase in rent.

Food & Beverage HMSHost:
projections for 2010 assume a slight recovery in airport and motorway traffic after the steep declines in 2009. In subsequent years, revenue is expected to grow and to return to 2008 levels in 2012. In the airport channel, which dominates this unit, there should be a recovery in passenger traffic that will bring compound annual revenue growth to 3.2% for the period 2010-2014. The renewal rate of existing contracts was estimated on the basis of the Group's historical trends. The total incidence of operating costs is expected to decrease slightly as a result of efficiency measures.

Food & Beverage Other:
in terms of revenue projections, 2010 is assumed to be in line with 2009, followed by compound annual growth of about 1% for the subsequent years. The total incidence of operating costs is assumed to decrease as a result of cost-cutting measures.

For all CGUs, growth investments are correlated with the expiration of contracts, while maintenance investments are assumed to be consistent with historical trends. No significant changes are expected for working capital.

Travel Retail & Duty-Free:
- Europe: specific traffic assumptions were formed for the United Kingdom and Spain. In the United Kingdom, airport traffic is expected to stabilize at 2009 levels next year and to recover starting in 2011, leading to a 1.7% CAGR for revenue. In Spain, too, the assumption is that traffic will stabilize in 2010 and grow moderately in subsequent years, meaning that it would take until 2014 for sales to surpass the level reached in 2007. Contract renewals are assumed to be in line with the Group's historical trends. Operating cost projections incorporate the synergies likely to arise from the integration of the three companies acquired in the last two years. The other cost items are expected to continue existing trends, save for rent increases in the years when important contracts expire. Higher investment is assumed in parallel with expiring contracts.
- Americas: traffic is expected to grow by an average of 3% per year from 2010 to 2014. Projections assume that the profitability of units in the start-up phase (concentrated in North America) will gradually settle, and the cost of goods sold is prudently assumed to increase for South American operations.
- Rest of the world: the assumption is that current levels will be roughly unchanged, as revenue grows in certain regions and falls in others with respect to 2009. The average incidence of operating costs is also assumed to be stable.

  Growth investments are correlated with contract renewals, while maintenance investments are assumed to be consistent with historical trends. No significant changes are expected for working capital.

Flight:
revenue growth is projected at 1.2-2.4% in all countries except the United Kingdom, where growth should exceed 4.0% thanks to the integration of new businesses. The incidence of operating costs is expected to be stable, with a slight increase in the cost of raw materials. Average annual investments are assumed to be in line with historical trends. No significant changes are expected for working capital.

On the basis of these assumptions, the amount of goodwill attributed to each CGU was found to be fully recoverable, with the exception of two minor units for which impairment losses totalled € 9,764k.

For each CGU, an analysis was performed to check sensitivity to changes in the main assumptions used, which indicated full recoverability of the carrying amounts of goodwill up to the following limits:

	Discount rate net of taxes	g
Food & Beverage		
Italy	*	*
HMSHost	11 .72%	(9.18%)
Other	10.66%	(5.21%)
Travel Retail & Duty-Free		
Europe	8.70%-9.35%	(1 .02%)
Americas	8.07%-16.16%	(1 .22%)
Rest of the world	12.22%	(0.99%)
Flight	**12.10%**	**(4.93%)**

* Even if a very prudential WACC and g are applied, the Cash Generating Unit shows a positive balance

As mentioned above, the recoverable amount of the CGUs and the goodwill assigned to them is determined using estimates and assumptions that in part can be controlled and defined on the basis of experience, and in part concern future events and scenarios that are beyond Autogrill's control. The instability of today's global economy makes it more difficult to predict trends in the factors that affect Group performance; goodwill may have to be remeasured if these fail to meet our assumptions.

IX. Other intangible assets

(€k)	31.12.2009	31.12.2008 *	Change
Concessions, licenses, brands and similar rights	882,171	944,813	(62,642)
Assets under development and payments on account	3,960	15,135	(11,175)
Other	18,337	25,339	(7,002)
Total	**904,468**	**985,287**	**(80,819)**

* Please refer to section 3.2.1 for the description of adjustments made to the figures since their original publication

"Concessions, licenses, brands and similar rights" consist mainly of the amounts determined upon fair-value measurement of the assets and liabilities acquired with WDF and Aldeasa, in accordance with IFRS 3 Revised. Specifically, the Group has recognised contractual rights for € 642,579k (€ 756,161k at 31 December 2008) and the tradename World Duty Free for € 107,012k (€ 108,280k the previous year).

"Other" intangible assets have finite useful lives.

The change refers almost entirely to amortisation for the year. At constant exchange rates, this item would have decreased by € 104,750k.

In addition to amortisation of € 97,429k, impairment testing resulted in impairment losses of € 1,412k. These tests are based on projected cash flows, without taking potential efficiency gains into account.

Intangible assets

(€k)	31.12.2008 * Gross carrying amount	Amort. & imp. losses	Carrying amount	Change in gross carrying amount: Change in scope of consolid.	Exchange rate gains (losses)	Increases in historical cost	Decreases	Other movements	Total
Concessions, licenses, brands and similar rights	1,053,327	(108,514)	944,813	824	25,030	86	(1,146)	4,055	28,849
Goodwill	1,409,902	(8,045)	1,401,857	3,248	24,715	546	(284)	(37)	28,188
Assets under development and payments on account	15,135	–	15,135	–	–	11,039	(218)	(21,996)	(11,175)
Other	90,557	(65,218)	25,339	195	2,800	2,078	(31,841)	(3,212)	(29,980)
Total	**2,568,921**	**(181,777)**	**2,387,144**	**4,267**	**52,545**	**13,749**	**(33,489)**	**(21,190)**	**15,882**

* Please refer to section 3.2.1 for the description of adjustments made to the figures since their original publication

Property, plant and equipment

(€k)	31.12.2008 Gross carrying amount	Accumulated depr.	Carrying amount	Change in gross carrying amount: Change in scope of consolid.	Exchange rate gains (losses)	Increases in historical cost	Decreases	Other movements	Total
Land and buildings	179,696	(72,149)	107,547	–	1,157	1,156	(10,860)	2,189	(6,358)
Leasehold improvements	1,013,788	(665,405)	348,383	6,680	(9,030)	7,678	(93,308)	65,488	(22,492)
Plant and machinery	319,600	(215,978)	103,622	4,235	6,309	7,123	(32,168)	(4,310)	(18,811)
Industrial and commercial equipment	755,997	(531,387)	224,610	412	204	18,816	(100,639)	66,270	(14,937)
Assets to be transferred free of charge	478,171	(342,980)	135,191	–	(1)	2,635	(35,213)	18,760	(13,819)
Other	118,274	(89,732)	28,542	2,907	4,258	3,556	(30,661)	11,314	(8,626)
Assets under construction and payments on account	117,589	–	117,589	–	(1,284)	105,031	(2,572)	(138,521)	(37,346)
Total	**2,983,115**	**(1,917,631)**	**1,065,484**	**14,234**	**1,613**	**145,995**	**(305,421)**	**21,190**	**(122,389)**

Amort. and depr./Impairment losses						31.12.2009		
Change in scope of consolid.	Exchange rate gains (losses)	Increases Amort.	Increases Imp. losses	Decreases	Total	Gross carrying amount	Amort. & imp. losses	Carrying amount
–	(1,760)	(91,079)	(233)	1,581	(91,491)	1,082,176	(200,005)	882,171
–	(1,868)	–	(9,764)	98	(11,534)	1,438,090	(19,579)	1,418,511
–	–	–	–	–	–	3,960	–	3,960
(55)	(2,138)	(6,350)	(1,179)	32,700	22,978	60,577	(42,240)	18,337
(55)	**(5,766)**	**(97,429)**	**(11,176)**	**34,379**	**(80,047)**	**2,584,803**	**(261,824)**	**2,322,979**

Amort. and depr./Impairment losses						31.12.2009		
Change in scope of consolid.	Exchange rate gains (losses)	Increases Depr.	Increases Imp. losses	Decreases	Total	Gross carrying amount	Accumulated depr.	Carrying amount
–	(309)	(4,720)	(1,943)	9,262	2,290	173,338	(69,859)	103,479
(2,174)	7,903	(78,171)	(6,864)	89,769	10,463	991,296	(654,942)	336,354
(2,060)	(4,137)	(25,186)	(407)	30,786	(1,004)	300,789	(216,982)	83,807
(310)	2,001	(79,043)	(810)	98,626	20,464	741,060	(510,923)	230,137
–	–	(27,172)	(9,641)	32,695	(4,118)	464,352	(347,098)	117,254
(1,300)	(2,543)	(12,836)	–	30,681	14,002	109,648	(75,730)	33,918
–	–	–	–	–	–	80,243	–	80,243
(5,844)	**2,915**	**(227,128)**	**(19,665)**	**291,819**	**42,097**	**2,860,726**	**(1,875,534)**	**985,192**

X. Equity investments

Any surplus of an investment's carrying amount over pro rata equity represents future profitability inherent in the investment.

Using the equity method, € –127k was recognised in the income statement under "Adjustments to the value of financial assets".

Name	Registered office	Country	%	Currency (000)	Revenue	Profit/(loss) for the year	Total assets	Total liabilities	Carrying amount (€k)
Investments in associates									
Souk al Mouhajir S.A.	Casablanca	Morocco	35.8%	Dhs	15,261	814	18,616	3,355	468
Creuers del Port de Barcelona S.A.	Barcelona	Spain	23%	Eur	23,230	5,864	46,134	22,904	5,170
Lanzarote de Cultura y Ocio S.A.	Tias	Spain	30%	Eur	14	(8)	15	–	4
Dewina Host Sdn Bhd	Kuala Lumpur	Malaysia	49%	Myr	24,928	651	10,837	2,605	826
HMS-AIAL Ltd.	Auckland	New Zealand	50%	Nzd	14,866	1,792	15,121	2,334	3,224
TGIF National Airport Restaurant Joint Venture	Texas	USA	25%	Usd	3,019	193	97	85	164
Virgin Express Catering Services N.V. *	Brussels	Belgium	49%	Eur	3,496	312	1,781	1,192	642
Other									665
Total									**11,164**

* At 31 December 2008

XI. Other financial assets

(€k)	31.12.2009	31.12.2008	Change
Interest bearing sums with third parties	5,122	4,476	646
Guarantee deposits	8,807	14,685	(5,879)
Other financial receivables from third parties	3,028	5,233	(2,204)
Total	**16,957**	**24,394**	**(7,437)**

On a currency adjusted basis, this item would have decreased by € 7,698k.

Most of the decrease in "Guarantee deposits" is explained by the reclassification to current assets of a portion that is now short term.

"Other financial receivables from third parties" are primarily due from US joint venture partners.

XII. Deferred tax assets

Deferred tax assets, shown net of offsettable deferred tax liabilities, amount to € 98,748k (€ 113,437k at 31 December 2008). The change for the year, € 14,689k, would amount to € –13,780k on a currency-adjusted basis.

The main components of this item are detailed below:

- € 38,058k (€ 41,175k at 31 December 2008) for the US companies, where deferred tax assets are generated primarily by the different amortisation period of leasehold improvements and the deferred deductibility of provisions for concession fees;
- € 21,886k (€ 31,338k at 31 December 2008) for the Spanish companies, mostly in relation to tax losses carried forward and the deferred deductibility of provisions for concession fees;
- € 12,062k (€ 11,421k at 31 December 2008) for the French companies, mostly in connection with tax losses carried forward and the different amortisation and depreciation periods.

Tests carried out on the basis of the companies' prospects for future taxable income led to impairment losses of € 14,057k on deferred tax assets.

At 31 December 2009, "Deferred tax liabilities" not offsettable against deferred tax assets amounted to € 179,406k (€ 183,388k in 2008) and refer mainly to temporary differences concerning the intangible assets to which the Group allocated part of the price paid for the WDF and Aldeasa acquisitions.

The change at constant exchange rates would have been € –11,758k.

Total net deferred tax assets at 31 December 2009, amounting to € –80,658k, are analysed below:

	2009		2008 *	
	Temporary differences	Tax effect	Temporary differences	Tax effect
Trade receivables	(30,151)	(8,269)	22,873	9,080
Other receivables	38,656	13,963	665	(801)
Property, plant and equipment and other intangible assets	(648,437)	(169,713)	(481,065)	(135,629)
Total temporary differences on assets	**(639,932)**	**(164,019)**	**(457,528)**	**(127,350)**
Trade payables	(14,593)	(4,013)	(86)	(24)
Other payables	(13,128)	(4,127)	(21,399)	(6,774)
Post-employment and other employee benefits	(60,701)	(24,301)	(79,606)	(27,164)
Provisions for risks and charges	(24,399)	(3,165)	8,593	2,903
Other reserves and retained earnings	(58,086)	(15,946)	136,694	8,026
Total temporary differences on liabilities and equity	**(170,907)**	**(51,551)**	**44,196**	**(23,034)**
Net deferred tax assets		**(112,468)**		**(104,316)**
Deferrred tax assets arising from tax losses		31,810		34,366
Total net deferred assets		**(80,658)**		**(69,951)**

* Please refer to section 3.2.1 for the description of adjustments made to the figures since their original publication

Tax losses existing at 31 December 2009 on which deferred tax assets have not been recognised amount to € 101,354k.

XIII. Other receivables

Most of the other non-current receivables (€ 33,487k at 31 December 2009) consist of premiums due from suppliers under long-term agreements and concession fees paid in advance.

XIV. Assets held for sale

This item amounts to € 877k and refers to an investment property.

Current liabilities

XV. Trade payables

Trade payables at 31 December 2009 amounted to € 709,028k (€ 711,725k at the end of 2008). The change on a currency adjusted basis would have been € –8,455k.

XVI. Tax liabilities

At € 15,618k, these increased by € 4,167k and refer to taxes accrued during the year. The tax liability of the main Italian companies participating in Edizione S.r.l.'s election for the domestic tax consolidation scheme is recognised under "Other payables".
At constant exchange rates, the change would amount to € +3,700k.

XVII. Other payables

(€k)	31.12.2009	31.12.2008	Change
Personnel expense	128,957	115,305	13,652
Due to suppliers for investments	60,426	57,590	2,837
Social security and defined contribution plans	37,281	38,685	(1,404)
Indirect taxes	36,545	28,090	8,455
Withholding taxes	12,077	10,119	1,959
Other	49,144	68,832	(19,688)
Total	**324,431**	**318,620**	**5,811**

"Personnel expense" includes the current provision for long-term incentive plans.

The heading "Other" includes amounts due to directors and statutory auditors (€ 1,178k), as well as prepayments for insurance, utilities, and maintenance pertaining to the subsequent year.

At 31 December 2008, "Other" also included the amount due in connection with the domestic tax consolidation scheme chosen by Edizione S.r.l. and the main Italian companies for the period 2007-2009 (€ 14,760k), which was settled in 2009.

On a currency adjusted basis, the change would amount to € +5,425k.

XVIII. Due to banks

(€k)	31.12.2009	31.12.2008	Change
Unsecured bank loans	144,801	151,428	(6,626)
Current account overdrafts	14,369	17,532	(3,163)
Total	**159,171**	**168,960**	**(9,789)**

This item covers drawdowns on short-term credit facilities, as well as the current portion (€ 25m) of a long-term loan taken out by Aldeasa.
On a currency adjusted basis, the change would amount to € –5,858k.

XIX. Other financial liabilities

(€k)	31.12.2009	31.12.2008	Change
Fair value of interest rate hedges	63,823	65,083	(1,260)
Accrued expenses and deferred income for interest on loans	9,317	15,420	(6,103)
Lease payments due to others	2,595	2,313	282
Fair value of exchange rate hedges	1,283	9,705	(8,423)
Other financial accrued expenses and deferred income	487	189	298
Total	**77,505**	**92,710**	**(15,205)**

The “Fair value of interest rate hedges” refers to derivatives (mostly interest rate swaps) outstanding at 31 December 2009, with notional amounts of € 340m and £ 400m. The decrease for the year reflects the change in interest rates.

The “Fair value of exchange rate hedges” refers in particular to the forward sale and/or purchase of currency. The change in value during the year primarily reflects the final settlement of contracts for a nominal $ 145m; the remainder corresponds to the change in the underlying exposure.

Details of the derivatives outstanding at year end are provided in section 3.2.6 “Financial risk management”.

Non-current liabilities

XX. Other payables

The balance of € 77,584k (€ 75,446k in 2008) consists mainly of concession fees to be paid by Aldeasa by the end of 2012, the provision for long-term employee incentive plans, and the liability for defined contribution plans.

XXI. Loans net of current portion

(€k)	31.12.2009	31.12.2008	Change
Unsecured bank loans	1,540,388	1,759,942	(219,555)
Commissions on bond issues	(6,955)	(9,004)	2,050
Total due to banks	**1,533,433**	**1,750,938**	**(217,505)**
Lease payments due to others	7,597	9,385	(1,787)
Liabilities due to others	825	991	(167)
Total	**1,541,855**	**1,761,314**	**(219,459)**

More specifically, long-term bank loans outstanding at 31 December 2009 are as follows:
- a € 200m loan taken out in 2005, to be repaid in a single instalment in June 2015;
- drawdowns on a revolving credit facility of € 300m granted in 2005, maturing in June 2012;
- drawdowns on a revolving credit facility of € 500m granted in May 2007, to be repaid in a single instalment in May 2014;
- a revolving credit facility of € 125m, due on 19 March 2013;

- a € 275m term loan taken out in 2008, to be repaid in a single instalment in March 2013;
- a € 600m term loan (drawn down entirely in British pounds for £ 477.5m), due on 19 March 2013 and payable in three annual instalments of £ 79.6m starting in 2010, plus a final payment of £ 238.7m at maturity. The first instalment has been classified under short-term loans;
- a loan with a remaining balance of € 50m on the original € 125m, taken out by Aldeasa in 2006 and being reimbursed through half-yearly payments of € 12.5m until August 2011;
- a € 125m revolving credit facility contracted by Aldeasa in 2006, to be repaid in a single instalment in August 2011.

At constant exchange rates, the change in this item would have been € –261,866k.

At 31 December 2009 the committed credit facilities maturing beyond one year had been drawn down by about 78%. Floating interest is charged on all bank loans. The average duration of bank loans, including unutilised credit lines, is about three years.
Long-term loan agreements require regular monitoring of financial ratios relating to debt coverage and interest coverage. Specifically, Aldeasa's loans include covenants referring exclusively to its own consolidated financial statements, whereby the leverage ratio (debt/EBITDA) must not exceed 3.5 and the interest coverage (EBITDA/financial expense) must not be lower than 3. The other contracts refer to the Autogrill Group as a whole and set a limit of 3.5 for the leverage ratio and at least 4.5 for interest coverage.

For the calculation of the leverage ratio and interest cover, net debt, EBITDA and financial charges are measured according to contractual definitions and therefore differ from the amounts valid for financial reporting purposes. Thus, they are not readily apparent from the financial statements.

At 31 December 2009, as in all previous observation periods, these covenants were fully satisfied.

XXII. Bonds

(€k)	31.12.2009	31.12.2008	Change
Non-convertible bonds	30,543	–	30,543
Total current	**30,543**	**–**	**30,543**
Non-convertible bonds	335,720	384,002	(48,282)
Commissions on bond issues	(1,267)	(1,747)	480
Total non-current	**334,453**	**382,255**	**(47,802)**
Total	**364,996**	**382,255**	**(17,259)**

In 2009 there were no changes in the components of this item, which at 31 December 2009 amounted to € 364,996k (€ 382,255k a year earlier), except for the classification to current liabilities of the $ 44m (€ 30,543k) tranche maturing in January 2010 of the $ 520m private placement issued by Autogrill Group Inc.

At constant exchange rates, the change would amount to € –4,284k.

"Non-convertible bonds" refer to:

- a private placement issued on 23 January 2003 by Autogrill Group Inc. for a total of $ 370m. The issue was guaranteed by Autogrill S.p.A. and is in three tranches of $ 44m, $ 60m and $ 266m, maturing respectively in 2010, 2011, and 2013. The tranches pay half-yearly coupons at respective fixed interest rates of 5.38%, 5.66% and 6.01%;
- a private placement issued on 9 May 2007 by Autogrill Group Inc. for a total of $ 150m. Guaranteed by Autogrill S.p.A., these bonds pay fixed annual interest of 5.73% half-yearly, and mature on 9 May 2017. Exposure to fair value fluctuations is hedged by an interest rate swap with a notional amount of $ 75m. Under the rules for fair value hedge accounting, the gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of that item and is recognised in profit or loss, as is the gain or loss from the subsequent fair value measurement of the hedge.

The fair value of the bonds outstanding is measured using valuation techniques based on parameters other than price that can be observed in the open market. They can therefore be classified in level 2 of the fair value hierarchy, with no change on the previous year.

In 2009 there was a gain on the hedged item of $ 6.7m (€ 4.7m) and a loss on the hedge of the same amount, so the effect on the income statement was nil. The cumulative loss on the hedged item amounted to $ 7,6m (€ 5.3m) at the close of the year.

As do long-term bank loans, the private placement regulations include covenants requiring the periodic monitoring of the Group's financial ratios (leverage and interest coverage). The leverage ratio must not exceed 3.5, although it can reach 4.0 for a maximum of three half-years (not necessarily in a row), and the interest coverage cannot be lower than 4.5.

For the calculation of the leverage ratio and interest coverage, net financial position, EBITDA and financial expense are measured according to definitions in the loan contracts and therefore differ from the amounts in the financial statements.

At 31 December 2009, as in all previous observation periods, these covenants were fully satisfied.

XXIII. Post-employment benefits and other employee benefits

This item amounted to € 101,699k at the close of the year, a decrease of € 5,803k with respect to 31 December 2008.

The change at constant exchange rates would have been € –6,938k.

The table below shows details of the employee benefits included in this item. The legal obligation for Italian post-employment benefits ("Trattamento di fine rapporto", or "TFR") is € 78,424k, compared with € 72,399k determined on an actuarial basis.

(€k)	31.12.2009	31.12.2008	Change
Defined benefit plans:			
Post-employment benefit	72,399	76,533	(4,134)
Health insurance plans	327	300	27
Other	28,973	30,669	(1,696)
Total	**101,699**	**107,502**	**(5,803)**

The following is a reconciliation of the present value of the obligation and the fair value of assets against the liability recognised at 31 December 2009:

(€k)	31.12.2009	31.12.2008	Change
Present value of the funded plans	206,172	161,495	44,677
Fair value of the plan assets	(167,761)	(139,731)	(28,030)
	38,410	**21,764**	**16,646**
Present value of the unfunded plans	73,640	76,863	(3,223)
Actuarial gains (losses) not recognised	(10,351)	8,875	(19,226)
Net liabilities recognised	**101,699**	**107,502**	**(5,803)**

The actuarial assumptions used to calculate defined benefit plans are summarised in the following table:

	2009		2008	
Discount rate	3.3%	6.7%	3.7%	7.1%
Inflation rate	2.0%	3.8%	0.5%	3.2%
Yield on assets	3.2%	7.3%	4.0%	6.3%
Salary increase rate	1.0%	4.8%	1.0%	3.8%
Pension increase rate	0.5%	3.5%	0.5%	3.9%
Increase in healthcare costs	9.4%		9.4%	

Below are the total amounts recognised in the income statement for defined benefit plans:

(€k)	2009	2008	Change
Cost of benefits for current service	5,019	6,474	(1,456)
Interest expense	12,283	12,515	(232)
Estimated yield on plan assets	(7,156)	(8,187)	1,030
Total	**10,145**	**10,803**	**(657)**

Interest expense is recognised under “Financial expense” net of the expected yield on plan assets, while the post-employment benefit cost is recognised under “Personnel expense”.

Movements in the present value of post-employment benefit obligations are as follows:

(€k)	
Present value of the obligation at 31.12.2007	**287,501**
Cost of benefits for current service	6,474
Interest expense	12,515
Actuarial losses (gains)	(26,622)
Group's share of contributions	3,095
Benefits paid	(16,437)
Exchange rate gains (losses)	(28,369)
Other	201
Present value of the obligation at 31.12.2008	**238,358**
Cost of benefits for current service	5,019
Interest expense	12,283
Actuarial losses (gains)	31,788
Group's share of contributions	2,671
Benefits paid	(15,771)
Exchange rate gains (losses)	7,257
Other	(1,792)
Present value of the obligation at 31.12.2009	**279,811**

This table shows movements in the present value of plan assets:

(€k)	
Fair value of the assets at 31.12.2007	**172,611**
Estimated yield on plan assets	8,187
Actuarial losses (gains)	(25,601)
Employees' share of contributions	3,038
Group's share of contributions	7,445
Benefits paid	(6,326)
Exchange rate gains (losses)	(19,623)
Fair value of the assets at 31.12.2008	**139,731**
Estimated yield on plan assets	7,156
Actuarial losses (gains)	11,343
Employees' share of contributions	9,288
Group's share of contributions	2,591
Benefits paid	(8,141)
Exchange rate gains (losses)	5,840
Other	(47)
Fair value of the assets at 31.12.2009	**167,761**

The main categories of plan assets are:
- equity instruments;
- bonds;
- other securities;
- other debt instruments issued by third parties;
- real estate.

XXIV. Provisions for risks and charges

(€k)	Balance at 31.12.2008	Other movements	Accruals	Utilisations	Balance at 31.12.2009
Provision for taxes	5,369	(194)	362	(3,122)	2,415
Other provisions	8,978	(5,071)	10,319	(6,467)	7,759
Restructuring provision	3,826	(63)	1,541	(3,708)	1,597
Provision for legal disputes	141	(49)	1,764	(572)	1,284
Total provisions for current risks and charges	**18,315**	**(5,377)**	**13,986**	**(13,869)**	**13,055**
Other provisions	27,113	5,370	(2,714)	(2,962)	26,807
Onerous contracts provision	18,583	(574)	5,448	(3,179)	20,278
Provision for the refurbishment of third party assets	10,615	861	2,479	(537)	13,418
Provision for taxes	5,027	1,400	1,548	(5)	7,971
Provision for legal disputes	3,875	63	2,462	(1,058)	5,342
Provision for assets to be transferred free of charge	3,714	–	764	(1,428)	3,050
Total provisions for non-current risks and charges	**68,927**	**7,120**	**9,987**	**(9,169)**	**76,865**
Total provisions for risks and charges	**87,242**	**1,743**	**23,973**	**(23,037)**	**89,920**

There were no significant changes in the composition of this item with respect to 31 December 2008. The difference results from ordinary accruals and utilisations for the year.
On a currency adjusted basis, the change would amount to € +2,498 k.

Provision for taxes
The current portion relates primarily to disputes over US companies' direct and indirect tax obligations (€ 2,415k), while most of the non-current portion concerns tax disputes in the Travel Retail & Duty-Free division (€ 6,597k).

Other provisions
A "self-insurance" provision (€ 19,371k) to cover the excess on third-party liability provided for in insurance plans. In 2009, an accrual of € 10,229k was made and € 7,834k was taken out for settlements.

Decreases refer mainly to the use of the self-insurance provision.

Restructuring provision
This covers the integration plan in the Travel Retail & Duty-Free division.

Provision for legal disputes
This provision covers the risk of losing lawsuits brought against Group companies, and takes account of the opinions of the Group's legal advisors. Utilisations concern actual payments during the year as well as revised estimates.

Provision for the refurbishment of third party assets
This represents estimated liabilities for ensuring that assets to be relinquished are returned in the contractually agreed condition.

Onerous contracts provision
This refers to long-term leases of commercial units that are not profitable enough to cover the rent.

XXV. Equity attributable to owners of the parent

The share capital of Autogrill S.p.A., fully subscribed and paid in, amounts to € 132,288K and consists of 254,400,000 ordinary shares of par value € 0.52 each.

The shares are 59.28% owned by Schematrentaquattro S.r.l., a wholly-owned subsidiary of Edizione S.r.l.

Movements in equity items during the year are detailed in a separate schedule.

The more important movements were as follows:

- net decrease of € 2,067k for the effective portion of the fair value change of derivatives designated as cash flow hedges (€ +3,180k), net of the tax effect (€ –1,113k);
- increase of € 35,606k for exchange differences from the translation of foreign currency financial statements;
- decrease of € 21,434k for losses on net investment hedges (€ –29,563k), net of the tax effect (€ +8,129k);
- increase for net profit attributable to owners of the parent (€ 37,014k).

The Group also owns 125,141 treasury shares with a total carrying amount of € 944k.

The following table shows the components of comprehensive income and the relative tax effect:

	31.12.2009			31.12.2008		
(€k)	**Gross amount**	**Tax benefit/ (Expense)**	**Net amount**	**Gross amount**	**Tax benefit/ (Expense)**	**Net amount**
Effective portion of the fair value change of derivatives designated as cash flow hedges	3,180	(1,113)	2,067	(58,432)	16,269	(42,163)
Gains (losses) from translation of financial statements in non-euro currencies	44,128	–	44,128	(111,785)	–	(111,785)
Gains (losses) on net investment hedge	(29,563)	8,129	(21,434)	60,609	(20,491)	40,118
Total other consolidated comprehensive income	**17,745**	**7,016**	**24,761**	**(109,608)**	**(4,223)**	**(113,830)**

Also, information on basic and diluted earnings per share is provided at the foot of the income statement. In calculating diluted earnings per share, the denominator is the number of ordinary shares issued net of treasury shares for the duration of their possession, supplemented in 2008 by the 2,478,000 shares for the possible conversion of the bond loan issued by Autogrill Finance and repaid in advance on 22 December 2008.

3.2.4 **Notes to the income statement**

Comments on the items making up the income statement are provided below.

Note that World Duty Free Europe Ltd. and Air Czech Catering A.S. contributed for all of 2009 and, respectively, for eight and nine months last year, as WDF has been consolidated since 1 May 2008 and Air Czech Catering since 1 April 2008. Also, the results of Aldeasa and Alpha Future Airport Retail Pvt. Ltd. were consolidated on a line-by-line basis for all of 2009, while in 2008 the proportional method (50%) was used for respectively three months and eleven months, as exclusive control of the former was acquired on 14 April 2008 and of the latter on 17 November 2008.

XXVI. Revenue

"Revenue" in 2009 amounted to € 5,817,450k, compared with € 5,898,875k in 2008.

The change on a currency adjusted basis would have been € –67,412k.

Revenue includes the sale of fuel, mostly at rest stops on Swiss and Italian motorways, which came to € 89,053k in 2009 (€ 104,327k the previous year).

See section 3.2.7 (Segment reporting) for details of performance by business segment.

XXVII. Other operating income

(€k)	2009	2008	Change
Bonuses from suppliers	63,215	66,153	(2,938)
Income from business leases	12,682	14,267	(1,585)
Affiliation fees	3,859	4,174	(314)
Gains on sales of property, plant and equipment	17,025	3,273	13,752
Other revenue	48,503	35,581	12,922
Total	**145,285**	**123,447**	**21,838**

"Other revenue" consists of commissions from commission-generating businesses.

The increase at constant exchange rates would have been € 23,033k.

XXVIII. Raw materials supplies and goods

(€k)	2009	2008	Change
Purchases	2,187,990	2,300,454	(112,465)
Change in inventories	35,178	1,709	33,470
Total	**2,223,168**	**2,302,163**	**(78,995)**

The change at constant exchange rates would have been € –58,698k.

XXIX. Personnel expense

(€k)	2009	2008	Change
Wages and salaries	1,148,671	1,183,476	(34,805)
Social security contributions	199,037	190,712	8,325
Employee benefits	29,344	29,703	(359)
Other costs	77,970	82,507	(4,537)
Total	**1,455,021**	**1,486,398**	**(31,377)**

The change on a currency adjusted basis would have been € –40,507k.

“Other costs” include fees paid to the members of the Group’s Boards of Directors, as detailed in section 3.2.11.

The average headcount, expressed in terms of equivalent full-time employees, was 52,072 (54,427 the previous year).

XXX. Leases, rentals, concessions and royalties

(€k)	2009	2008	Change
Leases, rentals and concessions	1,018,903	944,321	74,582
Royalties	65,266	63,128	2,138
Total	**1,084,169**	**1,007,449**	**76,720**

At constant exchange rates, the change would amount to € +83,928k.

The change is due primarily to the Group’s expanded scope, as well as to new contracts acquired and to various renewals at a higher cost.

XXXI. Other operating costs

(€k)	2009	2008 *	Change
Utilities	106,443	102,974	3,469
Maintenance	83,921	73,234	10,687
Cleaning and disinfestations	52,121	56,052	(3,931)
Consulting services	39,666	60,003	(20,337)
Commissions on credit card payments	32,538	30,331	2,207
Storage and transport	28,251	33,603	(5,352)
Advertising and market research	24,778	20,783	3,995
Travel expenses	24,707	30,379	(5,672)
Telephone and postal charges	18,392	19,367	(975)
Equipment hire and lease	13,018	14,976	(1,958)
Insurance	10,106	10,529	(422)
Surveillance	7,874	8,801	(927)
Transport of valuables	5,774	5,820	(45)
Banking services	5,198	4,751	447
Sundry materials	29,774	36,891	(7,117)
Other services	35,602	53,280	(17,678)
Costs for materials and services	**518,164**	**561,774**	**(43,610)**
Impairment losses on receivables	**1,203**	**1,025**	**177**
For taxes	1,910	105	1,805
For legal disputes	4,226	133	4,093
For resctructuring	1,541	6,270	(4,729)
For onerous contracts	5,448	942	4,506
For other risks	12,758	10,547	2,211
Provisions for risks	**25,884**	**17,998**	**7,886**
Indirect and local taxes	**23,452**	**27,610**	**(4,158)**
Cash differences	1,974	2,920	(946)
Gains (losses) on disposals	1,957	574	1,383
Other charges	21,438	28,124	(6,686)
Other operating costs	**25,369**	**31,618**	**(6,249)**
Total	**594,071**	**640,025**	**(45,954)**

* Please refer to section 3.2.1 for the description of adjustments made to the figures since their original publication

The change at constant exchange rates would have been € –45,713k.

Most of the change in “Consulting services” reflects the ancillary charges paid last year for the acquisition of WDF and the remaining 50% of Aldeasa (€ 15,261k).

“Sundry materials” refer to the purchase of inexpensive equipment and to various consumables such as uniforms, office supplies, and advertising materials.

The item "Other services" includes miscellaneous items such as medical check-ups, public relations, general services, and personnel recruitment and training.

XXXII. Depreciation, amortisation and impairment losses

In detail:

(€k)	2009	2008 *	Change
Other intangible assets	97,429	79,737	17,692
Property, plant and equipment	199,955	187,808	12,148
Assets to be transferred free of charge	27,172	27,126	47
Total	**324,557**	**294,670**	**29,887**

* Please refer to section 3.2.1 for the description of adjustments made to the figures since their original publication

At constant exchange rates, the increase in this item would have been € +28,630k.

Impairment losses were recognised in 2009 in the amount of € 30,841k, following tests of the recoverability of carrying amounts on the basis of the projected cash flows of each cash generating unit.

The following table provides a breakdown by type of asset:

(€k)	2009	2008	Change
Goodwill	9,764	235	9,529
Other intangible assets	1,412	38	1,374
Property, plant and equipment	10,024	3,314	6,710
Assets to be transferred free of charge	9,641	5,907	3,734
Total	**30,841**	**9,494**	**21,347**

Goodwill impairment of € 9,764k concerns for € 3,971k the full impairment of the goodwill related to a CGU included in the group of CGU Food & Beverage Italy and for € 5,793k the CGU Travel Retail & Duty-Free Rest of the world.

See notes VII, VIII and IX for details of the assumptions and criteria used to measure impairment.

XXXIII. Financial income

(€k)	2009	2008	Change
Interest income	1,459	4,939	(3,480)
Exchange rate gains	1,287	–	1,287
Interest differential on exchange rate hedges	–	1,146	(1,146)
Ineffective hedging instruments	2,290	–	2,290
Other financial income	1,475	618	857
Total	**6,511**	**6,703**	**(192)**

XXXIV. Financial expense

(€k)	2009	2008	Change
Interest expense	90,515	114,745	(24,230)
Discounting of long-term liabilities	7,198	4,272	2,927
Exchange rate losses	–	4,353	(4,353)
Interest differential on exchange rate hedges	161	260	(99)
Fees paid on loans and bonds	1,357	1,607	(250)
Time value and ineffective hedging instruments	–	3,523	(3,523)
Other financial expense	1,962	1,720	242
Total	**101,193**	**130,480**	**(29,287)**

The reduction in interest expense relates primarily to the decrease in net debt and in money market interest rates in all of the Group's main borrowing currencies (Eur, Gbp and Usd).

XXXV. Income tax

The balance of € 104,682k (€ 58,117k in 2008) includes € 81,908k in current taxes (€ 50,858k the previous year) and € 10,684k in net deferred tax liabilities (net deferred tax assets of € 6,205k in 2008). Regional tax on productive activities (IRAP), which is charged on Italian operations and whose basis is essentially Operating profit/(loss) plus personnel expense, came to € 12,090k (€ 13,464k in 2008).

In 2009 the Group's theoretical tax rate, excluding IRAP, was approximately 35%. The increase with respect to the previous year's 30% stems from the greater proportion of income earned in countries where tax rates are higher than average.

Excluding IRAP, the average incidence of taxes on the consolidated pre-tax profit was 59.3%, compared with 27.6% of the previous year, due to the results of testing prior-year tax losses for recoverability and to the impairment losses on deferred tax assets for € 14,057k.

Below is a reconciliation between the tax charge recognised in the consolidated financial statements and the theoretical tax charge.

The latter was determined by applying the theoretical tax rate to the gross income earned in each jurisdiction, including additional taxes on future profit distributions by subsidiaries.

(€k)	2009	2008 *
Theoretical income tax	**55,726**	**54,084**
Reduced tax due to the direct taxation of minority partners in fully consolidated US joint ventures	(3,175)	(3,398)
Net effect of unrecognised tax losses, of utilisation of tax losses carried-forward and the revision of estimates on the taxability/deductibility of temporary differences	36,552	(8,839)
Other permanent differences	3,489	2,806
Income tax, excluding IRAP	**92,592**	**44,653**
IRAP	12,090	13,464
Recognised income tax	**104,682**	**58,117**

* Please refer to section 3.2.1 for the description of adjustments made to the figures since their original publication

3.2.5 **Net financial position**

Details of the net financial position at 31 December 2009 and 31 December 2008 are as follows:

Note	(€k)	31.12.2009	31.12.2008	Change
I	A) Cash on hand	60,939	70,030	(9,091)
I	B) Cash equivalents	133,178	139,508	(6,331)
	C) Cash and cash equivalents (A + B)	**194,116**	**209,538**	**(15,422)**
II	**D) Current financial assets**	**11,904**	**22,760**	**(10,856)**
XVIII	E) Due to banks, current	159,171	168,960	(9,789)
XIX	F) Current portion of long-term loans	2,597	2,368	229
XXII	G) Bonds issued	30,543	–	30,543
XIX	H) Other financial liabilities	74,908	90,343	(15,434)
	I) Current financial position (E + F + G + H)	**267,219**	**261,670**	**5,549**
	J) Net current financial position (I – D – C)	**61,198**	**29,372**	**31,826**
	K) Non-current financial assets	**3,028**	**5,233**	**(2,204)**
XXI	L) Loans, net of current portion	1,533,433	1,750,938	(217,505)
XXII	M) Bonds issued	334,453	382,255	(47,802)
XXI	N) Other financial liabilities	8,422	10,376	(1,954)
	O) Non-current financial liabilities (L + M + N)	**1,876,308**	**2,143,569**	**(267,261)**
	P) Net non-current liabilities (O – K)	**1,873,280**	**2,138,336**	**(265,056)**
	Q) Net financial position (J + P)	**1,934,478**	**2,167,709**	**(233,231)**

For further commentary, see the notes indicated above for each item.

At the end of 2009 and 2008 there were no financial liabilities or assets due to or from related parties.

3.2.6 **Financial risk management**

The Group is exposed to the following risks:
- market risk;
- credit risk;
- liquidity risk.

This section describes the Group's exposure to each of the risks listed above, its risk objectives and policies, and its means of managing and assessing these risks.

Market risk

Market risk is the risk that the fair value or future cash flows from a financial instrument may fluctuate due to changes in exchange rates, interest rates or equity instrument prices. The aim of market risk management is to monitor these risks and keep them within acceptable levels, along with their potential impact on the Group's results and financial position.

Autogrill's financial policy places a strong emphasis on the management and control of market risk, in particular with respect to interest rates and exchange rates, given the extent of the Group's borrowings and its international profile.
There is a single, centralised risk management unit for all Group companies.

Interest rate risk

The aim of interest rate risk management is to control finance cost within a risk limit, i.e., a range of variability of the amount of liabilities and/or the finance cost itself. This entails – through a mix of fixed- and floating-rate liabilities – the predetermination of a portion of financial expense out to a time horizon in keeping with the structure of debt, which in turn is to be in line with capital structure and future cash flows. Where it is not possible to obtain the desired risk profile in the capital markets or through banks, it is achieved by using derivatives of amounts and with maturities in line with those of the liabilities to which they refer. The derivatives used are mainly interest rate swaps (IRS) and interest rate collars (IRC).

Hedging instruments are allocated to companies with significant exposure to interest rate risk where there are borrowings paying a floating rate (thus exposing the Group to higher finance costs if interest rates rise) or a fixed rate (which means that lower interest rates do not bring about a reduction in financial expense).

Currently, with regard to interest rate risk management, the ratio of fixed-rate debt to net debt (i.e., net of financial assets, which are generally floating-rate) must as a matter of policy be in the range of 40% to 60%. At the moment the Group complies with that range (52%, unchanged since 2008), although the percentage of fixed-rate debt is higher when considering debt denominated in British pounds (78%) and US dollars (69%) as opposed to debt in euros (26%).

At 31 December 2009 gross debt denominated in US dollars amounted to $ 664m. Of the total, $ 528m stands for the fixed-rate bond loan of which $ 75m was converted to floating rate through two interest rate swaps classified as fair value hedges.

Gross debt in British pounds at year end amounted to £ 555m: £ 477m for use of the term loan for the acquisition of WDF and the rest for drawdowns on committed multicurrency facilities. Of the total, £ 400m has been converted to fixed-rate from the first year through interest rate swaps.

When applying the policy and procedures described above, interest rate risk management instruments were accounted for as cash flow hedges in Group companies' financial statements where they were subject to this risk, and thus recognised as financial assets or liabilities with a balancing entry in specific comprehensive income and presented in the hedging reserve under equity. In the year ended 31 December 2009, a fair value change of € 2,067k was recognised in respect of derivatives found to be effective.

The details of IRS contracts used as cash flow hedges at 31 December 2009 are as follows:

Interest rate swap

Underlying	Notional amount (in currency)		Expiry	Average fixed rate paid	Floating rate received *	Fair value (€k)
€ 200m term loan	€k	120,000	24.06.2015	4.66%	3-month Euribor act/360	(13,295)
€ 275m term loan	€k	120,000	07.03.2013	4.59%	1-month Euribor +16.5bps act/360	(10,291)
£ 477.5m term loan	£k	400,000	07.03.2013	5.39%	1-month BBA Gbp Libor +32bps act/365	(38,726)

* In first quarter 2009 the Interest Rate Collars (notional amount of £ 250m) were converted into IRS for which Autogrill pays an average fixed rate of 5.16% and receives a monthly floating rate with an average spread of 32bps

Interest rate collar

Underlying	Notional amount (in currency)		Expiry	Cap	Floor	Floating rate	Fair value (€k)
€ 275m term loan	€k	100,000	21.05.2010	5.44%-5.45%	4.07%-4.05%	1-month Euribor act/360	(1,511)

Hedges of fixed-rate debt ($ 75m, as above) were accounted for as fair value hedges in Group companies' financial statements where they were subject to this risk, and thus recognised as financial assets or liabilities with a balancing entry in the income statement. In 2009, the change in fair value was $ 6.7m (€ 4.7m), which cancelled the effects on the income statement of changes in the payable's fair value.

The details of these contracts at 31 December 2009 are as follows:

Interest rate swap

Underlying	Notional amount (in currency)		Expiry	Spot rate	Floating rate paid	Fair value (€k)
Bond	$k	75,000	09.05.2017	5.73%	6-month Usd Libor +47.55/50.55bps	5,655

The fair value of derivatives is measured using valuation techniques based on parameters other than price that can be observed in the open market. They can therefore be classified in level 2 of the fair value hierarchy, with no change on the previous year.

A hypothetical unfavourable change of 1% in the interest rates applicable to assets and liabilities and to interest rate hedges outstanding at 31 December 2009 would increase financial expense by € 10,177k.

Currency risk

The objective of currency risk management is to neutralise this risk in respect of payables and receivables in foreign currency arising from lending transactions in currencies other than the euro.

The Group's exposure to currency risk is detailed in the following table:

	Usd	Cad	Gbp	Chf
Net assets	509,417	215,552	167,592	138,646
Net profit	85,253	13,263	26,148	27,423

If the euro had risen by 5% against the above currencies, at 31 December 2009 equity and profit for the year would have been reduced as shown in the following table:

	Usd	Cad	Gbp	Chf
Net assets	18,611	7,489	9,932	4,919
Net profit	3,217	440	1,545	956

This analysis was based on the assumption that the other variables, especially interest rates, remained unchanged.

Hedging instruments are allocated to companies with significant exposure to currency risk in terms of translation risk (i.e., the risk of translation into euros in the parent's or its subsidiaries' accounts of investments in foreign currency) or financial assets or liabilities in a currency other than the reporting currency. These transactions are recognised at fair value under financial assets or liabilities.

Fluctuations in the fair value of hedges of foreign currency financial assets or liabilities are taken to the income statement, as is the corresponding change in the value of the hedged assets and liabilities.

The fair value of hedges outstanding at 31 December 2009 is shown below:

	Notional amount	Expiry	Spot rate	Forward rate	Fair value (€k)
k$	11,119	30.06.2010	1.3175-1.4525	1.3161-1.4515	(536)
k$	4,801	30.06.2010	1.4585-1.477	1.456-1.4746	51
kCad	3,000	30.06.2010	1.5918	1.582	93
kSek	4,000	04.02.2010	10.30	10.2958	(2)
kChf	10,000	27.01.2010	1.492	1.4914	38
kCzk	65,000	22.02.2010	25.7	25.826	64
kCad	43,000	16.03.2010	1.5595	1.5588	900

For instruments hedging translation risk that are therefore designated as hedges of net investments, the effective component of fair value is recognised in comprehensive income and classified to the translation reserve under equity. The fair value of these hedges outstanding at 31 December 2009 is shown in the following table:

	Notional amount	Expiry	Spot rate	Forward rate	Fair value (€k)
kChf	60,000	11.01.2010	1.5125	1.5113-1.5115	(747)

For the purpose of limiting total net exposure in British pounds due to the Group's presence in the United Kingdom by way of WDF and Alpha Group, the Gbp-denominated debt contracted for the acquisition of these two groups has been partially designated – to the extent allowed by the policy – as a hedge of net investments.

The fair value of derivatives is measured using valuation techniques based on parameters other than price that can be observed in the open market. They can therefore be classified in level 2 of the fair value hierarchy, with no change on the previous year.

Credit risk

Credit risk is the risk that a customer or a financial instrument counterparty may cause a financial loss by defaulting on an obligation. It arises principally in relation to the Group's debtors and financial investments.

The carrying amount of the financial assets is the Group's maximum exposure to credit risk, in addition to the face value of guarantees given for the borrowings or commitments of third parties, as detailed in section 3.2.9.

Exposure at 31 December 2009 and 31 December 2008 was as follows:

Financial assets

(€k)	31.12.2009	31.12.2008	Change
Trade receivables	110,045	98,360	11,685
Other receivables	216,603	214,099	2,504
Cash and cash equivalents	194,116	209,538	(15,422)
Derivative instruments	6,800	13,374	(6,574)
Other financial assets	22,061	33,797	(11,737)
Total	**549,625**	**569,169**	**(19,543)**

Exposure to credit risk depends on the specific characteristics of each customer. The Group's business model, centred on the relationship with the end consumer, means that trade receivables and thus the relative degree of risk is of little significance in relation to total financial assets, since most sales are paid for in cash. Most credit risk is concentrated in the Flight segment, with airlines; and in Italy, where there are significant commercial affiliations.

In most cases, in fact, the Group's trade receivables stem from catering service agreements, franchises, and contracts with airlines for in-flight food & beverage and retail sales.

Other receivables consist mainly of amounts due from Inland Revenue and other government agencies, fees paid in advance, and advances for services or commercial investments made on behalf of concession grantors, for which the degree of credit risk is low.

Financial assets are recognised net of impairment losses calculated on the basis of the counterparty's risk of default. Impairment is determined according to local procedures, which may require impairment of individual positions, if material, where there is evidence of an objective condition of uncollectability of part or all of the amount due, or generic impairment calculated on the basis of historical and statistical data.

The following table shows the age of trade receivables by category of debtor at 31 December 2009:

Trade receivables

		Expired not written down				
(€k)	Not expired	1-3 months	3-6 months	6 months-1 year	Over 1 year	Total
Airlines	3,930	48,564	312	84	121	53,011
Franchises	4,722	668	–	–	1,177	6,567
Catering services agreements	2,233	2,659	164	124	1,376	6,556
Other	9,924	27,332	2,458	207	3,989	43,911
Total	**20,809**	**79,223**	**2,934**	**415**	**6,663**	**110,045**

There is no significant concentration of credit risk: the top 10 customers account for 16% of total trade receivables, and the largest customer (Monarch Airlines) for 2%.

Liquidity risk

Liquidity risk arises when it proves difficult to meet the obligations relating to financial liabilities.

The elements that make up the Group's liquidity are the resources generated or absorbed by operating and investing activities, the characteristics of its debt, the liquidity of its financial investments, and financial market conditions.

The Group has acted promptly to ensure adequate financial coverage with respect to amounts and maturities, and has no significant imminent payments to meet on existing debt.

Exposure and maturity data at 31 December 2009 and 31 December 2008 were as follows:

Non derivative financial liabilities

	31.12.2009						
		Contractual cash flows					
(€k)	Carrying amount	Total	1-3 months	3-6 months	6 months-1 year	1-5 years	Over 5 years
Bank accounts	14,369	14,369	14,180	–	189	–	–
Unsecured loans	1,678,235	1,678,235	130,216	62	14,523	1,533,434	–
Lease payables	10,192	10,192	276	1,037	1,282	6,156	1,441
Other financial liabilities	825	825	2	–	87	86	650
Bonds	364,996	364,996	30,543	–	–	225,028	109,425
Trade payables	709,028	709,028	698,012	10,079	893	44	–
Other trade payables	60,426	60,426	59,854	572	–	–	–
Total	**2,838,071**	**2,838,071**	**933,083**	**11,750**	**16,975**	**1,764,747**	**111,516**

Non derivative financial liabilities

	31.12.2008						
		Contractual cash flows					
(€k)	Carrying amount	Total	1-3 months	3-6 months	6 months-1 year	1-5 years	Over 5 years
Bank accounts	17,532	17,532	15,927	–	1,605	–	–
Unsecured loans	1,902,366	1,902,366	30,997	49	120,382	1,182,632	568,306
Lease payables	11,698	11,698	502	1,588	2,091	6,642	875
Other financial liabilities	1,046	1,046	–	–	143	175	728
Bonds	382,255	382,255	–	–	–	264,115	118,140
Trade payables	711,725	711,725	568,464	9,191	134,070	–	–
Other trade payables	57,590	57,590	56,972	227	376	15	–
Total	**3,084,212**	**3,084,212**	**672,862**	**11,055**	**258,667**	**1,453,579**	**688,049**

With regard to exposure to trade payables, there is no significant concentration of suppliers, of whom the largest 10 account for 5% of the total and the leading supplier (Autostrade per l'Italia S.p.A.) for 1%.

3.2.7 **Segment reporting**

As mentioned in the “General standards” section, the Group opted for the early adoption of the new IFRS 8 – Operating segments (which supersedes IAS 14 – Segment reporting), starting with the 2008 financial statements.

The Autogrill Group operates almost exclusively in three business segments, whose common denominator is direct or indirect service to people on the move. The three segments are “Food & Beverage” (or F&B), airport shopping (“Travel Retail & Duty-Free”), and the sale of meals and food products to airlines for the on-board catering service (“Flight”).

Food & Beverage takes place wherever people travel (mostly airports, motorways and railway stations), with a mainly local or at least domestic clientele.

Offerings are strongly influenced by the local palate, although at airports, many international brands are sold in consideration of the high proportion of non-domestic travellers.

To a greater or lesser degree depending on the country and channel, and either separately or in conjunction with food and drink, the F&B division also sells everyday items (newspapers and magazines, tobacco products, toys) and other food and non-food items that travellers stopping for a meal will find convenient.

The operational levers are typically assigned to local organisations that are centralised at the country level.

The segment’s performance is monitored separately for each organisation/country (HMSHost is an exception, as it covers the US, Canada, the Pacific Region and Schiphol Airport in the Netherlands), followed by an analysis of performance by sales unit.

Travel Retail & Duty-Free has a clientele made up chiefly of people travelling abroad, who are offered a uniform assortment of merchandise with minor forays into local products.

The operating structure (marketing, purchasing, etc.) is highly centralised.

Immediately following the acquisition of WDF and exclusive control of Aldeasa, the Group began to integrate these with the Duty-Free division of Alpha Group Plc., acquired in 2007.

At the end of 2008, the initial phase of integrating activities in the United Kingdom was completed and the international phase of the project was launched with the formation of committees.

The worldwide integration of this sector will be completed in 2010.

Group Management tracks the performance of this segment as a whole, and then breaks down the trends by airport and type of merchandise.

Flight is a segment that depends on the production capacity of the individual site and on business relations with the airlines.

The operating levers are mainly assigned to local organisations, but the segment reports to a single unit, and under the tradename “Alpha” presents a united front to the global air transport market.

Group Management monitors the performance of the segment as a whole, then analyses the performance of the individual units and supply contracts.

With early adoption of IFRS 8, the Group has therefore identified the following operating segments:

1. Food & Beverage ("F&B");
2. Travel Retail & Duty-Free ("TR&DF");
3. Flight.

F&B is split into countries, but since many of these are too insignificant to be presented as separate operating segments, only "Italy" and "HMSHost" are reported individually while the rest are grouped together as "Other".

The revenue and costs presented are those directly pertaining to the segment as a result of its core business. The Group has taken operating profit/(loss) as a measure of each segment's performance, while financial income and expense and income tax are assigned to the "Non-attributable" column.

Key information on operating segments is presented below, along with a breakdown of sales by region. The accounting policies are the same as those used to prepare the consolidated financial statements.

The 2008 figures for Travel Retail & Duty-Free have been adjusted to reflect the early application of IFRS 3 Revised, as described in section 3.2.1.

Also, for the sake of comparison with 2009, certain components of "Net working capital" and "Other non-current non-financial assets and liabilities" that were previously shown as "Unallocated" have been transferred to the specific segments.

	2009						
Segment (€k)	**Food & Beverage Italy**	**Food & Beverage HMSHost**	**Food & Beverage Other**	**Travel Retail & Duty-Free**	**Flight**	**Non-attributable**	**Consolidated**
Revenue	1,360,861	1,776,856	738,669	1,538,058	403,005	–	5,817,450
Other operating income	63,340	1,752	32,628	32,692	4,682	10,192	145,285
Total revenue and other operating income	**1,424,201**	**1,778,608**	**771,297**	**1,570,750**	**407,687**	**10,192**	**5,962,735**
Depreciation, amortisation and impairment losses on property, plant, equipment and intangible assets	(53,245)	(98,556)	(65,325)	(116,888)	(15,583)	(5,800)	(355,398)
EBIT	**107,154**	**121,844**	**(8,657)**	**40,026**	**26,623**	**(36,082)**	**250,908**
Financial income (expense)						(94,682)	(94,682)
Adjustments to the value of financial assets						(127)	(127)
Pre-tax profit						**(130,891)**	**156,099**
Income tax						(104,682)	(104,682)
Profit for the year						**(235,573)**	**51,417**

	31.12.2009						
Goodwill	83,516	412,796	268,198	564,917	89,084	–	1,418,511
Other intangible assets	18,530	14,423	26,015	820,097	25,402	–	904,468
Property, plant and equipment	212,939	357,411	216,281	119,205	79,357	877	986,069
Investments	–	–	–	–	–	25,093	25,093
Non-current assets	**314,985**	**784,630**	**510,493**	**1,504,220**	**193,843**	**25,970**	**3,334,140**
Net working capital	(217,496)	(137,083)	(103,580)	(56,500)	(2,893)	6,837	(510,715)
Other non-current non-financial assets and liabilities	(83,174)	(52,912)	(19,573)	(46,371)	(21,104)	(102,436)	(325,569)
Net invested capital	**14,315**	**594,634**	**387,341**	**1,401,349**	**169,846**	**(69,629)**	**2,497,856**

Segment (€k)	Food & Beverage Italy	Food & Beverage HMSHost	Food & Beverage Other	Travel Retail & Duty-Free	Flight	Non-attributable	Consolidated
	2008 *						
Revenue	1,394,371	1,885,607	758,684	1,429,022	431,190	–	5,898,875
Other operating income	61,037	1,063	23,173	35,733	516	1,924	123,447
Total revenue and other operating income	**1,455,408**	**1,886,671**	**781,857**	**1,464,756**	**431,706**	**1,924**	**6,022,322**
Depreciation, amortisation and impairment losses on property, plant, equipment and intangible assets	(47,394)	(98,533)	(56,069)	(86,437)	(15,450)	(280)	(304,164)
EBIT	**126,154**	**132,123**	**5,119**	**37,256**	**26,010**	**(44,539)**	**282,123**
Financial income (expense)						(123,777)	(123,777)
Adjustments to the value of financial assets						3,347	3,347
Pre-tax profit						**(164,969)**	**161,693**
Income tax						(58,117)	(58,117)
Profit for the year						**(223,086)**	**103,576**
	31.12.2008 *						
Goodwill	87,886	424,185	268,841	525,661	95,282	–	1,401,855
Other intangible assets	28,823	18,543	26,652	879,305	31,965	–	985,288
Property, plant and equipment	224,860	400,008	251,969	121,801	66,846	1,095	1,066,579
Investments	–	–	–	–	–	29,332	29,332
Non-current assets	**341,569**	**842,735**	**547,462**	**1,526,767**	**194,094**	**30,426**	**3,483,053**
Net working capital	(253,482)	(151,308)	(86,950)	(23,112)	7,954	22,753	(484,145)
Other non-current non-financial assets and liabilities	(80,754)	(48,165)	(19,035)	(56,023)	(23,550)	(90,791)	(318,318)
Net invested capital	**7,333**	**643,262**	**441,476**	**1,447,633**	**178,498**	**(37,612)**	**2,680,589**

* 2008 figures for the Travel Retail & Duty-Free segment have been adjusted to reflect early application of IFRS 3 Revised, as described in section 3.2.1
For consistency purposes with data reported in 2009, some items of the "Net working capital" and "Other non-current non-financial assets and liabilities", previously presented under "Not allocated", have been allocated to specific segments

Region/geographical area

(€k)	Italy	USA and Canada	United Kingdom	Spain	Other Europe	Other world	Consolidated
	2009						
Food & Beverage revenue	1,360,861	1,675,725	18,178	83,863	715,881	21,878	3,876,387
Travel Retail & Duty-Free revenue	–	61,437	713,852	494,266	9,378	259,125	1,538,058
Flight revenue	44,529	2,002	195,562	–	61,230	99,683	403,005
Total revenue	**1,405,390**	**1,739,163**	**927,592**	**578,129**	**786,489**	**380,686**	**5,817,450**

(€k)	Italy	USA and Canada	United Kingdom	Spain	Other Europe	Other world	Consolidated
	2008						
Food & Beverage revenue	1,394,371	1,780,229	20,399	95,543	730,158	17,962	4,038,662
Travel Retail & Duty-Free revenue	–	63,909	600,978	535,980	8,972	219,183	1,429,023
Flight revenue	44,542	2,885	231,479	–	63,006	89,277	431,190
Total revenue	**1,438,914**	**1,847,023**	**852,857**	**631,523**	**802,136**	**326,422**	**5,898,875**

3.2.8 **Seasonal patterns**

The Group's volumes are closely related to the flow of travellers, which is highly seasonal in some businesses, and this in turn affects consolidated results. A breakdown of 2009 results by quarter shows that volumes are concentrated in the second half of the year, and particularly in the third quarter, when business is at a peak due to summer holidays.

	2009			
(€m)	**First quarter**	**First half**	**First 9 months**	**Full year**
Revenue	1,216.2	2,658.0	4,265.5	5,728.4
% on full year	*21.2%*	*46.4%*	*74.5%*	*100.0%*
Operating profit	12.1	91 .0	230.1	250.9
% on full year	*4.8%*	*36.3%*	*91.7%*	*100.0%*
Pre-tax profit	(14.8)	38.6	159.2	156.1
% on full year	*n.s.*	*24.7%*	*102.0%*	*100.0%*
Profit for the year attributable to owners of the parent	(25.0)	13.2	83.1	37.0
% on full year	*n.s.*	*35.6%*	*224.6%*	*100.0%*

Notes:
The figures shown have not been adjusted for currency differences nor for change in scope of consolidation
The figures shown have not been adjusted for early adoption the IFRS 3 Revised
Revenue does not include fuel sales made primarily in Swiss and Italian motorway service areas

It should be noted that the above figures are merely indicative and cannot be used to predict results.

Seasonal trends are then magnified by cash flows, with the first quarter seeing a concentration of annual payments (namely concession fees), both as settlement of amounts accrued in the previous year and as advances on the year in course.

The consolidation of WDF and the line-by-line consolidation of Aldeasa, whose revenue and margins are concentrated in the central part of the year, have enhanced these seasonal patterns.

3.2.9 **Guarantees given, commitments and contingent liabilities**

Guarantees

At 31 December 2009 the guarantees given by the Autogrill Group amounted to € 187,467k (€ 153,353k at the close of 2008) and referred to performance bonds and other personal guarantees issued in favour of grantors and business counterparties. Most of the increase of € 20,834k was caused by new leases and new catering and retail concessions.

Commitments

Commitments outstanding at 31 December 2009, essentially unchanged since the previous year, concern:

- € 2,272k to be paid for the purchase of two commercial properties;
- the value of third-party assets in use (€ 1,697k);
- the value of the assets of leased businesses (€ 14,581k);
- the value of sale-or-return products held at Group locations (€ 5,241k).

The Group has also agreed to minimum future payments under operating leases, as detailed in section 3.2.10.

Contingent liabilities

For the sake of continuity of information, we report that in October 2004, the previous majority shareholders of Receco S.A. (Spain) began an arbitration proceeding requesting termination of the purchase and sale agreement. On 6 February 2006 the arbitral tribunal issued an award which states, inter alia, that the purchase and sale agreement is valid and orders that once the amount of the guarantee to be given by the sellers has been determined, the shares making up the remaining 15% of Receco S.A. shall be transferred against simultaneous payment of the sum of € 6.5m. The award also orders that a bank guarantee be issued in favour of Autogrill Participaciones S.L. for the amount of the guarantee determined. The sellers were formally asked to honour their obligations under the purchase and sale contract and failed to do so, initiating two further arbitration proceedings before the International Chamber of Commerce. The first request is that due to exceptional events the arbitral tribunal should establish that the final sale price be determined on the basis of operating profit (EBIT) for 2009, and not for 2006 as originally agreed in the agreement. The second request is to invalidate the method and computation of an outside expert, chosen by agreement between the parties under the above arbitration award, for the determination of 2004 operating profit functional to the sale of the remaining 15% of Receco S.A. and the amount of the guarantee to be provided by the sellers.

In 2007, the arbitral tribunal accepted a request from Autogrill Participaciones S.L. that the two proceedings be unified.

On 23 October 2009, after completing all evidence gathering and other preliminary steps, the arbitral tribunal issued a partial award in favour of Autogrill España S.A.U. confirming that the final sale price should be determined on the basis of EBIT for 2006, thus concluding the first phase of the proceedings. For the calculation of 2006 EBIT – which will make it possible to establish the final price of the Receco S.A. shares – the tribunal has appointed the audit company Auren.

España S.A.U.'s legal team is confident that the tribunal will rule definitively in its favour by the procedural deadline of 31 July 2010.

3.2.10 **Operating leases**

For the purposes of these financial statements, operating leases are defined as the various kinds of contract by which Group companies carry on their core business.

The management and provision of catering services along motorways or in airports is assigned by the motorway or airport operator to specialised companies under sub-concession arrangements.

In railway stations, in addition to this kind of contract, there are also commercial leases.

It frequently occurs that a sub-concession for all the services of an entire motorway service area or airport terminal is assigned to a single entity, which then sub-assigns each individual service to a number of specialised firms.

The most common forms of agreement are commercially described as follows.

Access concession

Ownership of the land and buildings along the motorway is in the hands of a private firm (like the Autogrill Group), which negotiates access rights with the motorway company with the commitment to sell fuel and lubricants and/or food and beverages to motorway users. The firm accepts the obligation to pay rent to the motorway as well as certain stipulations regarding the way the services are to be provided and the hours of operation.

Area concession

The motorway company authorises an entity (i) to build a service station and/or shop/restaurant on land which it owns and (ii) to carry on this business against payment of a fee based on turnover, with certain stipulations regarding the way the services are to be provided and the hours of operation.

On expiry of the contract, the assets built for provision of services are to be relinquished free of charge to the motorway company.

Usually the holder of an area concession is a petrol company, which in turn can assign management of restaurant services to a specialised firm, generally through a business lease.

Service concession

The motorway operator authorises separate contractors by means of separate independent contracts to (i) build a service station and/or shop/restaurant on land which it owns and (ii) carry out this business against payment of a fee based on turnover, with certain stipulations regarding the way the services are to be provided and the hours of operation. On expiry of the contract, the assets built for this purpose are to be transferred free of charge to the motorway company.

Service concessions are also used in airport terminals where the contractor is authorised to sell food and beverages after installing the necessary equipment and furnishings at its own expense, against payment of a fee – usually based on turnover – and an agreement to guarantee service during the opening hours specified by the grantor. The contractor may have to transfer the assets free of charge when the concession expires, although this is fairly uncommon.

Business lease and commercial lease

Leasing a business or parts thereof allows an operator to use rights and/or buildings, equipment etc. organised to serve food and beverage products. In some cases the business consists of an authorisation to operate and administrative licenses. In these cases the operator incurs the necessary capital expenditure and provides the service. In other cases, a firm leases a company consisting of both the authorisation and the necessary buildings and equipment. Leasing a company in the concession business entails the obligation to ensure continuity of service and payment of a comprehensive fee which includes all amounts due to the landlord.

In a commercial lease, the operator uses buildings for business activity against payment of rent. The premises are equipped and furnished according to the specifications and at the expense of the operator, who must clear the premises when the lease expires.

These kinds of concession are common (i) along motorways, where there are area or service sub-concessions assigned to a petrol company, which then turns to a caterer, and (ii) in cities, railway stations and shopping centers, according to the business objectives of the owner of the property.

Business lease is preferred by shopping center management companies and sometimes in other business segments, with the aim of precluding fixed duration which, together with other rights (e.g., pre-emption and loss of goodwill), may be stipulated in commercial leases, and to ensure coordinated management of the administrative licenses to trade.

Sub-contract

The operator prepares and serves food and beverages using its own equipment and staff, and receives payment based on turnover (sales to the consumer). The party awarding the contract owns the property and has title to all the takings. This type of contract is prevalent in the in-flight segment and at certain Italian units.

The table below gives details by due date of the Company's future minimum lease payments at 31 December 2009:

Year (€k)	Total future lease payments	Sub-lease future payments *	Net future lease payments
2010	688,026	21,459	666,567
2011	722,419	18,245	704,174
2012	676,736	13,890	662,846
2013	588,231	10,055	578,176
2014	541,117	7,384	533,733
After 2014	1,462,005	12,998	1,449,007
Total	**4,678,534**	**84,032**	**4,594,503**

* Refers to part of the sub-concessions granted mainly in the USA and Italy, as agreed with the grantor

In 2009, the fees recognised in the income statement amount to € 1,066,113k for leases (including € 785,441k in guaranteed minimums), net of € 47,220k for sub-leases (including € 42,609k in guaranteed minimums).

3.2.11 **Other information**

Related party transactions

All related party transactions are carried out in the Group's interest and at arm's length.

Transactions with associates are negligible.

Transactions with Edizione S.r.l.

Autogrill S.p.A. is controlled by Schematrentaquattro S.r.l., which owns a 59.28% interest. Until 31 December 2008, Schematrentaquattro S.r.l. was a wholly-owned subsidiary of Edizione Holding S.p.A., controlled by Ragione S.A.p.A. di Gilberto Benetton e C.

Effective 1 January 2009, Edizione Holding S.p.A. was merged into Ragione S.A.p.A. di Gilberto Benetton e C., which changed its legal status and name to Edizione S.r.l.

No transactions have taken place with Schematrentaquattro S.r.l.

	Edizione S.r.l.		
(€k)	**2009**	**2008**	**Change**
Income statement			
Revenue	3	–	3
Other operating income	90	–	90
Personnel expense	130	113	17

(€k)	**31.12.2009**	**31.12.2008**	**Change**
Statement of financial position			
Trade receivables	4	–	4
Other receivables	11,586	3,761	7,825
Other payables	151	14,873	(14,722)

The figures shown for 2008 were presented in last year's financial statements as transactions with Edizione Holding S.p.A. and Ragione S.A.p.A. di Gilberto Benetton e C., as the above merger had not yet occurred.

"Other operating income" refers to services rendered by Autogrill S.p.A. concerning the use of premises equipped as office space in Rome.

"Personnel expense" refers to the accrual at 31 December 2009 of the fees due to two members of Autogrill S.p.A.'s Board of Directors, which was paid over to Edizione S.r.l. where the parties respectively serve as board member and executive manager. "Other payables" represent the remaining liability.

"Other receivables" refer to excess IRES (corporate tax) advances paid in 2009, net of the IRES liability on 2009 income (€9,549k), concerning the refund due for the deduction of IRAP (regional tax) paid from 2004 to 2007 (€2,025k). This credit was transferred to Edizione S.r.l. as a result of Autogrill's participation in the tax consolidation scheme for the period 2007-2009.

Transactions with companies under joint control by Edizione S.r.l.

	Fabrica S.p.A.			Verde Sport S.p.A.			Olimpias S.p.A.		
Income statement (€k)	**2009**	**2008**	**Change**	**2009**	**2008**	**Change**	**2009**	**2008**	**Change**
Revenue	–	–	–	30	59	(29)	–	–	–
Other operating income	–	–	–	2	2	(0)	–	–	–
Other operating expense	67	112	(45)	65	67	(2)	106	63	43

Statement of financial position (€k)	**31.12.2009**	**31.12.2008**	**Change**	**31.12.2009**	**31.12.2008**	**Change**	**31.12.2009**	**31.12.2008**	**Change**
Trade receivables	–	–	–	16	16	–	–	–	–
Trade payables	22	105	(83)	39	2	37	65	38	27

Income statement (€k)	Benetton Group S.p.A. 2009	2008	Change
Revenue	–	4	(4)
Other operating income	–	–	–
Other operating expense	–	–	–
Lease, rentals, concessions and royalties	73	53	20
Financial expenses	–	–	–

Statement of financial position (€k)	31.12.2009	31.12.2008	Change
Trade receivables	–	1	(1)
Trade payables	10	6	4

More specifically:

- Atlantia Group: "Other operating income" refers to commissions on sales of Viacards (automatic toll collection cards), the contribution for the co-marketing initiative “free coffee on the motorway”, and the reimbursement of maintenance costs incurred on behalf of Autostrade per l’Italia S.p.A.
  Leases, rentals, concessions and royalties consist of concession fees and accessory costs pertaining to the year. Note that trade payables, originating from the same transactions, are especially high due to the revised payment schedule granted to retail operators for the balance on 2008 and advances on 2009.
  Financial expense reflects interest accrued at the annual rate of 5.50% in relation to the revised payment schedule granted to retail operators for 2009 concession fees.

- Olimpias S.p.A.: “Other operating expense” refers to the purchase of uniforms for sales personnel and the purchase of sundry materials.

- Benetton Group S.p.A.: “Rentals, concessions and royalties” refer to the hire of meeting rooms.

- Verde Sport S.p.A.: “Revenue” and “Trade receivables” refer to sales of food & beverage products under the franchise contract for operating a Spizzico restaurant at La Ghirada - Città dello Sport.

- Fabrica S.p.A.: transactions refer to graphic design consulting and advertising production costs.

- Bencom S.r.l.: this company still holds a sub-lease for premises in Via Dante in Milan. “Other operating income” refers to rent and related charges for the year.
  All liabilities are current; the receivable from Bencom S.r.l. will be paid off in instalments over the residual life of the sub-lease.

	Bencom S.r.l.			Atlantia group			Edizione Property S.p.A.		
	2009	2008	Change	2009	2008	Change	2009	2008	Change
	–	–	–	261	7	254	5	6	(1)
	411	367	44	3,344	1,973	1,371	–	–	–
	2	–	2	6,506	1,114	5,392	–	–	–
	–	–	–	69,396	52,122	17,274	–	–	–
	–	–	–	1,419	–	1,419	–	–	–

	31.12.2009	31.12.2008	Change	31.12.2009	31.12.2008	Change	31.12.2009	31.12.2008	Change
	773	875	(102)	1,081	1,760	(679)	7	–	7
	–	–	–	43,656	29,581	14,075	–	–	–

Emoluments of key managers with strategic responsibilities

According to the Group's governance, strategic responsibilities are only held by the CEO and the Board of Directors of Autogrill S.p.A. Their emoluments in 2009 were as follows (expressed in euros).

Name	Office held	Term of office	Emoluments (€)	Bonuses and other incentives (€)	Other fees (€)
Gilberto Benetton	Chairman	01.01-31.12.2009	50,400		
Gianmario Tondato da Ruos	CEO	01.01-31.12.2009	510,370	1,909,500	438,973
Alessandro Benetton	Director	01.01-31.12.2009	49,800		
Giorgio Brunetti	Director	01.01-31.12.2009	64,600		
Antonio Bulgheroni	Director	01.01-31.12.2009	64,400		
Francesco Giavazzi	Director	01.01-31.12.2009	50,400		
Javier Gomez-Navarro	Director	01.01-31.12.2009	49,800		
Arnaldo Camuffo	Director	01.01-31.12.2009	65,600		
Paolo Roverato (Edizione S.r.l.)	Director	01.01-31.12.2009	64,600		
Claudio Costamagna	Director	01.01-31.12.2009	63,200		
Gianni Mion (Edizione S.r.l.)	Director	01.01-31.12.2009	65,000		
Alfredo Malguzzi	Director	01.01-31.12.2009	79,800		
Total Directors			**1,177,970**	**1,909,500**	**438,973**

The fee related to the CEO includes the emoluments connected to the three-year incentive plan 2007-2009, to the annual bonus as well as the salary from Autogrill S.p.A., including post-employment benefits (TFR), accrued for the year.

The CEO's contract states that if he resigns with just cause or is dismissed by the Company without just cause, the Company will top up to € 2m the standard indemnity provided for in the national collective managers' contract for the commercial sector, when less than this amount.

Emoluments of the Statutory Auditors

Emoluments of the Statutory Auditors are as follows:

Name	Office held	Term of office	Emoluments (€)	Other fees (€)
Luigi Biscozzi	Chairman	01.01-31.12.2009	91,686	8,379
Eugenio Colucci	Standing Auditor	21.04-31.12.2009	57,740	5,801
Ettore Maria Tosi	Standing Auditor	01.01-31.12.2009	62,305	5,801
Gianluca Ponzellini	Standing Auditor	01.01-21.04.2009	1,611	–
Total Statutory Auditors			**213,342**	**19,981**

"Other fees" refer to the compensation accrued for statutory auditing duties at the subsidiary Nuova Sidap S.r.l.

Independent auditors' fees for audits and other services

Type of service	Service provider	Recipient	Fees (€k)
Auditing	Parent's auditors	Parent	371
	Parent's auditors	Subsidiaries	57
	Parent's auditors network	Subsidiaries	2,519
Attestation	Parent's auditors	Parent	18
	Parent's auditors network	Subsidiaries	605
Consulting	Parent's auditors	Parent	100
	Parent's auditors network	Subsidiaries	211

Significant non-recurring events and operations

In 2009, there were no significant non-recurring events or transactions as defined by Consob's resolution 15519 and communication DEM/6064293.

Atypical or unusual transactions

No atypical or unusual transactions, as defined by Consob's communications DEM/6037577 of 28 April 2006 and DEM/6064293 of 28 July 2006, were performed in 2009.

3.2.12 **Significant subsequent events**

Since the reporting date, no events have occurred that if known in advance would have entailed an adjustment to the figures reported.

3.2.13 **Authorization for publication**

The Board of Directors authorised the publication of these consolidated financial statements at its meeting of 4 March 2010.

List of consolidated companies and other investments

Company	Registered office	Currency	Share/quota capital	% held	Shareholders/quota
Parent					
Autogrill S.p.A.	Novara	Eur	132,288,000	59.280	Schematrentaquattro S.r.l.
Companies consolidated line-by-line:					
Alpha Retail Italia S.r.l.	Novara	Eur	10,000	100.000	Autogrill S.p.A.
Autogrill Austria A.G.	Gottlesbrunn	Eur	7,500,000	100.000	Autogrill S.p.A.
Autogrill Czech S.r.o.	Prague	Czk	61,000,000	100.000	Autogrill S.p.A.
Autogrill D.o.o.	Lubiana	Eur	1,180,152	100.000	Autogrill S.p.A.
Autogrill Hellas E.P.E.	Avlona Attikis	Eur	1,696,350	100.000	Autogrill S.p.A.
Autogrill Overseas Inc.	Wilmington	Usd	33,793,055	100.000	Autogrill S.p.A.
Autogrill Polska Sp.z.o.o.	Wroclaw	Pln	3,050,000	51 .000	Autogrill S.p.A.
HMSHost Ireland Ltd.	Cork	Eur	13,600,000	100.000	Autogrill S.p.A.
HMSHost Sweden A.B.	Stockholm	Sek	2,500,000	100.000	Autogrill S.p.A.
Alpha Retail Catering Sweden A.B. (in liquidation)	Nykoping	Sek	61,816	100.000	HMSHost Sweden A.B.
Nuova Sidap S.r.l.	Novara	Eur	100,000	100.000	Autogrill S.p.A.
Trentuno S.p.A.	Trento	Eur	1,417,875	100.000	Autogrill S.p.A.
Autogrill Catering UK Ltd.	London	Gbp	116,358	100.000	Autogrill S.p.A.
Restair UK Ltd.	London	Gbp	1	100.000	Autogrill Catering UK Ltd.
Autogrill España S.A.U.	Madrid	Eur	1,800,000	100.000	Autogrill S.p.A.
Autogrill Participaciones S.L.	Madrid	Eur	6,503,006	100.000	Autogrill España S.A.U.
Restauracion de Centros Comerciales S.A. (RECECO)	Madrid	Eur	108,182	85.000	Autogrill Participaciones S.L.
Autogrill Finance S.A.	Luxembourg	Eur	250,000	99.996	Autogrill S.p.A.
				0.004	Autogrill Europe Nord-Ouest S.A.
Autogrill Europe Nord-Ouest S.A.	Luxembourg	Eur	41,300,000	99.999	Autogrill S.p.A.
				0.001	Autogrill Finance S.A.
Autogrill Deutschland GmbH	Munich	Eur	205,000	100.000	Autogrill S.p.A.
HMSHost Egypt Catering & Services Ltd.	Cairo	Egp	1,000,000	60.000	Autogrill Deutschland GmbH
World Duty Free Europe Ltd.	London	Gbp	10,000,000	100.000	Autogrill España S.A.U.
Autogrill Holdings UK Plc.	London	Gbp	24,249,234	100.000	World Duty Free Europe Ltd.
Autogrill Retail UK Ltd.	London	Gbp	6,180,000	100.000	Autogrill Holdings UK Plc.
Alpha Airports Group (Jersey) Ltd.	Jersey Airport, St. Peter	Gbp	4,100	100.000	Autogrill Retail UK Ltd.
Alpha Retail Ireland Ltd.	Dublin	Eur	1	100.000	Autogrill Retail UK Ltd.
Pratt & Leslie Jones Ltd.	London	Gbp	8,900	100.000	Autogrill Retail UK Ltd.
Alpha Flight Group Ltd.	London	Gbp	2	100.000	Autogrill Holdings UK Plc.
Alpha Flight UK Ltd.	London	Gbp	190,000	100.000	Alpha Flight Group Ltd.
Alpha In-Flight Retail Ltd.	London	Gbp	150,000	100.000	Alpha Flight UK Ltd.
Alpha Flight Ireland Ltd.	Dublin	Eur	3	100.000	Alpha Flight Group Ltd.
Alpha Flight Services Overseas Ltd.	St. Helier	Gbp	5,100	80.400	Alpha Flight Group Ltd.

Company	Registered office	Currency	Share/quota capital	% held	Shareholders/quota
Jordan Flight Catering Company Ltd.	Amman	Jod	800,000	51 .000	Alpha Flight Services Overseas Ltd.
Alpha Flight US Inc	Orlando	Usd	3,500,000	100.000	Alpha Flight Group Ltd.
Alpha Inflight US L.L.C.	Orlando	Usd	3,500,000	100.000	Alpha Flight US Inc.
Alpha Flight Services B.V.	Boesingheliede	Eur	1,623,504	100.000	Alpha Flight Group Ltd.
Alpha Flight Services Pty. Ltd.	Broadbeach	Aud	30,515,000	51 .000	Alpha Flight Services B.V.
Alpha ATS Pty Ltd.	Broadbeach	Aud	2	100.000	Alpha Flight Services Pty Ltd.
Alpha Flight Services UAE	Sharjah	Aed	2,000,000	49.000	Alpha Flight Group Ltd.
Alpha Airport Services EOOD	Sofia	Lev	7,633,200	100.000	Alpha Flight Group Ltd.
Alpha Flight A.S.	Prague	Czk	50,000,000	100.000	Alpha Flight Group Ltd.
Alpha Rocas S.A.	Otopeni	Ron	335,000	64.180	Alpha Flight Group Ltd.
Romanian Catering Services S.r.l.	Otopeni	Ron	38,400	70.000	Alpha Rocas S.A.
Alpha Airport Holdings B.V.	Boesingheliede	Eur	74,874	100.000	Autogrill Holdings UK Plc.
Alpha Kreol (India) Pvt Ltd.	Male	Inr	100,000	50.000	Alpha Airport Holdings B.V.
Orient Lanka Ltd.	Fort Colombo	Lkr	30,000,000	99.000	Alpha Airport Holdings B.V.
Alpha Airports Group Ltd.	London	Gbp	2	100.000	Autogrill Holdings UK Plc.
Alpha MVKB Maldives Pvt Ltd.	Male	Mvr	20,000	60.000	Alpha Airports Group Ltd.
Alpha Airport Retail Holdings Pvt Ltd.	Mumbai	Inr	404,743,809	100.000	Alpha Airports Group Ltd.
Alpha Future Airport Retail Pvt Ltd.	Mumbai	Inr	97,416,000	50.000	Alpha Airport Retail Holdings Pvt Ltd
				50.000	Alpha Airports Group Ltd.
Autogrill Holdings UK Pension Trustee Ltd.	London	Gbp	100	100.000	Autogrill Holdings UK Plc.
Alpha ESOP Trustee Ltd.	London	Gbp	100	100.000	Alpha Airports Group Ltd.
Alpha Euroservices Ltd.	London	Gbp	100	100.000	Alpha Airports Group Ltd.
Alpha Airports Group (Channel Island) Ltd.	St. Heliers - Jersey	Gbp	21	100.000	Alpha Airports Group Ltd.
Airport Catering Services (NI) Ltd.	London	Gbp	2	100.000	Alpha Airports Group Ltd.
Alpha Airports (FURBS) Trustees Ltd.	London	Gbp	26,000	100.000	Alpha Airports Group Ltd.
Airport Duty-Free Shops Ltd.	London	Gbp	2	100.000	Alpha Airports Group Ltd.
Dynair B.V.	Schipolweg	Eur	18,000	100.000	Alpha Airports Group Ltd.
Alpha Airfayre Ltd	London	Gbp	1,000	51 .000	Alpha Flight UK Ltd.
Alpha Heathrow Ltd.	London	Gbp	3,136,000	100.000	Alpha Airfayre Ltd.
Airfayre Heathrow Ltd	London	Gbp	1,503,146	100.000	Alpha Airfayre Ltd.
Autogrill Belgie N.V.	Merelbeke	Eur	26,250,000	99.999	Autogrill Europe Nord-Ouest S.A.
				0.001	Ac Restaurants & Hotels S.A.
Ac Restaurants & Hotels Beheer N.V.	Merelbeke	Eur	7,851,186	99.999	Autogrill Belgie N.V.
				0.001	Ac Restaurants & Hotels S.A.
Ac Restaurants & Hotels S.A.	Grevenmacher	Eur	2,500,000	99.990	Autogrill Belgie N.V.
				0.010	Ac Restaurants & Hotels Beheer N.V.
Autogrill Nederland B.V.	Breukelen	Eur	41,371,500	100.000	Autogrill Europe Nord-Ouest S.A.
Maison Ledeboer B.V.	Zaandam	Eur	69,882	100.000	Autogrill Nederland B.V.
Ac Holding N.V.	Breukelen	Eur	150,000	100.000	Maison Ledeboer B.V.
The American Lunchroom Co B.V.	Zaandam	Eur	18,151	100.000	Ac Holding N.V.

Company	Registered office	Currency	Share/quota capital	% held	Shareholders/quota
Ac Apeldoorn B.V.	Apeldoorn	Eur	45,378	100.000	The American Lunchroom Co B.V.
Ac Bodegraven B.V.	Bodegraven	Eur	18,151	100.000	The American Lunchroom Co B.V.
Ac Heerlen B.V.	Heerlen	Eur	23,143	100.000	The American Lunchroom Co B.V.
Ac Hendrik Ido Ambacht B.V.	Hendrik Ido Ambacht	Eur	2,596,984	100.000	The American Lunchroom Co B.V.
Ac Holten B.V.	Holten	Eur	34,034	100.000	The American Lunchroom Co B.V.
Ac Leiderdorp B.V.	Leiderdorp	Eur	18,151	100.000	The American Lunchroom Co B.V.
Ac Meerkerk B.V.	Meerkerk	Eur	18,151	100.000	The American Lunchroom Co B.V.
Ac Nederweert B.V.	Weert	Eur	34,034	100.000	The American Lunchroom Co B.V.
Ac Nieuwegein B.V.	Nieuwegein	Eur	18,151	100.000	The American Lunchroom Co B.V.
Ac Oosterhout B.V.	Oosterhout	Eur	18,151	100.000	The American Lunchroom Co B.V.
Ac Restaurants & Hotels B.V.	Breukelen	Eur	90,756	100.000	The American Lunchroom Co B.V.
Ac Sevenum B.V.	Sevenum	Eur	18,151	100.000	The American Lunchroom Co B.V.
Ac Vastgoed B.V.	Zaandam	Eur	18,151	100.000	The American Lunchroom Co B.V.
Ac Vastgoed I B.V.	Zaandam	Eur	18,151	100.000	The American Lunchroom Co B.V.
Ac Veenendaal B.V.	Veenendaal	Eur	18,151	100.000	The American Lunchroom Co B.V.
Ac Zevenaar B.V.	Zevenaar	Eur	57,176	100.000	The American Lunchroom Co B.V.
Holding de Participations Autogrill S.a.s.	Marseille	Eur	84,581,920	99.999	Autogrill Europe Nord-Ouest S.A.
				0.001	Autogrill S.p.A.
Autogrill Aéroports S.a.s.	Marseille	Eur	2,207,344	100.000	Holding de Participations Autogrill S.a.s.
Autogrill Coté France S.a.s.	Marseille	Eur	31,579,526	100.000	Holding de Participations Autogrill S.a.s.
Société Berrichonne de Restauration S.a.s. (Soberest S.a.s.)	Marseille	Eur	288,000	50.010	Autogrill Coté France S.a.s.
Société de la Porte de Champagne S.A. (SPC)	Perrogney	Eur	153,600	52.280	Autogrill Coté France S.a.s.
Société de Restauration Autoroutière Dromoise S.a.s. (SRAD)	Marseille	Eur	1,136,000	50.000	Autogrill Coté France S.a.s.
				50.000	SRSRA S.A.
Société de Restauration de Bourgogne S.A. (Sorebo S.A.)	Marseille	Eur	144,000	50.000	Autogrill Coté France S.a.s.
Société de Restauration de Troyes-Champagne S.A. (SRTC)	Marseille	Eur	1,440,000	70.000	Autogrill Coté France S.a.s.
Société Régionale de Saint Rambert d'Albon S.A. (SRSRA)	Saint Rambert d'Albon	Eur	515,360	50.000	Autogrill Coté France S.a.s.
Volcarest S.A.	Riom	Eur	1,050,144	50.000	Autogrill Coté France S.a.s.
Société de Gestion de Restauration Routière (SGRR S.A.)	Marseille	Eur	1,537,320	100.000	Autogrill Coté France S.a.s.
Vert Pré Saint Thiébaut SCI	Nancy	Eur	457	96.700	SGRR S.A.
				3.300	Holding de Participations Autogrill S.a.s.
TJ2D S.n.c.	Nancy	Eur	1,000	99.000	SGRR S.A.
				1.000	Autogrill Coté France S.a.s.
Autogrill Restauration Services S.a.s.	Marseille	Eur	15,394,500	100.000	Holding de Participations Autogrill S.a.s.
Autogrill Gares Province S.àr.l.	Marseille	Eur	274,480	100.000	Autogrill Restauration Services S.a.s.
Autogrill Gares Métropoles S.àr.l.	Marseille	Eur	4,500,000	100.000	Autogrill Restauration Services S.a.s.
Autogrill Restauration Carrousel S.a.s.	Marseille	Eur	2,337,000	100.000	Holding de Participations Autogrill S.a.s.
La Rambertine S.n.c.	Saint Rambert d'Albon	Eur	1,524	55.000	Autogrill Coté France S.a.s.
				45.000	SGRR S.A.

Company	Registered office	Currency	Share/quota capital	% held	Shareholders/quota
Autogrill Commercial Catering France S.a.s.	Marseille	Eur	2,916,480	100.000	Holding de Participations Autogrill S.a.s.
Autogrill Centres Commerciaux S.àr.l.	Marseille	Eur	501,900	100.000	Holding de Participations Autogrill S.a.s.
Autogrill FFH Autoroutes S.àr.l.	Marseille	Eur	375,000	100.000	Autogrill Coté France S.a.s.
Autogrill FFH Centres Villes S.àr.l.	Marseille	Eur	375,000	100.000	Autogrill Restauration Carrousel S.a.s.
SPB S.àr.l.	Marseille	Eur	4,500	100.000	SGRR S.A.
Carestel Nord S.àr.l.	Mulhouse	Eur	76,225	100.000	Autogrill Commercial Catering France S.a.s.
Autogrill Trois Frontières S.àr.l.	Marseille	Eur	621,999	100.000	Autogrill Aéroports S.a.s.
Autogrill Schweiz A.G.	Olten	Chf	23,183,000	56.860	Aldeasa S.A.
				43.140	Autogrill S.p.A.
Autogrill Pieterlen A.G.	Pieterlen	Chf	2,000,000	100.000	Autogrill Schweiz A.G.
Restoroute de Bavois S.A.	Bavois	Chf	2,000,000	73.000	Autogrill Schweiz A.G.
Restoroute de la Gruyère S.A.	Avry devant Pont	Chf	1,500,000	54.000	Autogrill Schweiz A.G.
Autogrill Group Inc.	Delaware	Usd	225,000,000	100.000	Autogrill Overseas Inc.
CBR Specialty Retail Inc.	Delaware	Usd	–	100.000	Autogrill Group Inc.
HMSHost Corp.	Delaware	Usd	–	100.000	Autogrill Group Inc.
HMSHost Europe Inc.	Delaware	Usd	–	100.000	Autogrill Group Inc.
HMSHost International Inc.	Delaware	Usd	–	100.000	Autogrill Group Inc.
HMSHost Tollroads Inc.	Delaware	Usd	–	100.000	HMSHost Corp.
HMSHost USA L.L.C.	Delaware	Usd	–	100.000	Autogrill Group Inc.
Host International Inc.	Delaware	Usd	–	100.000	HMSHost Corp.
Cincinnati Terminal Services Inc.	Delaware	Usd	–	100.000	Host International Inc.
Cleveland Airport Services Inc.	Delaware	Usd	–	100.000	Host International Inc.
HMS-Airport Terminal Services Inc.	Delaware	Usd	1,000	100.000	Host International Inc.
HMS B&L Inc.	Delaware	Usd	–	100.000	Host International Inc.
HMS Holdings Inc.	Delaware	Usd	1,000	100.000	Host International Inc.
HMS Host Family Restaurants Inc.	Maryland	Usd	2,000	100.000	HMS Holdings Inc.
HMS Host Family Restaurants L.L.C.	Delaware	Usd	–	100.000	HMS Host Family Restaurants Inc.
Gladieux Corporation	Ohio	Usd	750	100.000	HMS Holdings Inc.
Host (Malaysia) Sdn. Bhd.	Kuala Lumpur	Myr	–	100.000	Host International Inc.
Host Gifts Inc.	California	Usd	100,000	100.000	Host International Inc.
Host International of Canada Inc.	Vancouver	Cad	75,351,237	100.000	Host International Inc.
Host Canada Ltd. Partnership	Vancouver	Cad	–	100.000	Host International Inc.
SMSI Travel Centres Inc.	Toronto	Cad	–	100.000	Host International of Canada Inc.
Host International of Kansas Inc.	Kansas	Usd	1,000	100.000	Host International Inc.
Host International of Maryland Inc.	Maryland	Usd	79,576	100.000	Host International Inc.
HMS Host USA Inc.	Delaware	Usd	–	100.000	Host International Inc.
Host of Holland B.V.	Amsterdam	Eur	–	100.000	Host International Inc.
Horeca Exploitatie Maatschappij Schiphol B.V.	Amsterdam	Eur	45,378	100.000	Host of Holland B.V.
Host Services Inc.	Texas	Usd	–	100.000	Host International Inc.

Company	Registered office	Currency	Share/quota capital	% held	Shareholders/quota
Host Services of New York Inc.	Delaware	Usd	1,000	100.000	Host International Inc.
Host Services Pty Ltd.	North Cairns	Aud	6,252,872	100.000	Host International Inc.
Las Vegas Terminal Restaurants Inc.	Delaware	Usd	–	100.000	Host International Inc.
Marriott Airport Concessions Pty Ltd.	Melbourne	Aud	3,910,102	100.000	Host International Inc.
Michigan Host Inc.	Delaware	Usd	1,000	100.000	Host International Inc.
The Gift Collection Inc.	California	Usd	1,000	100.000	Host International Inc.
Turnpike Restaurants Inc.	Delaware	Usd	–	100.000	Host International Inc.
HMSHost Services India Private Ltd.	Bangalore	Inr	668,441,683	100.000	Host International Inc.
HMS-Airport Terminal Services Inc.	Christchurch	Nzd	–	100.000	Host International Inc.
HMSHost Singapore Pte Ltd.	Singapore	Sgd	8,470,896	100.000	Host International Inc.
AAI Investments Inc.	Delaware	Usd	–	100.000	Autogrill Group Inc.
Anton Airfood Inc. (AAI)	Virginia	Usd	1,000	100.000	AAI Investments Inc.
AAI Terminal 7 Inc.	New York	Usd	–	100.000	Anton Airfood Inc.
AAI Terminal One Inc.	New York	Usd	–	100.000	Anton Airfood Inc.
Airport Architects Inc.	Washington	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood JFK Inc.	New York	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of Cincinnati Inc.	Kentucky	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of Minneapolis Inc.	Minnesota	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of New York Inc.	New York	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of North Carolina Inc.	North Carolina	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of Ohio Inc.	Ohio	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of Rhode Island Inc.	Rhode Island	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of Texas Inc.	Texas	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of Virginia Inc.	Virginia	Usd	–	100.000	Anton Airfood Inc.
Palm Springs AAI Inc.	California	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of Boise Inc.	Idaho	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of Tulsa Inc.	Oklahoma	Usd	–	100.000	Anton Airfood Inc.
AAI Islip. Inc.	New York	Usd	–	100.000	Anton Airfood Inc.
Fresno AAI. Inc.	California	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of Newark. Inc.	New Jersey	Usd	–	100.000	Anton Airfood Inc.
Anton Airfood of Seattle. Inc.	Washington	Usd	–	100.000	Anton Airfood Inc.
Anton/JQ RDU Joint Venture	Delaware	Usd	–	100.000	Anton Airfood Inc.
Host Bush Lubbock Airport Joint Venture	Texas	Usd	–	90.000	Host International Inc.
Host/Diversified Joint Venture	Michigan	Usd	–	90.000	Host International Inc.
CS Host Joint Venture	Kentucky	Usd	–	70.000	Host International Inc.
Airside C F & B Joint Venture	Florida	Usd	–	70.000	Host International Inc.
Host Kahului Joint Venture Company	Hawaii	Usd	–	90.000	Host International Inc.
Host/Coffee Star Joint Venture	Texas	Usd	–	50.010	Host International Inc.
Host-Chelle-Ton Sunglass Joint Venture	North Carolina	Usd	–	80.000	Host International Inc.

Company	Registered office	Currency	Share/quota capital	% held	Shareholders/quota
Southwest Florida Airport Joint Venture	Florida	Usd	–	80.000	Host International Inc.
Host Honolulu Joint Venture Company	Hawaii	Usd	–	90.000	Host International Inc.
Host/Forum Joint Venture	Maryland	Usd	–	70.000	Host International Inc.
HMS/Blue Ginger Joint Venture	Texas	Usd	–	55.000	Host International Inc.
Savannah Airport Joint Venture	Georgia	Usd	–	45.000	Host International Inc.
Host/Aranza Services Joint Venture	Texas	Usd	–	50.010	Host International Inc.
Host & Garrett Joint Venture	Mississippi	Usd	–	75.000	Host International Inc.
Tinsley - Host - Tampa Joint Venture	Florida	Usd	–	49.000	Host International Inc.
Phoenix - Host Joint Venture	Arizona	Usd	–	70.000	Host International Inc.
Host Taco Joy Joint Venture	Georgia	Usd	–	80.000	Host International Inc.
Minnesota Retail Partners. L.L.C.	Minnesota	Usd	–	51 .000	Host International Inc.
Host Chelsea Joint Venture	Texas	Usd	–	65.000	Host International Inc.
Host - Tinsley Joint Venture	Florida	Usd	–	84.000	Host International Inc.
Host / Tarra Enterprises Joint Venture	Florida	Usd	–	75.000	Host International Inc.
Metro-Host Joint Venture	Michigan	Usd	–	70.000	Host International Inc.
Ben-Zey/Host Lottery JV	Florida	Usd	–	40.000	Host International Inc.
Host D and D St, Louis Airport Joint Venture	Missouri	Usd	–	75.000	Host International Inc.
East Terminal Chilis Joint Venture	Missouri	Usd	–	55.000	Host International Inc.
Host - Chelsea Joint Venture #2	Texas	Usd	–	75.000	Host International Inc.
Host/LJA Joint Venture	Missouri	Usd	–	85.000	Host International Inc.
Host/NCM Atlanta E Joint Venture	Georgia	Usd	–	75.000	Host International Inc.
Houston 8/Host Joint Venture	Texas	Usd	–	60.000	Host International Inc.
Seattle Restaurant Associates	Washington	Usd	–	70.000	Host International Inc.
Bay Area Restaurant Group	California	Usd	–	49.000	Host International Inc.
Islip Airport Joint Venture	New York	Usd	–	100.000	Anton Airfood Inc.
Host - Prose Joint Venture II	Virginia	Usd	–	70.000	Host International Inc.
HMS Host/Coffee Partners Joint Venture	Texas	Usd	–	50.010	Host International Inc.
Host-Grant Park Chili's Joint Venture	Arizona	Usd	–	60.000	Host International Inc.
Host/JV Ventures McCarran Joint Venture	Nevada	Usd	–	60.000	Host International Inc.
Airside E Joint Venture	Florida	Usd	–	50.000	Host International Inc.
Host-CJ & Havana Joint Venture	California	Usd	–	70.000	Host International Inc.
Host/Howell-Mickens Joint Venture	Texas	Usd	–	65.000	Host International Inc.
Host/JQ RDU Joint Venture	North Carolina	Usd	–	75.000	Host International Inc.
MIA Airport Retail Partners Joint Venture	Florida	Usd	–	70.000	Host International Inc.
Host of Santa Ana Joint Venture Company	California	Usd	–	75.000	Host International Inc.
Host Marriott Services - D/FW Joint Venture	Texas	Usd	–	65.000	Host International Inc.
Host Marriott Services - D/FWorth Joint Venture II	Texas	Usd	–	75.000	Host International Inc.
Host - Prose Joint Venture III	Virginia	Usd	–	51 .000	Host International Inc.
Host Adevco Joint Venture	Arkansas	Usd	–	70.000	Host International Inc.

Company	Registered office	Currency	Share/quota capital	% held	Shareholders/quota
HMSHost Shellis Trans Air Joint Venture	Georgia	Usd	–	60.000	Host International Inc.
Host PJJD Jacksonville Joint Venture	Florida	Usd	–	51 .000	Host International Inc.
Host/JQ Raleigh Durham	North Carolina	Usd	–	100.000	Anton Airfood Inc.
CMH A&W Joint Venture	Ohio	Usd	–	100.000	Anton Airfood Inc.
Detroit Duty-Free Partners	Michigan	Usd	–	50.000	Host International. Inc.
Host Atlanta Duty-Free Joint Venture	Georgia	Usd	–	25.000	Host International. Inc.
Host CTI Denver Airport Joint Venture	Colorado	Usd	–	90.000	Host International. Inc.
Host Houston Joint Venture Company	Texas	Usd	–	30.000	Host International. Inc.
Host International (Poland) Sp.zo.o.	Poland	Pln	–	100.000	Host International. Inc.
Host International of Canada (RD). Ltd.	Canada	Cad	–	100.000	Host International. Inc.
Host Jackson Joint Venture Company	Arizona	Usd	–	75.000	Host International. Inc.
Host of Cleveland Joint Venture	Ohio	Usd	–	74.000	Host International. Inc.
Host Services (France) S.a.s.	Paris	Eur	–	100.000	Host International. Inc.
Host Shellis Atlanta JV	Georgia	Usd	–	70.000	Host International. Inc
Host-RLW LasVegas Airport Joint Venture	Nevada	Usd	–	40.000	Host International. Inc.
RDU A&W JV-Anton	North Carolina	Usd	–	100.000	Anton Airfood Inc.
Sarasota Joint Venture	Florida	Usd	–	20.000	Host International. Inc.
Shenzhen Host Catering Company. Ltd.	Shenzhen	Cny	–	100.000	Host International. Inc.
Host/Howell - Mickens Joint Venture III	Texas	Usd	–	51 .000	Host International. Inc.
Host-Chelsea Joint Venture #3	Texas	Usd	–	63.800	Host International. Inc.
Autogrill Belux N.V.	Merelbeke	Eur	10,000,000	99.999	Autogrill S.p.A.
				0.001	Carestel Motorway Services N.V.
Carestel Motorway Services N.V.	Merelbeke	Eur	9,000,000	99.999	Autogrill Belux N.V.
				0.001	Ac Restaurants & Hotels Beheer N.V.
Carestel Beteiligungs GmbH & Co. (in liquidation)	Stuttgart	Eur	25,000	100.000	Autogrill Belux N.V.
Aldeasa S.A.	Madrid	Eur	10,772,462	99.960	Autogrill España S.A.U.
Aldeasa Internacional S.A.	Madrid	Eur	5,409,000	100.000	Aldeasa S.A.
Aldeasa Chile Ltda.	Santiago	Usd	2,516,819	99.900	Aldeasa S.A.
Sociedad de Distribución Aeroportuaria de Canarias S.L.	Las Palmas	Eur	667,110	60.000	Aldeasa S.A.
Aldeasa Colombia Ltda.	Cartagena de Indias	Cop	2,356,075,724	99.900	Aldeasa S.A.
				0.100	Aldeasa Internacional S.A.
Aldeasa México S.A. de C.V.	Cancun	Mxn	60,962,541	99.900	Aldeasa S.A.
				0.100	Aldeasa Internacional S.A.
Transportes y Suministros Aeroportuarios S.A.	Madrid	Eur	1,202,000	100.000	Aldeasa S.A.
Aldeasa Cabo Verde S.A.	Isola di Sal	Cve	6,000,000	99.900	Aldeasa S.A.
				0.100	Aldeasa Internacional S.A.
Prestadora de Servicios en Aeropuertos S.A. de C.V.	Cancun	Mxn	50,000	99.900	Aldeasa S.A.
				0.100	Aldeasa Internacional S.A.
Panalboa S.A.	Panama	Pab	150,000	80.000	Aldeasa S.A.
Audioguiarte Servicios Culturales S.L.	Madrid	Eur	251,000	100.000	Aldeasa S.A.

Company	Registered office	Currency	Share/quota capital	% held	Shareholders/quota
Aldeasa Servicios Aeroportuarios Ltda.	Santiago	Usd	15,000	99.990	Aldeasa S.A.
Aldeasa Projets Culturels S.a.s.	Paris	Eur	1,301,400	100.000	Aldeasa S.A.
Cancouver Uno S.L.	Madrid	Eur	3,010	100.000	Aldeasa S.A.
Aldeasa US Inc.	Wilmington	Usd	49,012,087	100.000	Aldeasa S.A.
Alpha Keys Orlando Retail Associates Ltd.	Florida	Usd	100,000	85.000	Alpha Airport Services Inc.
Alpha Airport Services Inc.	Florida	Usd	1,400,000	100.000	Aldeasa US Inc.
Aldeasa Atlanta L.L.C.	Wilmington	Usd	1,122,000	100.000	Aldeasa US Inc.
Aldeasa Atlanta JV	Georgia	Usd	2,200,000	51 .000	Aldeasa Atlanta L.L.C.
				25.000	Host International Inc.
Aldeasa Jordan Airports Duty-Free Shops (AJADFS)	Amman	Usd	705,219	100.000	Autogrill Schweiz A.G.
Aldeasa Curaçao N.V.	Curaçao	Usd	500,000	100.000	Autogrill Schweiz A.G.
Aldeasa Canada Inc.	Vancouver	Cad	1,000	100.000	Cancouver Uno S.L.
Aldeasa Vancouver L.P.	Vancouver	Cad	44,201,000	99.990	Cancouver Uno S.L.
				0.010	Aldeasa Canada Inc.
Palacios y Museos	Madrid	Eur	160,000	100.000	Aldeasa S.A.
Companies consolidated proportionally:					
Steigenberger Gastronomie GmbH	Frankfurt	Eur	750,000	49.000	Autogrill Deutschland GmbH
Servair Air Chef S.r.l.	Milan	Eur	5,150,000	50.000	Alpha Flight Group Ltd.
Servizi di Bordo S.r.l.	Milan	Eur	100,000	80.000	Servair Air Chef S.r.l.
Alpha ASD Ltd.	London	Gbp	20,000	50.000	Alpha Airports Group Ltd.
Caresquick N.V.	Brussels	Eur	3,300,000	50.000	Autogrill Belux N.V.
Companies consolidated using the equity method:					
Dewina Host Sdn Bhd	Kuala Lumpur	Myr	–	49.000	Host International Inc.
HMS-AIAL Ltd.	Aukland	Nzd	–	50.000	Host International Inc.
TGIF National Airport Restaurant Joint Venture	Texas	Usd	–	25.000	Host International Inc.
Souk al Mouhajir S.A.	Tangier	Dhs	6,500,000	35.800	Aldeasa S.A.
Creuers del Port de Barcelona S.A.	Barcelona	Eur	3,005,061	23.000	Aldeasa S.A.
Lanzarote de Cultura y Ocio S.A.	Tias	Eur	90,151	30.000	Aldeasa S.A.
Virgin Express Catering Services N.V. *	Brussels	Eur	62,000	49.000	Alpha Airport Holdings B.V.

* The figures refer to 2008

Certification by the CEO and Financial Reporting Officer

CERTIFICATION
of the consolidated financial statements
pursuant to Art. 81-*ter* of the Consob Regulation (no. 11971 of 14 May 1999, as amended)

1. We, the undersigned, Gianmario Tondato Da Ruos as chief executive officer and Mario Zanini as financial reporting officer of Autogrill S.p.A., hereby declare, including in accordance with Art. 154-*bis* (3) and (4) of Legislative Decree 58 of 24 February 1998:

   a) the adequacy of in relation to the characteristics of the business; and

   b) due compliance with

   the administrative and accounting procedures for the preparation of the consolidated financial statements during the course of 2009.

2. No significant findings have come to light in this respect.

3. We also confirm that:

3.1 the consolidated financial statements:

   a) have been prepared in accordance with the applicable International Financial Reporting Standards endorsed by the European Union pursuant to Regulation 1606/2002/EC of the European Parliament and the Council of 19 July 2002;
   b) correspond to the ledgers and accounting entries;
   c) provide true and fair view of the financial position and results of operations of Autogrill S.p.A. and of the companies included in the consolidation.

3.2 The directors' report includes a reliable description of the performance and financial position of the parent and the entities in the scope of consolidation, along with the main risks and uncertainties to which they are exposed.

Milan, 4 March 2010

Gianmario Tondato Da Ruos	Mario Zanini
Chief Executive Officer	Financial Reporting Officer
(signed on the original)	(signed on the original)

Independent Auditors' Report

KPMG S.p.A.
Revisione e organizzazione contabile
Via Vittor Pisani, 25
20124 MILANO MI

Telefono +39 02 6763.1
Telefax +39 02 67632445
e-mail it-fmauditaly@kpmg.it

(Translation from the Italian original which remains the definitive version)

Report of the auditors in accordance with article 156 of Legislative decree no. 58 of 24 February 1998

To the shareholders of
Autogrill S.p.A.

1 We have audited the consolidated financial statements of the Autogrill Group as at and for the year ended 31 December 2009, comprising the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes thereto. The parent's directors are responsible for the preparation of these financial statements in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05. Our responsibility is to express an opinion on these financial statements based on our audit.

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

The consolidated financial statements present the prior year corresponding figures for comparative purposes. As disclosed in the notes, the parent's directors restated some of the corresponding figures included in the prior year consolidated financial statements. We audited such consolidated financial statements and issued our report thereon on 3 April 2009. Specifically, the corresponding figures have been restated to reflect the early application of IFRS 3 (revised 2008) relating to the accounting for business combinations carried out starting from 2008 and the changes in the presentation of financial statements introduced by IAS 1 (revised 2007). We have examined the methods used to restate the prior year corresponding figures and related disclosures for the purposes of expressing an opinion on the consolidated financial statements at 31 December 2009.

KPMG

Autogrill Group
Report of the auditors
31 December 2009

3 In our opinion, the consolidated financial statements of the Autogrill Group as at and for the year ended 31 December 2009 comply with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05. Therefore, they are clearly stated and give a true and fair view of the financial position of the Autogrill Group as at 31 December 2009, the results of its operations and its cash flows for the year then ended.

4 The directors of Autogrill S.p.A. are responsible for the preparation of a directors' report on the financial statements and a report on the corporate governance and shareholding structure, published in the "governance" section of Autogrill S.p.A.'s website, in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the directors' report and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the report on the corporate governance and shareholding structure with the financial statements to which they refer, as required by the law. For this purpose, we have performed the procedures required by the Italian Standard on Auditing 001 issued by the Italian Accounting Profession and recommended by Consob. In our opinion, the directors' report and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the report on the corporate governance and shareholding structure are consistent with the consolidated financial statements of the Autogrill Group as at and for the year ended 31 December 2009.

Milan, 30 March 2010

KPMG S.p.A.

(signed on the original)

Giovanni Rebay
Director of Audit

4.1 Separate financial statements of Autogrill S.p.A.

4.1.1 Statement of financial position

Note	(€)	31.12.2009	31.12.2008	Change
I	Cash and cash equivalents	39,863,702	52,232,720	(12,369,018)
II	Other financial assets	64,509,031	365,844,996	(301,335,965)
III	Tax assets	812,301	1,121,109	(308,808)
IV	Other receivables	59,613,676	46,931,300	12,682,376
V	Trade receivables	27,173,832	24,979,566	2,194,266
VI	Inventories	57,694,965	51,479,871	6,215,094
	Total current assets	**249,667,507**	**542,589,562**	**(292,922,055)**
VII	Property, plant and equipment	210,098,222	223,083,365	(12,985,143)
VIII	Goodwill	78,786,906	76,919,315	1,867,591
IX	Other intangible assets	39,633,905	50,525,689	(10,891,784)
X	Investments	623,417,609	616,896,070	6,521,539
XI	Other financial assets	1,458,578,612	1,250,255,455	208,323,157
XII	Other receivables	15,756,338	18,116,889	(2,360,551)
	Total non-current assets	**2,426,271,592**	**2,235,796,783**	**190,474,809**
	TOTAL ASSETS	**2,675,939,099**	**2,778,386,345**	**(102,447,246)**
XIII	Trade payables	292,728,327	281,910,843	10,817,484
XIV	Other payables	79,981,044	94,546,170	(14,565,126)
XV	Due to banks	119,390,710	23,158,815	96,231,895
XVI	Other financial liabilities	120,696,608	94,704,185	25,992,423
	Total current liabilities	**612,796,689**	**494,320,013**	**118,476,676**
XVII	Loans net of current portion	1,352,794,172	1,629,561,625	(276,767,453)
XVIII	Deferred tax liabilities	13,798,393	7,145,933	6,652,460
XIX	Post-employment benefits and other employee benefits	71,541,288	75,629,617	(4,088,329)
XX	Provisions for risks and charges	14,852,373	18,578,941	(3,726,568)
	Total non-current liabilities	**1,452,986,226**	**1,730,916,116**	**(277,929,890)**
	LIABILITIES	**2,065,782,915**	**2,225,236,129**	**(159,453,214)**
XXI	**EQUITY**	**610,156,184**	**553,150,216**	**57,005,968**
	TOTAL LIABILITIES AND EQUITY	**2,675,939,099**	**2,778,386,345**	**(102,447,246)**

4.1.2 **Income statement**

Note	(€)	2009	2008	Change
XXII	Revenue	1,324,149,315	1,350,869,562	(26,720,247)
XXII	Other operating income	76,094,718	68,630,552	7,464,166
	Total revenue and other operating income	**1,400,244,033**	**1,419,500,114**	**(19,256,081)**
XXIII	Raw materials, supplies and goods	646,228,090	681,067,987	(34,839,897)
XXIV	Personnel expense	302,936,898	300,074,892	2,862,006
XXV	Leases, rentals, concessions and royalties	175,720,707	140,264,782	35,455,925
XXVI	Other operating costs	144,859,348	155,377,283	(10,517,935)
XXVII	Amortisation and depreciation	51,797,323	44,955,646	6,841,677
XXVII	Impairment losses on property, plant and equipment and intangible assets	2,972,619	2,713,951	258,668
	Operating profit	**75,729,048**	**95,045,573**	**(19,316,525)**
XXVIII	Financial income	171,443,929	230,078,125	(58,634,196)
XXIX	Financial expense	(143,646,111)	(265,249,745)	121,603,634
XXX	Adjustments to the value of financial assets	(6,838,529)	(11,233,588)	4,395,059
	Pre-tax profit	**96,688,337**	**48,640,365**	**48,047,972**
XXXI	Income tax	(33,946,945)	(30,335,195)	(3,611,750)
	Profit for the year	**62,741,392**	**18,305,170**	**44,436,222**

4.1.3 **Statement of comprehensive income**

(€)	2009	2008	Change
Profit for the year	**62,741,392**	**18,305,170**	**44,436,222**
Effective portion of fair value change in cash flow hedges	(822,488)	(57,325,617)	56,503,129
Income tax effect on comprehensive income	226,184	15,764,545	(15,538,361)
Total comprehensive income for the year	**62,145,088**	**(23,255,902)**	**85,400,990**

4.1.4 **Statement of changes in equity**

(€k)	Share capital	Legal reserve	Hedging reserve	Other reserves and retained earnings	Treasury shares	Profit for the year	Equity
31.12.2007	**132,288**	**15,508**	**(113)**	**359,784**	**–**	**146,204**	**653,671**
Effective portion of fair value change in cash flow hedges, net of the tax effect	–	–	(41,562)	–	–	–	(41,562)
Total other gains (losses), net of tax effects	**–**	**–**	**(41,562)**	**–**	**–**	**–**	**(41,562)**
Allocation of 2007 profit to reserves	–	7,417	–	62,467	–	(69,884)	–
Dividend distribution	–	–	–	–	–	(76,320)	(76,320)
Treasury shares	–	–	–	–	(944)	–	(944)
Profit for the year	–	–	–	–	–	18,305	18,305
31.12.2008	**132,288**	**22,925**	**(41,675)**	**422,251**	**(944)**	**18,305**	**553,150**
Effective portion of fair value change in cash flow hedges, net of the tax effect	–	–	(597)	–	–	–	(597)
Total other gains (losses), net of tax effects	**–**	**–**	**(597)**	**–**	**–**	**–**	**(597)**
Allocation of 2008 profit to reserves	–	915	–	17,390	–	(18,305)	–
Goodwill arising from mergers of wholly-owned subsidiaries	–	–	–	(5,138)	–	–	(5,138)
Profit for the year	–	–	–	–	–	62,741	62,741
31.12.2009	**132,288**	**23,840**	**(42,272)**	**434,503**	**(944)**	**62,741**	**610,156**

4.1.5 **Statement of cash flows**

(€k)	**2009**	**2008**
Net cash and cash equivalents - opening balance	**47,424**	**36,900**
Operating profit	75,729	95,000
Depreciation, amortization and impairment losses on non-current assets, net of reversal	51,797	47,700
(Gains)/losses on the disposal of non-current assets	(7,297.3)	(600)
Change in working capital in the year	5,127	15,200
Net change in non-current assets and liabilities	(13,870)	(21,400)
Cash flow from operating activities	**111,486**	**135,900**
Taxes paid	(48,405)	(23,200)
Interest paid	(2,400)	(23,000)
Net cash of operating activities	**60,680**	**89,700**
Acquisition property, plant & equipment and intangible assets	(31,925)	(81,100)
Proceed from sales of non-current assets	9,434	600
Disposal of investments	–	279,800
Acquisition of investments in subsidiaries	(23,309)	(27,500)
Dividends	34,281	84,600
Other movements	–	(1,000)
Net cash from investing activities	**(11,519)**	**255,400**
Increase of intercompany borrowings	170,196	(956,900)
Increase in non-current loans	–	1,019,800
Repayments of non-current loans	(238,278)	(153,700)
Repayments of current loans net of new loans	9,600	(167,500)
Other movements	–	(76,276)
Net cash flow from financing activities	**(58,483)**	**(334,576)**
Cash flow for the year	**(9,321)**	**10,524**
Net cash and cash equivalents - closing balance	**38,103**	**47,424**

(€k)	**2009**	**2008**
Net cash and cash equivalents - opening balance	**47,424**	**36,900**
Cash and cash equivalents	52,233	45,700
Current account overdrafts	(4,809)	(8,800)
Net cash and cash equivalents - closing balance	**38,103**	**47,424**
Cash and cash equivalents	39,864	52,233
Current account overdrafts	(1,761)	(4,809)

4.2 **Notes to the separate financial statements**

4.2.1 **Accounting policies**

Company operations

Autogrill S.p.A. operates in the Food & Beverage and Travel Retail sectors in Italy, and in other countries through its subsidiaries. Most of its business takes place at airports, motorway rest stops and railway stations, by way of concession contracts, as well as on-board planes.

In Italy it specialises in catering for people on the move and in quick service restaurants in locations where there is high passenger traffic and consumer presence. Restaurant locations along motorways also sell food and non-food products to the public.

General standards

The financial statements of Autogrill S.p.A. were prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and endorsed by the European Union. IFRS means International Financial Reporting Standards including International Accounting Standards (IAS), supplemented by the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), previously called the Standing Interpretations Committee (SIC).

Below are the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union for mandatory adoption in financial statements for years beginning on 1 January 2009:
- IAS 1 – Presentation of financial statements (Revised in 2007);
- IAS 23 – Borrowing costs (Revised in 2007);
- Amendments to IAS 32 and IAS 1 – Puttable financial instruments and obligations arising on liquidation;
- Amendments to IFRS 1 and IAS 27 – Cost of an investment in a subsidiary, jointly controlled entity or associate;
- Amendments to IFRS 2 – Share-based payments: vesting conditions and cancellations;
- IFRIC 13 – Customer loyalty programmes;
- IFRIC 14 – IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction;
- Amendments to IAS 39 and IFRS 7 – Reclassification of financial assets – Effective date and transition;
- Amendments to IFRS 4 and IFRS 7 – Improved disclosures regarding financial instruments;
- Amendments to IFRIC 9 – Reassessment of embedded derivatives and IAS 39 – Financial instruments: recognition and measurement;
- Improvements to IFRS (2008) – except amendments to IFRS 5.

Of these, only the adoption of IAS 1 - Presentation of financial statements (Revised in 2007) has had a significant impact on the Company, as the others address cases and circumstances that are not relevant to Autogrill as of this writing.

For the sake of consistency, the adoption of IAS 1 Revised required changes to some terms used in IFRS or SIC/IFRIC and the preparation of a statement of comprehensive income, which includes the profit for the year as well as income and expense from non-owner transactions that are recognised directly in equity. Application of IAS 1 – Presentation of financial statements (Revised in 2007) has affected the presentation of comparative information, but has had no impact on the computation of profit for the year or earnings per share.

Below are the accounting standards, amendments and interpretations issued by the IASB and endorsed by the European Union for mandatory adoption in financial statements for years beginning after 1 January 2009:
- IFRS 3 (Revised in 2008) – Business combinations;

- Amendments to IAS 27 – Consolidated and separate financial statements;
- Amendment to IFRS 5 – Non-current assets held for sale and discontinued operations;
- Amendments to IAS 39 – Financial instruments: Recognition and measurement (exposures qualifying for hedge accounting);
- IFRS 1 (Revised in 2008) – First-time adoption of International Financial Reporting Standards;
- IFRIC 12 – Service concession arrangements;
- IFRIC 15 – Agreements for the construction of real estate;
- IFRIC 16 – Hedges of a net investment in a foreign operation;
- IFRIC 17 – Distributions of non-cash assets to owners;
- IFRIC 18 – Transfers of assets from customers;
- Improvements to IFRS (2008) – amendments to IFRS 5;
- Amendments to IAS 32 – Classification of rights issues.

Application of the other standards and interpretations listed above, where necessary, would be unlikely to have an impact on Autogrill S.p.A.'s financial statements of enough significance to warrant reporting in these notes.

Autogrill has opted for early adoption of IFRS 3 Revised (Business combinations), with no significant impact on the separate financial statements.

The new standard was endorsed for adoption within the EU on 3 June 2009, with Regulation (EC) 495/2009, which calls for mandatory application from the year beginning after 30 June 2009 (for Autogrill this would be 2010).

The transitional provisions permit the "early adoption" of the standard, provided that it is not applied before 1 January 2008 and is adopted simultaneously with the 2008 amendment of IAS 27.

The separate financial statements were prepared on a going-concern basis using the euro as the presentation currency. Unless otherwise specified, the financial statements are presented in euros, while the statement of cash flows and all amounts in the notes are expressed in thousands of euros (€k).

The financial statements were prepared on the historical cost principle, except for certain financial instruments, which are measured at fair value, and assets under finance lease, also recognized at fair value as of the signing date of the lease.

Structure, format and content of the separate financial statements

In accordance with IAS 1 Revised and IAS 7, the formats used in the Company's 2009 financial statements are as follows:

- Statement of financial position: with assets and liabilities split between current and non-current items;
- Income statement: with costs classified by nature;
- Statement of comprehensive income;
- Statement of changes in equity;
- Statement of cash flows: using the indirect method to determine cash flows from operating activities.

As part of the process of adapting and simplifying the Group's ownership structure, in 2009 the following wholly-owned subsidiaries were merged into Autogrill S.p.A.:

- Autogrill International S.p.A.;
- Aviogrill S.r.l.;
- Nuova Estral S.r.l.

The mergers were effective retroactively from 1 January 2009 for tax and accounting purposes.

Accounting policies

The Company follows the historical cost principle, except for items that in accordance with IFRS are measured at fair value, as specified in the individual accounting policies below.

Recognition of revenue and costs

Purchases and sales of goods are recognised on transfer of title at fair value, i.e., the price paid or received net of returns, rebates, sales discounts and year-end bonuses.

Service revenue and costs are recognised according to the stage of completion at year end.

Interest income and expense are reported on an accruals basis.

Dividends are recognised when the shareholders are entitled to receive payment.

Recoveries of costs borne on behaIf of others are recognised as a deduction from the related cost.

Financial expenses are recognised in profit or loss on an accruals basis, with the exception of those directly attributable to the acquisition, construction or production of assets requiring a significant period of time before being ready for their planned use or sale. Financial expense relating to such assets, which are capitalised as from 1 January 2009 (the effective date of Revised IAS 23 – Borrowing costs), is capitalised as part of the assets' cost.

Employee benefits

All employee benefits are recognised and disclosed on an accruals basis.
The Company provides for post-employment benefits through defined-contribution and/or defined-benefit plans.

Post-employment benefit plans are formalised and non-formalised agreements whereby the Company provides post-employment benefits to one or more employees.

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions to a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions should the fund have insufficient assets to pay all benefits to employees.

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Defined benefit plans may be unfunded or entirely or partly funded by contributions paid by the employer, and sometimes by the employee, to a company or fund which is legally separate from the company that pays the benefits.

The amount accrued is projected forward to estimate the amount payable on termination of employment and is then discounted using the projected unit credit method, to account for the time that will elapse before actual payment occurs.

The liability is recognised net of the fair value of any plan assets. Any net assets are recognised at the lower of their value and the sum of net unrecognised actuarial losses, past service cost for previous employment to be recognised in future years, the present value of benefits available in the form of refunds, and reductions in future contributions to the plan. Actuarial valuations are made by actuaries outside the Company.

Although it has maintained the option to recognise actuarial gains/losses in the income statement, Autogrill has adopted the "corridor" approach by which actuarial gains and losses are not reported as long as they are within ±10% of the greater of the plan assets or the present value of the plan obligations. Any excess is recognised in profit or loss over the average remaining service lives of the beneficiaries, under the item "personnel expense", along with the provision accrued for the year. The financial component is included among financial expense.

Due to changes in the system of employee termination indemnities ("Trattamento di fine rapporto" or "TFR") brought about by Law 296 of 27 December 2006 and by the decrees and regulations issued in early 2007 (the "Social security reform"), the Company has adopted the following accounting rules:

- TFR accrued at 31 December 2006 is treated as a defined benefit plan in accordance with IAS 19. The benefits promised to employees in the form of TFR, which are paid upon termination of service, are recognised in the period when the right matures;
- TFR accrued from 1 January 2007 is treated as a defined contribution plan, so contributions accrued during the period are fully recognised as costs and shown as a liability under post-employment benefits and other employee benefits, net of any contributions already paid.

Income tax

Tax for the year is the sum of current and deferred taxes recognised in profit or loss for the year, with the exception of items recognised directly in equity or in other comprehensive income.

Current tax is calculated on taxable income for the year. Taxable income differs from the result reported in the income statement because it excludes costs and income that will be deducted or taxed in other years, as well as items that will never be deducted or taxed. Current tax liabilities are determined using the tax rates in effect (on an official or de facto basis) on the reporting date.

For the period 2007-2009, Autogrill S.p.A., together with its wholly-owned Italian subsidiaries [1] Nuova Sidap S.r.l., Alpha Retail Italia S.r.l. and Trentuno S.p.A. have joined the domestic tax consolidation scheme of the ultimate parent Edizione S.r.l. as permitted by the Consolidated Income Tax Act. The regulation signed by the parties provides for payment in full of the amount corresponding to the transferred losses or profits times the IRES (corporate tax) rate, as well as the transfer of any tax credits. The net current tax asset or liability for the year, in respect of IRES only, is therefore recognised as a receivable or payable from/to Edizione S.r.l. and is therefore not shown under tax assets or liabilities but under "Other receivables" or "Other payables".

Deferred tax liabilities are generally recognised for all taxable temporary differences, while deferred tax assets are recognised to the extent that future taxable income is likely to be earned allowing use of the deductible temporary differences. Specifically, the carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that sufficient future taxable income is available to cover them wholly or in part.

Deferred tax liabilities are recognised on taxable temporary differences relating to investments in subsidiaries, associates or joint ventures, unless the Company is able to monitor the reversal of the temporary differences and they are unlikely to be reversed in the foreseeable future.

Deferred taxes are calculated using the tax rate expected to be in force at the time the asset is realised or the liability is settled.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax balances, when they pertain to the same tax authorities, and when the Company plans to settle its current tax assets and liabilities on a net basis.

Non-current assets

Goodwill

Goodwill is not amortised, but is subject to impairment testing on a yearly basis or when specific events or changed circumstances indicate the possibility of a loss in value. After its initial recognition, goodwill is measured at cost net of any accumulated impairment loss.
Upon the sale of a company or part of a company whose previous acquisition gave rise to goodwill, account is taken of the residual value of the goodwill in determining the gain or loss from the sale.

[1] Autogrill International S.p.A. and Nuova Estral S.r.l., merged into Autogrill S.p.A. with retroactive effect from 1 January 2009, were also participants in the tax consolidation scheme of Edizione S.r.l.

Other intangible assets

"Other intangible assets" are recognised at purchase price or production cost, including ancillary charges, and amortized over their useful life when it is likely that use of the assets will generate future economic benefits.

The Company reviews their estimated useful life at each year end and whenever there is evidence of possible impairment losses.

If impairment losses arise – determined in accordance with the section on impairment losses on assets – the asset is impaired accordingly.

The following are the amortisation periods used for the various kinds of intangible assets:

Licenses and similar rights:	
Software licenses	3 years
License to sell state monopoly products	Term of license
Brands	20 years
Other:	
Application software	3 years
Other costs to be amortised	5 years or term of underlying contract

Property, plant and equipment

"Property, plant and equipment" are recognised when it is probable that use of the asset will generate future benefits and when the cost of the asset can be reliably determined.

They are stated at purchase price or production cost, including ancillary charges and direct or indirect costs according to the share that can reasonably be attributed to the assets.

On transition to IFRS, any revaluations carried out in accordance with monetary revaluation laws were maintained in the financial statements as they are consistent with IFRS 1.

Property, plant and equipment are systematically depreciated on a straight-line basis at rates deemed to reflect their estimated useful lives. The Company reviews the useful life of each asset at every year end. The cost of assets to be relinquished free of charge includes expenses (provided they meet the conditions set in IAS 37) that the entity reasonably estimates it will incur at the end of the contract period to ensure that the assets are handed back in the specified condition, assuming the usual frequency and extent of maintenance work. Components of significant value (in excess of € 500k) or with a different useful life (50% longer or shorter than that of the asset to which the component belongs) are considered separately when determining depreciation.

The depreciation rates are as follows:

Industrial buildings	3%
Plant and machinery	8%-33%
Industrial and commercial equipment	20%-33%
Furniture and fittings	10%-20%
Motor vehicles	25%
Other	12%-20%

Land is not depreciated.

For assets to be relinquished free of charge, these rates are replaced by those corresponding to the term of the concession contract, if higher.

An asset's useful life is reviewed annually, and is changed when maintenance work during the year has involved enhancements or replacements that materially alter its useful life.

Regardless of depreciation already recognised, if there are impairment losses (determined as described under "Impairment losses on assets"), the asset is impaired accordingly.

Costs incurred to enhance and maintain an asset that produce a material and tangible increase in its productivity or safety or extend its useful life are capitalised and increase the carrying amount of the asset. Routine maintenance costs are taken directly to the income statement.

Leasehold improvements are included in property, plant and equipment on the basis of the type of cost incurred. They are depreciated over the asset's residual useful life or the term of the contract, whichever is shorter.

Lease contracts are classified as finance leases if the terms of the contract are such to transfer all risks and rewards ownership to the lessee. All other lease contracts are treated as operating leases.

Assets acquired under finance leases are recognised at fair value as of the commencement date of the contract less ancillary charges and any expenses for replacing another party in the lease, or, if lower, at the present value of the minimum payments due under the contract. The corresponding liability to the lessor is charged to "Other financial liabilities". Lease payments are divided into principal and interest so as to attain a constant interest rate on the residual liability. Financial expense is recognised in the income statement.

Operating lease payments are recognised on a straight-line basis over the term of the lease. Benefits received or to be received, and those given or to be given, as incentives for taking out operating leases are also recognised on a straight-line basis over the term of the lease.

The gain or loss from the sale of property, plant or equipment is the difference between the net proceeds of the sale and the asset's carrying amount, and is recognised under "Other income" or "Other operating costs".

Investments

Equity investments in subsidiaries and other companies are measured at cost adjusted for impairment losses, as described below.

Impairment losses on assets

At each annual or interim reporting date, the Company tests whether there is evidence of impairment of its property, plant and equipment, intangible assets or investments. If so, the recoverable amount of the assets is estimated to determine any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs; a cash-generating unit is a group of assets that generates cash flows broadly independent from other assets or groups of assets. With regard to property, plant and equipment used in the sales network, this minimum aggregation unit is the point of sale or points of sale covered by a single concession agreement.

Goodwill is tested for impairment at each year end and any time there is evidence of possible impairment.

The recoverable amount is the higher of market value (fair value less costs to sell) and value in use. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Because the fair value of equity investments in subsidiaries and associates cannot be readily determined, their recoverable amount is taken as their estimated value in use, calculated by discounting the cash flows associated with their forecast results.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, it is reduced to the recoverable amount. Impairment losses are recognised in the income statement.

Impairment losses on cash-generating units are first deducted from the carrying amount of any goodwill attributed to the unit, and then from the other assets of the unit (or group of units) in proportion to their carrying amount.

If the reason for the impairment no longer exists, the asset or cash-generating unit is reversed to the new estimate of recoverable amount (except in the case of goodwill), which may not exceed the carrying amount net of depreciation/amortisation that the asset would have had if the impairment loss had not been charged. The reversal is taken immediately to the income statement.

Current assets and current and non-current liabilities

Inventories
Inventories are recognised at the lower of purchase or production cost and market value. Purchase or production cost includes directly attributable expenses, net of discounts, rebates, annual bonuses and similar promotions, calculated using the FIFO method.

Financial assets and liabilities

Trade and other receivables
Trade receivables and other receivables are initially recognised at fair value, and subsequently at amortised cost using the effective interest method. They are impaired to reflect estimated impairment losses.

In accordance with IAS 39, factoring transactions are reported by derecognising the factored assets if the contract entails the full transfer of contractual rights to receive cash flows from the asset, and the Company has substantially transferred all of the risks and rewards of ownership. The difference between the carrying amount of the asset transferred and the amount received is recognised in the income statement.

Other financial assets
"Other financial assets" are recognised and derecognised on the trade date and are initially measured at fair value, including direct acquisition costs.

On subsequent reporting dates, the financial assets that the Company has the intention and capacity to hold to maturity (held to maturity investments) are measured at amortised cost net of impairment losses.

Financial assets other than those held to maturity are classified as held for trading or available for sale and are measured at each year end at fair value. If the financial assets are held for trading, gains and losses arising from changes in fair value are recognised in that year income statement. Fair value gains and losses on other financial assets available for sale are recognised directly in comprehensive income and presented under equity until they are sold or impaired. In this case total gains or losses previously recognised in equity are taken to the income statement.

Share capital and purchase of own shares
Ordinary shares form part of equity.

If own shares are purchased, the amount paid – including directly attributable expenses and net of tax effects – is deducted from equity. The shares thus purchased are classified as treasury shares and reduce the amount of total equity. The amount received from the subsequent sale or re-issue of treasury shares is added back to equity. Any positive or negative difference from the transaction is transferred to or from retained earnings.

Cash and cash equivalents
"Cash and cash equivalents" include cash and current accounts with banks and post offices, as well as demand deposits and other highly liquid short-term financial investments (maturity of three months or less) that are immediately convertible to cash; they are stated at face value as they are subject to no significant risk of impairment.

Loans, bank loans and overdrafts
Interest-bearing bank loans and account overdrafts are initially recognised at fair value taking account of the amounts received, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Trade payables
"Trade payables" are recognised at face value (which represents their fair value), and since the financial effect of payment deferral is not material, the carrying amount approximates the amortised cost.

Derivative financial instruments and hedge accounting
Autogrill's liabilities are exposed primarily to financial risks due to changes in interest and exchange rates.

To manage these risks the Company uses financial derivatives, mainly in the form of interest rate swaps, forward rate agreements, interest rate options, and combinations of these. Company policy is to convert part of floating-rate debt into fixed-rate. The use of derivatives is governed by policies duly approved by Autogrill S.p.A.'s Board of Directors, which establish precise written procedures concerning the use of derivatives in accordance with the Company's risk management strategies. Derivative contracts have been entered into with counterparties deemed to be financially solid, with the aim of reducing default risk to a minimum. The Company does not use derivatives for purely trading purposes, but rather to hedge identified risks.

See the policy described in section 3.2.6.
In accordance with IAS 39, derivative financial instruments used for hedging qualify for hedge accounting only if, at the inception of the hedge: (i) there is formal designation and documentation of the hedging relationship; (ii) the hedge is assumed to be effective; (iii) effectiveness can be reliably measured; (iv) the hedge is effective throughout the financial reporting periods for which it was designated.

All derivative financial instruments are initially measured at fair value, with the related transaction costs recognised in profit or loss when incurred. They are subsequently carried at fair value. More specifically, the fair value of forward exchange contracts is based on the listed market price, where available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current spot rate for the residual maturity of the contract using a risk-free interest rate (based on government securities).
Interest rate swaps are valued at the quotes listed by intermediaries. Such quotes are verified using cash flows estimated on the basis of the conditions and residual maturity of each contract, and using the year-end market interest rates of comparable instruments.

Fair value changes are measured as described below.

When financial instruments qualify for hedge accounting, the following rules apply:
- Fair value hedge. If a derivative financial instrument is designated as a hedge against changes in the fair value of a recognised asset or liability attributable to a particular risk that may affect profit or loss, the gain or loss arising from subsequent fair value accounting of the hedge is recognised in the income statement. The gain or loss on the hedged item attributable to the hedged risk adjusts its carrying amount and is recognised in profit or loss.
- Cash flow hedge. If a financial instrument is designated as a hedge against exposure to variations in the future cash flows of a recognised asset or liability or a forecast transaction that is highly probable and could affect profit or loss, the effective portion of the gain or loss on the financial instrument is recognised in comprehensive income and presented in the "hedging reserve" under equity. The cumulative gain or loss is reversed from comprehensive income and recognised in profit or loss in the same year in which the hedged transaction is recognised. Fair value gains and losses associated with a hedge (or part of a hedge) which has become ineffective are recognised in the income statement immediately. If a hedge or a hedging relationship is closed, but the hedged transaction has not yet taken place, the gains or losses accrued up to that time in the statement of comprehensive income are reclassified to profit or loss as soon as the transaction occurs. If the transaction is no longer expected to take place, the gains or losses not yet realised that have been included in comprehensive income are reclassified immediately to profit or loss.

If hedge accounting does not apply, the gains or losses arising from measurement at fair value of the financial derivative are immediately recognised in the income statement.

Provisions for risks and charges
Provisions are recognised when the Company has a present obligation as a result of a past event and will likely have to use resources in order to produce economic benefits that satisfy that obligation, and when the amount of the obligation can be reliably determined. Provisions are based on the best estimate of the cost of fulfilling the obligation as of the reporting date, and when the effect is material, are discounted to their present value.

Foreign currency transactions
Transactions in foreign currencies are converted into the functional currency at the exchange rate in effect on the transaction date. Foreign currency assets and liabilities are converted at the year end exchange rate. Exchange differences arising from translation are recognised in the income statement.

Use of estimates
The preparation of the financial statements and notes there to in accordance with IFRS requires management to make estimates and assumptions that affect the carrying amounts of assets and liabilities and the disclosure about contingent assets and liabilities at the year end. Actual results may differ. Estimates are used to determine the fair value of financial instruments, allowances for impairement and inventory obsolescence, depreciation, amortization, impairment losses on assets, employee benefits, tax, and other provisions. Estimates and assumptions are periodically reviewed and the effect of any change is taken to the income statement of the current and future years.

4.2.2 **Notes to the statement of financial position**

Current assets

I. Cash and cash equivalents

This item decreased by € 12,369k (see the statement of cash flows for details).

The components of this item are summarised below.

(€k)	31.12.2009	31.12.2008	Change
Bank and post office deposits	9,071	15,170	(6,099)
Deposits in transit	24,194	30,325	(6,131)
Cash at sales outlets and HQ	6,599	6,738	(139)
Total	**39,864**	**52,233**	**(12,369)**

II. Other financial assets

Other financial assets are broken down as follows:

(€k)	31.12.2009	31.12.2008	Change
Financial receivables from subsidiaries	63,545	365,845	(302,300)
Fair value of exchange rate hedges	964	–	964
Total	**64,509**	**365,845**	**(301,336)**

"Financial receivables from subsidiaries" consists of € 64,509k in short-term loans including interest accrued, and € 3,756k in interest due on medium/long-term loans.

Most of the change in this item was due to:
- the partial reimbursement (€ 60,367k) and transfer to long-term loans (€ 176.798k) of the original € 237,165k (£ 225.9m) lent to World Duty Free Europe Ltd.;
- the repayment of loans by Autogrill Finance S.A. (€ 38,822k) and Holding de Participations Autogrill S.a.s. (€ 8,000k);
- the long-term loans of the amount borrowed by Autogrill Austria A.G. (€ 3,933k at 31 December 2009);
- cancellation of the € 7,400k due from Autogrill International S.p.A. as a result of that company's absorption;
- cancellation of the € 1,127k due from Nuova Estral S.r.l. as a result of that company's merger.

The "Fair value of exchange rate hedges" refers for € 900k to derivatives with a notional amount of € 28m (Cad 43m) and for € 64k to derivatives with a notional amount of € 2m (Czk 65m).

III. Tax assets

Tax assets of € 812k refers to the overpayment of IRAP (regional tax) advances with respect to the amount due for 2009.

IV. Other receivables

"Other receivables", totalling € 59,614k at 31 December 2009, are made up as follows:

(€k)	31.12.2009	31.12.2008	Change
Suppliers	32,661	34,828	(2,167)
Inland revenue, social security and other government agencies	280	197	83
Credit card receivables	116	–	116
Accrued income and prepayments	3,860	3,204	656
Other	22,697	8,702	13,995
Total	**59,614**	**46,931**	**12,683**

"Suppliers" refers chiefly to amounts receivable for promotional contributions and supplier bonuses.

Most of the change in "Other" relates to an IRES (corporate income tax) credit of € 11,323k, due from Edizione S.r.l. as a result of Autogrill's participation in the tax consolidation scheme.

The IRES credit originated from:
- the overpayment of advances in 2009 (€ 9,298k) with respect to actual IRES due on taxable income;
- the overpayment of IRES in previous years (€ 2,025k) due to recognition that IRAP paid from 2004 to 2007 should have been deductible (the Company has filed for a refund in accordance with Art. 6 of Decree Law 185/08).

At 31 December 2008 there was a net liability for IRES, which was therefore classified under "Other payables".

"Accrued income and prepayments" of € 3,860k includes the portion of concession fees pertaining to the subsequent year.

V. Trade receivables

Trade receivables of € 27,174k at 31 December 2009 are detailed below:

(€k)	31.12.2009	31.12.2008	Change
Third parties	22,194	21,009	1,185
Disputed receivables	7,845	6,150	1,695
Due from subsidiaries	4,885	5,132	(247)
Allowance for impairment	(7,750)	(7,311)	(439)
Total	**27,174**	**24,980**	**2,194**

"Third parties" refers mainly to catering service agreements and accounts with affiliated companies. "Disputed receivables" concerns accounts being pursued through the courts. "Due from subsidiaries" relates to trade transactions with Group companies, mainly for the sale of goods.

The allowance for impairement changed as follows:

(€k)	
Balance at 31.12.2008	**7,311**
Contribution from merger (Aviogrill S.r.l.)	47
Accrual	589
Utilisations	(197)
Balance at 31.12.2009	**7,750**

The Company has received bank guarantees from affiliates totalling € 4,591k to guarantee the payment of accounts.

VI. Inventories

Inventories consist of:

(€k)	31.12.2009	31.12.2008	Change
Food & beverage and retail items	33,731	32,164	1,567
State monopoly goods, lottery tickets and newspapers	21,203	16,227	4,976
Fuel and lubricants	1,323	1,600	(277)
Sundry merchandise and other items	1,438	1,489	(51)
Total	**57,695**	**51,480**	**6,215**

and are shown net of the obsolescence provision, which changed as follows:

(€k)	
Balance at 31.12.2008	**421**
Accrual	205
Utilisations	(26)
Balance at 31.12.2009	**600**

The increase of € 6,215k with respect to the previous year is due primarily to the introduction of new categories of merchandise and to the exceptional procurement of instant lottery tickets at the end of the year.

Non-current assets

VII. Property, plant and equipment

As follows:

(€k)	31.12.2009 Gross value	31.12.2009 Accumulated depreciation	31.12.2009 Accumulated impairment losses	31.12.2009 Carrying amount	31.12.2008 Gross value	31.12.2008 Accumulated depreciation	31.12.2008 Accumulated impairment losses	31.12.2008 Carrying amount
Land and buildings	38,928	(16,894)	(171)	21,863	46,434	(20,653)	(70)	25,711
Plant and machinery	45,445	(35,215)	(478)	9,752	46,875	(35,091)	(363)	11,421
Industrial and commercial equipment	264,975	(209,343)	(3,384)	52,248	254,865	(197,525)	(3,408)	53,932
Assets to be transferred free of charge	150,798	(103,734)	(599)	46,465	193,650	(149,840)	(532)	43,278
Other	29,064	(25,813)	(125)	3,126	28,207	(23,818)	(130)	4,259
Assets under construction and payments on account	17,718	–	–	17,718	27,222	–	–	27,222
Leasehold improvements	229,307	(164,310)	(6,071)	58,926	193,919	(131,229)	(5,430)	57,260
Total	**776,235**	**(555,309)**	**(10,828)**	**210,098**	**791,172**	**(558,156)**	**(9,933)**	**223,083**

Details of changes in all items are given in the table further on.

The increase of € 26,011k stems primarily from the construction of new stores and the renovation of existing locations, and from the replacement of obsolete plant, equipment and furnishings. Net decreases of € 4,803k mostly concern the sale of properties (€ 3,268k).

Impairment testing on property, plant and equipment led to the recognition of impairement losses as € 2,974k (€ 2,468k in 2008).

VIII. Goodwill

Goodwill shows a balance of € 78,787k, compared with € 76,919k at the close of 2008. Of the total, € 66,102k originated from the merger of Autogrill S.p.A. and Finanziaria Autogrill S.p.A. into Schemaventidue S.p.A. on the basis of their balance sheets at 31 December 1996 and € 10,817k from the acquisition of other businesses.

The latter have been completely integrated by the business in charge of domestic retail operations ("Autogrill Italia"), to which the goodwill has been allocated in full.

The increase for the year is explained by goodwill on Aviogrill S.r.l. (€ 619k) and Nuova Estral S.r.l. (€ 1,249k), recognised when the two companies were merged.

The recoverability of goodwill is tested by estimating its value in use, defined as the present value of estimated future cash flows discounted at a rate reflecting the time value of money and specific risks as of the measurement date.

Future cash flows have been estimated on the basis of the 2010 budget and forecasts for 2011-2014. Cash flows beyond 2014 have been projected by extrapolating information from those forecasts and applying a nominal growth rate ("g"), which does not exceed the sector's long-term growth projections in Italy.

Below are the main assumptions used for impairment testing. Only the discount rate has changed since the previous year, to reflect market conditions at 31 December 2009:

	Forecast period	Terminal value calculation method Yield used	Forecast nominal growth rate "g"	Discount rate after taxes		Discount rate before taxes	
				31.12.2009	31.12.2008	31.12.2009	31.12.2008
Food & Beverage Italy	5 years	Perpetual	2.00%	7.15%	7.57%	9.85%	10.16%

To estimate cash flows for the period 2010-2014, management made a number of assumptions, including an estimate of air and road traffic volumes and thus of the future growth of sales, operating costs, investments, and changes in working capital. More specifically, revenue growth was set to average 2.7% per year. This assumes a moderate recovery in motorway traffic and a renewal rate for expiring contracts in line with the Group's track record. Operating costs are expected to rise as a percentage of revenue as leases and concession contracts expire, reflecting a probable increase in rent.

On the basis of these assumptions, the recognised amount of goodwill was found to be fully recoverable.

An analysis of sensitivity to changes in the growth rate for terminal value and in the discount rate has confirmed that the carrying amount of goodwill is fully recoverable even in the case of extremely prudent WACC and g rate estimates.

IX. Other intangible assets

	31.12.2009				31.12.2008			
(€k)	Historical cost	Accumulated amortisation	Accumulated impairment losses	Carrying amount	Historical cost	Accumulated amortisation	Accumulated impairment losses	Carrying amount
Concessions, licenses, brands and similar rights	44,708	(16,245)	(212)	28,251	41,869	(12,940)	(216)	28,713
Assets under development and payment on account	3,429	–	–	3,429	14,941	–	–	14,941
Other	39,724	(30,380)	(1,390)	7,954	35,216	(26,954)	(1,390)	6,872
Total	**87,861**	**(46,625)**	**(1,602)**	**39,634**	**92,026**	**(39,894)**	**(1,606)**	**50,526**

"Concessions, licenses, brands and similar rights" refer mainly to licenses for the sale of goods held under state monopoly and to proprietary brands. Most of the change stems from an increase in licenses for new openings (€ 170k), the renewal of expired licenses (€ 1,831k), and the purchase/renewal of software licenses (€ 670k).

"Assets under development and payments on account" refers to investments in new software applications that are not yet in use.

The item "Other" relates mainly to software developed as part of the Company's IT development plan.

With the exception of goodwill, no intangible assets have an indefinite useful life.

Changes in other intangible assets and property, plant and equipment

Intangible assets

(€k)	31.12.2008 Gross carrying amount	Accumulated amortisation and impairment losses	Net carrying amount	Changes in gross carrying amount Increases	Decreases	Other movements	Contribution from merger	Total
Concessions, licenses, brands and similar rights	41,869	(13,156)	28,713	2,671	(402)	492	78	2,839
Assets under development and payments on account	14,941	–	14,941	3,209	(217)	(14,504)	–	(11,512)
Other	35,216	(28,344)	6,872	3,018	(12)	1,327	175	4,508
Total	**92,026**	**(41,500)**	**50,526**	**8,898**	**(631)**	**(12,685)**	**253**	**(4,165)**

Property, plant and equipment

(€k)	31.12.2008 Gross carrying amount	Accumulated depreciation	Net carrying amount	Changes in gross carrying amount Increases	Decreases	Other movements	Assets/ liabilities from merger	Total
Non-industrial land	5,482	–	5,482	–	(3)	–	–	(3)
Industrial land and buildings	40,952	(20,723)	20,229	165	(8,283)	615	–	(7,503)
Plant and machinery	46,875	(35,454)	11,421	651	(3,152)	1,070	1	(1,430)
Industrial and commercial equipment	254,865	(200,933)	53,932	7,568	(5,493)	7,592	443	10,110
Assets to be transferred free of charge	193,650	(150,372)	43,278	4,359	(29,281)	(17,930)	–	(42,852)
Other	28,207	(23,948)	4,259	444	(100)	506	7	857
Assets under construction and payments on account	27,222	–	27,222	7,715	(431)	(16,788)	–	(9,504)
Leasehold improvements	193,919	(136,659)	57,260	5,110	(7,763)	37,620	421	35,388
Total	**791,172**	**(568,089)**	**223,083**	**26,011**	**(54,506)**	**12,685**	**872**	**(14,937)**

Amortisation/impairment losses						31.12.2009		
Increase								
Amortisation	Impairment losses	Decreases	Other movements	Contribution from merger	Total	Gross carrying amount	Accumulated amortisation and impairment losses	Net carrying amount
(3,619)	(3)	360	–	(39)	(3,301)	44,708	(16,457)	28,251
–	–	–	–	–	–	3,429	–	3,429
(3,262)	–	13	(2)	(175)	(3,426)	39,724	(31,770)	7,954
(6,881)	**(3)**	**373**	**(2)**	**(214)**	**(6,727)**	**87,861**	**(48,227)**	**39,634**

Depreciation/impairment losses						31.12.2009		
Increase								
Depreciation	Impairment losses	Decreases	Other movements	Assets/ liabilities from merger	Total	Gross carrying amount	Accumulated depreciation	Net carrying amount
–	–	–	–	–	–	5,479	–	5,479
(1,074)	(753)	5,485	–	–	3,658	33,449	(17,065)	16,384
(2,647)	(109)	2,532	(14)	(1)	(239)	45,445	(35,693)	9,752
(16,289)	–	4,811	(109)	(207)	(11,794)	264,975	(212,727)	52,248
(9,361)	(67)	29,380	26,087	–	46,039	150,798	(104,333)	46,465
(2,078)	–	103	(10)	(5)	(1,990)	29,064	(25,938)	3,126
–	–	–	–	–	–	17,718	–	17,718
(13,467)	(2,041)	7,890	(25,952)	(152)	(33,722)	229,307	(170,381)	58,926
(44,916)	**(2,970)**	**50,201**	**2**	**(365)**	**1,952**	**776,235**	**(566,137)**	**210,098**

X. Investments

Investments at 31 December 2009 were worth € 623,418k: € 623,400k in subsidiaries and € 18k in other companies.

Movements during the year are shown below:

	31.12.2008		
(€k)	Cost	Impairment losses	Net carrying amount
Autogrill International S.p.A.	530,556	–	530,556
Autogrill Finance S.A.	250	–	250
Autogrill Deutschland GmbH (formerly HMSHost Europe GmbH)	25,353	–	25,353
Autogrill Germany GmbH	25	–	25
Aviogrill S.r.l.	783	–	783
Autogrill D.o.o.	3,464	(3,068)	396
Autogrill Belux N.V.	46,375	–	46,375
Alpha Retail Italia S.r.l.	900	–	900
Autogrill Overseas Inc.	–	–	–
Trentuno S.p.A.	12,240	–	12,240
Nuova Estral S.r.l.	144	(144)	–
Nuova Sidap S.r.l.	1,220	(1,220)	–
Autogrill Austria A.G.	–	–	–
Autogrill Schweiz A.G.	–	–	–
Autogrill España S.A.U.	–	–	–
Autogrill Hellas E.p.E.	–	–	–
Autogrill Europe Nord-Ouest S.A.	–	–	–
Autogrill Polska Sp.z.o.o.	–	–	–
HMSHost Sweden A.B.	–	–	–
HMSHost Ireland Ltd.	–	–	–
Autogrill Catering UK Ltd.	–	–	–
Other	18	–	18
Total	**621,328**	**(4,432)**	**616,896**

The more important changes concern:

- the contribution from the merger of Autogrill International S.p.A.;
- the formation of Autogrill Polska Sp.z.o.o. on 25 February 2009;
- the acquisition of 100% of HMSHost Sweden A.B., HMSHost Ireland Ltd. (from Autogrill Deutschland, formerly HMSHost Europe GmbH) and Autogrill Catering UK Ltd. (from World Duty Free Europe Ltd.), previously indirect subsidiaries, as part of the overhaul of the Group's holding structure to further the integration of the groups acquired in previous years. These investments are carried at cost;
- the derecognition of the investment in Trentuno S.p.A. by € 6,039k;

Movements					31.12.2009		
Absorption	**Contribution from merger**	**Increases**	**Decreases**	**Impairment losses**	**Cost**	**Impairment losses**	**Net carrying amount**
(530,556)	–	–	–	–	–	–	–
–	–	–	–	–	250	–	250
–	–	25	–	–	25,378	–	25,378
–	–	–	(25)	–	–	–	–
(783)	–	–	–	–	–	–	–
–	–	–	–	–	3,464	(3,068)	396
–	–	–	–	–	46,375	–	46,375
–	–	800	–	(800)	900	–	900
–	217,406	–	–	–	217,406	–	217,406
–	–	–	–	(6,039)	12,240	(6,039)	6,201
–	–	–	–	–	144	(144)	–
–	–	533	–	–	1,753	(1,220)	533
–	13,271	–	–	–	13,271	–	13,271
–	91,000	–	–	–	91,000	–	91,000
–	28,783	–	–	–	28,783	–	28,783
–	2,791	–	–	–	2,791	–	2,791
–	168,606	–	–	–	168,606	–	168,606
–	–	358	–	–	358	–	358
–	–	6,005	–	–	6,005	–	6,005
–	–	13,500	–	–	13,500	–	13,500
–	–	1,647	–	–	1,647	–	1,647
–	–	–	–	–	18	–	18
(531,339)	**521,857**	**22,868**	**(25)**	**(6,839)**	**633,889**	**(10,471)**	**623,418**

Autogrill S.p.A.'s share of Alpha Retail Italia S.r.l. increased when it waived reimbursement of the amount contributed to cover the investee's losses. The investment was impaired accordingly.

The following table provides key data on subsidiaries at 31 December 2009 (see the annex for a full list of equity investments in direct and indirect subsidiaries):

Name	Registered office	Currency	Share capital/ quota	Number of shares/quota (000)	Equity at 31.12.2009 *	2009 profit (loss) *	% held Directly	% held Indirectly	Carrying amount (€k)
Autogrill Finance S.A.	Luxembourg	Eur	250,000	25	(37)	(326)	99,996	0,004	250
Autogrill Deutschland GmbH	München (Germany)	Eur	205,000	1	26,953	(9,028)	100,0	–	25,378
Autogrill D.o.o.	Lubiana (Slovenia)	Eur	1,180,152	1	43	(356)	100,0	–	396
Autogrill Belux N.V.	Merelbeke (Belgium)	Eur	10,000,000	8,883	18,517	5,606	99,999	0,001	46,375
Alpha Retail Italia S.r.l.	Fiumicino	Eur	10,000	0,001	724	(494)	100,0	–	900
Trentuno S.p.A.	Trento	Eur	1,417,875	1,493	2,115	(744)	100,0	–	6,201
Nuova Sidap S.r.l.	Novara	Eur	100,000	0,001	252	(381)	100,0	–	533
Autogrill Overseas Inc.	Wilmington (USA)	Usd	33,793,055	1	355,900	(4,800)	100,0	–	217,406
Autogrill Schweiz A.G.	Olten (Switzerland)	Chf	23,183,000	10	63,071	27,425	43,14	56,86	91,000
Autogrill Espana S.A.U.	Madrid (Spain)	Eur	1,800,000	300	(35,997)	(81,630)	100,0	–	28,783
Autogrill Hellas E.p.E.	Avlona Attikis (Greece)	Eur	1,696,350	57	2,561	314	100,0	–	2,791
Autogrill Europe Nord-Ouest S.A.	Luxembourg	Eur	41,300,000	4,130	87,781	68,208	99,999	0,001	168,606
Autogrill Austria A.G.	Gottlesbrunn (Austria)	Eur	7,500,000	7,500	2,881	(4,760)	100,0	–	13,271
Autogrill Czech S.r.o.	Prague (Czech Republic)	Czk	61,000,000	–	(22,786)	(38,841)	100,0	–	–
Autogrill Polska Sp.z.o.o.	Wroclaw (Poland)	Pln	3,050,000	6,100	2,983	(67)	51,0	–	358
HMSHost Sweden A.B.	Stockholm (Sveeden)	Sek	2,500,000	25	31,269	1,179	100,0	–	6,005
HMSHost Ireland Ltd.	Togher, Cork (Ireland)	Eur	13,600,000	13,600	7,984	(206)	100,0	–	13,500
Autogrill Catering UK Limited	Bedfont Lakes (United Kingdom)	Gbp	116,358	116,358	(224)	181	100,0	–	1,647
Other		Eur	–	–	–	–	100,0	–	18
Total									**623,418**

* Figures expressed in thousands of euro

With the exception of Trentuno S.p.A., no impairment was found for the year.

The estimated recoverable amount of the investment in Trentuno S.p.A., calculated by discounting its estimated future cash flows, was found to be lower than the carrying amount which was therefore impaired to recoverable amount. The impairment loss of € 6,039k was recognized in the income statement.

XI. Other financial assets

These consist mainly of long-term loans due from Group companies:

(€k)	31.12.2009	31.12.2008	Change
Loans granted to:			
Autogrill España S.A.U.	1,250,737	1,117,265	133,472
World Duty Free Europe Ltd.	189,618	–	189,618
Autogrill Austria A.G.	10,099	–	10,099
Autogrill Czech S.r.o.	2,455	–	2,455
Alpha Retail Italia S.r.l.	250	–	250
Autogrill D.o.o.	200	–	200
Autogrill Group Inc.	–	93,411	(93,411)
Autogrill International S.p.A.	–	34,400	(34,400)
Other financial receivables	5,220	5,179	41
Total	**1,458,579**	**1,250,255**	**208,324**

All of these loans charge interest at market rates.

Most of the change in this item reflects:
- an increase of € 133,472k from Autogrill España S.A.U. That amount includes € 53,020k in new loans granted, € 50,000k for the subordinated loan originally granted by Autogrill International S.p.A. and acquired with that company's merger, and € 30,452k for the translation effect of applying the year-end traslation rate to the £ 400m loan granted in 2008. The loans given to Autogrill España S.A.U. to cover the cost of acquiring World Duty Free Europe Ltd. and 49.95% of Aldeasa S.A. in 2008 were fully covered by long-term bank debt. More specifically, Autogrill S.p.A. took out a € 1bn credit line with a pool of banking syndicate;
- a new long-term loan of £ 168.4m granted to World Duty Free Europe Ltd., equal to € 189,618k at 31 December 2009;
- Autogrill Group Inc.'s full reimbursement of a $ 130m loan received in October 2009;
- cancellation of the € 34,400k due from Autogrill International S.p.A. as a result of the company's merger;
- consolidation of the short-term loan due from Autogrill Austria A.G. for € 10,099k (€ 3,933k at 31 December 2008);
- new loans granted to Autogrill Czech S.r.o. for € 2,455k (Czk 65m), to Alpha Retail Italia S.r.l. for € 250k and to Autogrill D.o.o. for € 200k.

"Other financial receivables" consist mainly of guarantee deposits (€ 1,316k) and advance payments to oil companies in relation to concession contracts (€ 3,887k, compared with € 3,835k at the close of 2008).

XII. Other receivables

Most of the balance of € 15,756k (€ 18,117k at 31 December 2008) consists of concession fees paid in advance, primarily for motorway food & beverage operations. The decrease is explained by the reclassification to short-term receivables of the amount pertaining to 2010.

Current liabilities

XIII. Trade payables

These amount to € 292,728k, as follows:

(€k)	31.12.2009	31.12.2008	Change
Trade payables	290,469	280,551	9,918
Due to subsidiaries	2,259	1,299	960
Due to parents	–	61	(61)
Total	**292,728**	**281,911**	**10,817**

The change in "Trade payables" is explained by the portion relating to leases, rentals and concessions, which increased due to the new motorway contracts acquired at the end of 2008, while other trade payables showed a slight decrease in line with business volumes.

XIV. Other payables

With a balance of € 79,981k (€ 94,546k at 31 December 2008), these are made up as follows:

(€k)	31.12.2009	31.12.2008	Change
Deferred wages and salaries	26,602	23,705	2,897
Social security payables	16,350	15,142	1,208
Due to pension funds	2,546	2,491	55
Due for withholding tax on employee wages and salaries	8,152	7,208	944
Trade payables for purchase of fixed assets	13,501	18,619	(5,118)
Other tax liabilities	2,489	3,583	(1,094)
Other payables	10,341	23,798	(13,457)
Total	**79,981**	**94,546**	**(14,565)**

The change in deferred wages and salaries relates mostly to:
- an increase in the amount for incentives and bonuses (€ 4,440k);
- a reduction in the payable for holiday and personal leave (€ 1,160k).

The decrease in trade payables for the purchase of fixed assets reflects the trend in investments.
The change in "Other tax liabilities" relates chiefly to the lower VAT charge accrued in 2009 (€ 481k) with respect to the previous year (€ 1,480k).
Most of the decrease in "Other payables" concerns settlement of the amount due to Edizione S.r.l. for the domestic tax consolidation scheme. Because the Company overpaid IRES advances with respect to the actual charge, the balance for 2009 is shown under "Other receivables".

XV. Due to banks

Due to banks, totalling € 119,391k at the close of the year, refers to the current portion of the € 600m term loan recognised under "Loans net of current portion" and payable in March 2010 (€ 89,630k or £ 79.6m), short-term loans from major banks (€ 28,000k), and bank overdrafts (€ 1,761k).

XVI. Other financial liabilities

These amount to € 120,697k, an increase of € 25,992k on the previous year. Most of the balance is made up of:
- the fair value recognition of interest rate hedges (€ 68,019k) and currency hedges (€ 747k) outstanding at year end;
- short-term loans received from Host International of Canada Ltd. (€ 28,424k, or Cad 43m) and Autogrill Deutschland GmbH (€ 21,360k).

For further information on derivative financial instruments, see the Financial risk management section.

Non-current liabilities

XVII. Loans net of current portion

Credit line	Amount (€k)	Drawdowns In €k	In currency * (000)	Total in €k	Amount available (€k)	Expiry
2008 Syndicated line – Revolving credit facility	125,000	–	–	–	125,000	March 2013
2008 Syndicated line – Term loan facility 1	275,000	275,000	–	275,000	–	March 2013
2008 Syndicated line – Term loan facility 2	600,000	–	£399,000	448,046	–	March 2013
2008 Syndicated line	**1,000,000**	**275,000**	**£399,000**	**723,046**	**125,000**	
2007 Syndicated line – Revolving credit facility	500,000	350,000	–	350,000	150,000	May 2014
2007 Syndicated line	**500,000**	**350,000**	**–**	**350,000**	**150,000**	
2005 Syndicated line - Term loan	200,000	200,000	–	200,000	–	June 2015
2005 Syndicated line - Revolving credit facility	300,000	–	£77,000	86,702	213,298	June 2015
2005 Syndicated line	**500,000**	**200,000**	**£77,000**	**286,702**	**213,298**	
Total lines of credit	**2,000,000**	**825,000**	**£476,000**	**1,359,748**	**488,298**	

* Drawdowns in currency are valued based on exchange rates at 31 December 2009

Amounting to € 1,352,794k (€ 1,629,562k at 31 December 2008), this item consists of € 1,359,748k in bank loans net of € 6,954k in charges and fees.

The loans include a € 1,000m credit line arranged on 19 March 2008 and comprised of:
- a revolving credit facility of € 125m, due on 19 March 2013;
- a five-year term loan of € 275m, to be reimbursed in full at maturity (2013);
- a term loan of € 600m (drawn down entirely in British pounds for £ 477.5m), due on 19 March 2013 and repayable in three annual instalments of £ 79.6m each starting in 2010, plus a final payment of £ 238.7m at maturity. The short-term portion, due on 19 March 2010 (£ 79.6m), has been reclassified to other current financial liabilities.

Use of the term loans, which are specifically earmarked for the acquisitions of World Duty Free Europe Ltd. and 49.95% of Aldeasa S.A., provided the funds lent to the subsidiary Autogrill España S.A.U. which completed the acquisitions in 2008. The loans to the Spanish subsidiary are recognised as explained in note XI “Other financial assets”.

The revolving credit facility can be used to cover financial needs arising from the ordinary course of business, as well as acquisitions.

In addition to the above, non-current bank loans at 31 December 2009 are made up of:

- British pound drawdowns on a revolving credit facility of € 500m granted in May 2007, to be paid back in a single instalment by the end of May 2014;
- a € 200m loan to be paid back in a single instalment in June 2015;
- drawdowns on a revolving credit facility of € 300m granted in 2005, to be paid back in a single instalment in June 2012.

At 31 December 2009 the credit facilities maturing beyond one year had been drawn down by about 79.1%. Floating interest is charged on all bank loans. The average remaining life of bank loans is about 3.5 years.

The main long-term loan agreements require regular monitoring of financial ratios relating to debt coverage and interest coverage.

The ratios refer to the Autogrill Group as a whole; they set a maximum of 3.5 for the leverage ratio (net debt/EBITDA) but a minimum of 4.5 for interest coverage (EBITDA/net interest). In the event of acquisitions the leverage ratio can exceed 3.5, but not 4 for three half-year measurements (or six quarterly measurements), whether in a row or non-consecutive.

For the calculation of the leverage ratio and interest coverage, net debt, EBITDA and financial expense are measured according to definitions in the loan contracts and therefore differ from the amounts in the financial statements or aggregation thereof.

At 31 December 2009, as in all previous observation periods, these covenants were fully satisfied.

XVIII. Deferred tax assets

These amount to € 13,798k, as follows:

	31.12.2009		31.12.2008	
(€k)	**Temporary differences**	**Tax effect**	**Temporary differences**	**Tax effect**
Trade receivables	7,113	1,956	7,178	1,974
Non-current assets	(79,356)	(24,214)	(85,987)	(27,003)
Investments	(56,363)	(15,500)	(57,316)	(15,762)
Other payables	17,565	4,884	9,518	2,620
Post-employment benefits and other employee benefits	(4,101)	(1,127)	(7,807)	(2,053)
Provisions for risks and charges	13,411	4,168	20,865	6,508
Equity	58,310	16,035	93,800	26,570
Total tax effect		**(13,798)**		**(7,146)**

XIX. Post-employment benefits

Movements during the year were as follows:

(€k)	
Defined benefit plans at 31.12.2007	**80,132**
Current service costs	1,377
Interest expense	3,442
Benefits paid	(9,328)
Other	7
Defined benefit plans at 31.12.2008	**75,630**
Contribution from merger (Aviogrill S.r.l.)	176
Current service costs	1,024
Interest expense	3,219
Benefits paid	(8,372)
Transfers to subsidiaries	(112)
Other	(24)
Defined benefit plans at 31.12.2009	**71,541**

At 31 December 2009 the obligations for post-employment benefits (Art. 2120 of the Italian Civil Code) was € 77,566k.

Below, the present value of plan obligations is reconciled with the liability recognised at 31 December for 2009 and the previous two years:

(€k)	31.12.2009	31.12.2008	31.12.2007
Present value of plan obligations	68,734	78,665	77,197
Accumulated gains (losses) not recognised	2,807	(3,036)	2,935
Liability recognised	**71,541**	**75,630**	**80,132**

The actuarial gain for the year, € 5,842k, was not recognised as it is within the limit of ±10% of the present value of the plan obligations.

The actuarial assumptions used to calculate TFR are summarised in the table below:

	31.12.2009	31.12.2008
Discount rate	4.3%	4.3%
Inflation rate	2.5%	3.2%
Average frequency of termination	6.0%	6.0%
Average frequency of advances	2.0%	2.0%
Mortality table	RG 48	RG 48
Annual TFR increase	3.4%	3.9%

XX. Provisions for risks and charges

These amounted to € 14,852k at the end of 2009, a decrease of € 3,727k on the previous year.

(€k)	31.12.2008	Accruals	Utilisations	Reclassifications	31.12.2009
Other provisions:					
– for charges	15,369	1,247	(6,638)	273	10,251
– for legal risks	3,210	2,120	(837)	108	4,601
Total	**18,579**	**3,367**	**(7,475)**	**381**	**14,852**

Provisions for charges include an estimated of contractual expense, mostly for the motorway business. The change is due to the new definition of terms and conditions applicable to certain motorway concession contracts.

Provisions for legal risks (€ 4,601k, compared with € 3,210k at 31 December 2008) concern litigation with employees and with business counterparties.

XXI. Equity

Equity at 31 December 2009 amounts to € 610,156k.

Of the 2008 profit of € 18,305k, 5% (€ 915k) was allocated to the legal reserve as resolved by the annual general meeting of 21 April 2009; the remainder of € 17,390k was carried forward.

The following table details the possibility of the main components of equity:

(€k)	31.12.2009	Possibility use	Amount available
Share capital:	**132,288**	**–**	**–**
Income related reserves:			
Legal reserve	23,840	A, B	–
Hedging reserve	(42,272)	–	(42,272)
Other reserves and retained earnings *	434,503	A, B, C	417,448
Treasury shares	(944)	–	–

Key:
A: for capital increases
B: for loss coverage
C: for dividends
* Utilisations for the last three years

The share capital, fully subscribed and paid up at 31 December 2009, consists of 254,400,000 ordinary shares with a par value of € 0.52 each. This item is unchanged with respect to the previous year.

Legal reserve
The legal reserve amounts to € 23,840k and increased due to the allocation of 5% of the 2008 profit, as resolved by the AGM of 21 April 2009.

Hedging reserve
The balance of € –42,272k (€ –41,675k at 31 December 2008) corresponds to the effective portion of the fair value of derivatives designated as cash flow hedges.

Other reserves/Retained earnings

This item (€ 434,503k) includes the reserve arising on first-time adoption of IFRS in 2006, and the differences (surplus/deficit) resulting from derecognition of the 100% interests in the subsidiaries merged in 2009, as follows:

- for Autogrill International S.p.A.: deficit of € 5,078k;
- for Aviogrill S.r.l.: deficit of € 99k after allocating € 619k to goodwill;
- Nuova Estral S.r.l.: surplus of € 39k.

Reserve for the purchase of treasury shares

The annual general meeting of 21 April 2009, pursuant to Arts. 2357 et seq. of the Italian Civil Code, authorized the purchase and subsequent disposal of ordinary shares with a par value of € 0.52 up to a maximum of 12,720,000 shares and an amount not exceeding € 220,000k. There were no changes in this reserve during the year.

At 31 December 2009 the Group held 125,141 treasury shares with a total carrying amount of € 944k.

The following table breaks down the tax effect for items in the statement of comprehensive income:

	2009			2008		
(€k)	**Gross amount**	**Tax benefit/ (expense)**	**Net amount**	**Gross amount**	**Tax benefit/ (expense)**	**Net amount**
Effective portion of the fair value change of derivatives designated as cash flow hedges	(823)	226	(597)	(57,326)	15,764	(41,562)
Total other consolidated comprehensive income	**(823)**	**226**	**(597)**	**(57,326)**	**15,764**	**(41,562)**

4.2.3 **Notes to the income statement**

XXII. Revenue

Revenue decreased by 2.0% to € 1,324,149k and can be broken down as follows:

(€k)	2009	2008	Change
Food & beverage and retail sales	1,249,547	1,245,510	4,037
Fuel sales	43,707	54,661	(10,954)
Sales to affiliates and third parties	30,895	50,699	(19,804)
Total	**1,324,149**	**1,350,870**	**(26,721)**

"Food & beverage and retail sales" were up by 0.3% and are comprised chiefly of catering revenue of € 693,513k (€693,206k the previous year), sales of goods for € 201,888k (€ 196,828k in 2008), and sales of tobacco products, newspapers and lottery tickets for € 353,962k (€ 355,004k the previous year).

The decline in fuel sales is due mainly to the different mix, with a sharp increase in LPG and the transfer of a point of sale to the subsidiary Nuova Sidap S.r.l.

The main reason for the decrease in sales to affiliates and third parties is the fact that affiliates have procured their own lottery tickets and tobacco products since the start of the year.

XXII. Other operating income

Other operating income of € 76,095k increased by 10.9% on the previous year, due primarily to gains from the sale of assets, shown under "Other income and reimbursements".

(€k)	2009	2008	Change
Royalties and lease payments from affiliates	12,641	13,632	(991)
Contributions from suppliers	38,808	36,315	2,493
Other income and reimbursements	24,646	18,685	5,961
Total	**76,095**	**68,631**	**7,464**

In 2009 there was a decrease in royalties and lease payments from affiliates, caused by falling business volumes and the lower number of affiliates – from 97 at the end of 2008 to 84 a year later – while promotional contributions from suppliers increased.

XXIII. Raw materials, supplies and goods

Raw materials, supplies and goods decreased by € 34,840k, consistently with the reduction in sales:

(€k)	2009	2008	Change
Total purchases relating to food & beverage and retail sales:	**620,127**	**637,612**	**(17,485)**
– Merchandise and ingredients	257,424	262,383	(4,959)
– State monopoly products, newspapers and lottery tickets	321,252	322,529	(1,277)
– Fuel for resale	41,451	52,700	(11,249)
Products for sale to affiliates, third parties and subsidiaries	**26,101**	**43,456**	**(17,354)**
Total	**646,228**	**681,068**	**(34,840)**

XXIV. Personnel expense

Personnel expense totalled € 302,937k, an increase of 1.0% on the previous year:

(€k)	2009	2008	Change
Wages and salaries	221,940	218,564	3,376
Post-employment benefits	13,767	13,963	(196)
Social security contributions	65,557	65,313	244
Temporary workers	1,673	2,236	(563)
Total	**302,937**	**300,075**	**2,862**

The change in this item is due mainly to the increase in pay for incentives and bonuses.

The year-end numbers of full-time and part-time employees are shown below.

	31.12.2009			31.12.2008		
	Full-time	Part-time	Total	Full-time	Part-time	Total
Executives	66	–	66	67	–	67
Junior managers	529	5	534	492	6	498
White collars	801	165	966	842	166	1,008
Blue collars	3,643	6,061	9,704	3,708	6,078	9,786
Total	**5,039**	**6,231**	**11,270**	**5,109**	**6,250**	**11,359**

These figures include 30 junior employees and 2 managers seconded to subsidiaries.

The average headcount, expressed in terms of equivalent full-time employees, was 8,670 in 2009 (8,778 the previous year).

XXV. Leases, rentals, concessions and royalties

These increased by € 35,456k, due chiefly to the higher cost of new motorway catering contracts signed at the end of 2008:

(€k)	2009	2008	Change
Leases, rentals and concessions	174,440	138,418	36,022
Royalties for use of brands	1,278	1,230	48
Other fees	3	617	(614)
Total	**175,721**	**140,265**	**35,456**

XXVI. Other operating costs

Amounting to € 144,859k, these decreased by 6.8% due mostly to the optimisation of costs. In detail:

(€k)	2009	2008	Change
Utilities	33,038	34,136	(1,098)
Consulting services	12,097	14,648	(2,551)
Cleaning and maintenance	32,222	32,822	(600)
Advertising and market research	8,067	8,003	64
Sundry materials	3,789	4,585	(796)
Travel expenses	4,544	5,708	(1,164)
Equipment hire and lease	3,565	3,878	(313)
Data communication, telephone and postal charges	2,208	2,745	(537)
Security surveillance	1,180	1,284	(104)
Insurance	2,073	1,806	267
Logistics	14,072	14,628	(556)
Other operating cost	18,246	23,828	(5,582)
Costs for materials, services and other operating expenses	**135,101**	**148,071**	**(12,970)**
Taxes	**5,688**	**5,621**	**67**
Impairment losses on receivables	**589**	**291**	**298**
Provisions for risks and charges	**3,481**	**1,394**	**2,087**
Total	**144,859**	**155,377**	**(10,518)**

The most significant changes concerned:

- the cost of utilities, which decreased by 3.2% thanks to efforts to optimise the use of equipment and air conditioning in stores;
- consulting services, due to the completion of IT systems implementation at points of sale.

XXVII. Depreciation, amortisation and impairment losses

The total of €54,770k is broken down below:

(€k)	2009	2008	Change
Amortisation	6,881	5,048	1,833
Depreciation	44,916	39,908	5,008
Total amortisation and depreciation	**51,797**	**44,956**	**6,841**
Impairment losses on assets	2,973	2,714	259
Total	**54,770**	**47,670**	**7,100**

In 2009 there were impairment losses of € 2,973k, further to impairment testing based on the future estimated cash flow of stores, as explained in note VII.

XXVIII. Financial income

Financial income amounted to € 171,444k, as follows:

(€k)	2009	2008	Change
Dividends from subsidiaries	34,281	1,884	32,397
Interest from subsidiaries	60,623	58,852	1,771
Other interest	91	226	(135)
Exchange rate gains	63,494	150,733	(87,239)
Other income	12,955	18,383	(5,428)
Total	**171,444**	**230,078**	**(58,634)**

"Dividends from subsidiaries" consist of € 30,190k (Chf 45,723k) from Autogrill Schweiz A.G., € 3,091k from Autogrill Finance S.A., € 700k from Autogrill Hellas E.p.E. and € 299k from Aviogrill S.r.l.

Interest from subsidiaries stems from the financial intermediation provided by Autogrill S.p.A. to subsidiaries, mostly Autogrill España S.A.U. and World Duty Free Europe Ltd.

See note XI for further information.

Exchange rate gains, totalling € 63.5m, are made up primarily of € 30.5m on the £ 400m loan to the subsidiary Autogrill España S.A.U., € 17.3m on the £ 168.4m loan to World Duty Free Europe Ltd., and € 5.2m on the $ 130m loan to Autogrill Group Inc., which was repaid on 16 October 2009.

"Other income" refers mainly to € 4.1m and € 6.3m for the respective gains on forward contracts and interest rate swaps, as well as € 0.9m for the ineffective portion of interest rates swaps designated as cash flow hedges.

XXIX. Financial expense

Financial expense decreased by € 121.6m:

(€k)	2009	2008	Change
Exchange rate losses	65,724	156,180	(90,456)
Bank interest expense	30,292	75,617	(45,325)
Other financial expense	42,064	24,733	17,331
Financial expense on post-employment benefits	3,219	3,442	(223)
Discounting of other provisions	1,649	(219)	1,868
Interest paid to subsidiaries	698	278	420
Losses on sale of investments	–	5,219	(5,219)
Total financial expense	**143,646**	**265,250**	**(121,604)**

The decrease in bank interest expense relates to the gradual reduction in interest rates. The average rate in 2009 was 1.9%, compared with 5.1% in the previous year.
Exchange rate losses, totalling € 65.7m, refer to bank loans in currencies other than the euro taken out to cover the financial needs of subsidiaries operating in those currencies. Specifically, at 31 December 2009 Autogrill had used medium-term revolving credit facilities in the amount of £ 77m, as well as a £ 477.5 term loan for the acquisition of World Duty Free Europe Ltd.

Of the amount shown for "Other financial expense", € 39,716k concerns rate spreads on interest rate swaps, denominated:

- in British pounds for a notional £ 400m, to hedge part of the interest rate risk on the loan of £ 477.5m;
- in euros for a notional € 220m, to hedge part of the interest rate risk on the bank loan of € 275m, maturing in 2013;
- in euros for a notional € 120m, to hedge part of the interest rate risk on the bank loan of € 200m, maturing in 2015.

XXX. Adjustment to the value of financial assets

These amount to € 6,839k and refer to impairment losses on the following investments:

- Trentuno S.p.A. for € 6,039k;
- Alpha Retail Italia S.r.l. for € 800k.

See note X for details.

XXXI. Income tax

The total of € 33,947k consists of current taxes for corporate income tax (IRES) of € 17,377k and regional tax on productive activities (IRAP) of € 11,898k, as well as deferred taxes of € 4,672k.

Reconciliation of effective tax and theoretical tax for 2009:

	2009			2008		
(€k)	IRES 27.50%	IRAP 3.90%	Total 31.40%	IRES 27.50%	IRAP 3.90%	Total 31.40%
Pre-tax profit			**96,688**			**48,640**
Theoretical tax	**26,589**	**3,771**	**30,360**	**13,376**	**1,897**	**15,273**
Permanent differences:						
– Personnel expense	–	7,731	7,731	–	8,518	8,518
– Dividends and other financial components	(7,022)	(768)	(7,790)	2,480	1,500	3,980
– Other	2,725	372	3,097	1,375	597	1,972
Increase in regional tax rates	**–**	**549**	**549**	**–**	**592**	**592**
Reversal of previous years' temporary differences	3,853	54	3,907	(1,444)	18	(1,426)
Taxed temporary differences deductible in future years	(8,768)	189	(8,579)	12,182	(17)	12,165
Current taxes	**17,377**	**11,898**	**29,275**	**27,969**	**13,105**	**41,074**
Net temporary differences	**4,915**	**(243)**	**4,672**	**(10,738)**	**(1)**	**(10,739)**
Income tax	**22,292**	**11,655**	**33,947**	**17,231**	**13,104**	**30,335**

The increase in other permanent differences stems mainly from the impairment of investments and from expenses that are non-deductible on the basis of current tax laws.

In addition, pursuant to Art. 6 of Decree Law 185/08, Autogrill has filed for an IRES refund on approximately € 2,025k due to the tax authorities' recognition that IRAP paid from 2004 to 2007 should have been deductible. That benefit was recognised in the 2009 income statement.

4.2.4 **Net financial position**

The net financial position at the end of 2009 and 2008 is detailed below:

Note	(€m)	31.12.2009	31.12.2008	Change
I	A) Cash on hand	39,9	52,2	(12,3)
	B) Cash equivalents	–	–	–
	C) Cash and cash equivalents (A + B)	**39,9**	**52,2**	**(12,3)**
II	**D) Current financial assets**	**64,5**	**365,8**	**(301,3)**
	E) Due to bank, current	(1,8)	(4,8)	3,0
	F) Current portion of long-term loans	(89,6)	–	(89,6)
	G) Other current financial payables	(148,7)	(113,1)	(35,6)
XV-XVI	**H) Current financial debt (E + F + G)**	**(240,1)**	**(117,9)**	**(122,2)**
	I) Net current financial debt (H – D – C)	**(135,7)**	**300,1**	**(435,8)**
XI	**J) Non-current financial assets**	**1,458,6**	**1,250,3**	**208,3**
XVII	K) Non-current bank loans	(1,352,8)	(1,629,5)	276,7
	N) Non-current debt (K + L + M)	**(1,352,8)**	**(1,629,5)**	**276,7**
	O) Net non-current debt (N – J)	**105,8**	**(379,2)**	**485,0**
	P) Net debt (I + O)	**(29,9)**	**(79,1)**	**49,2**

For further commentary, see the notes indicated above for each item.

4.2.5 **Financial risk management**

Autogrill S.p.A. is exposed to the following categories of risk:

- market risk;
- credit risk;
- liquidity risk.

This section describes the Company's exposure to each of the risks listed above, its risk objectives and policies, and its means of managing and assessing these risks.

Market risk

Market risk is the risk that the fair value or future cash flows from a financial instrument may fluctuate due to changes in exchange rates, interest rates or equity instrument prices. The aim of market risk management is to monitor these risks and keep them within acceptable levels, along with their potential impact on the Company's results and financial position.

Autogrill's financial policy places a strong emphasis on the management and control of market risk, in particular with respect to interest rates and exchange rates, given the extent of the Company's borrowings and its international profile.

There is a single, centralised risk management unit for all Group companies.

Interest rate risk

The aim of interest rate risk management is to control finance cost within a risk limit, i.e., a range of variability of the amount of liabilities and/or the finance cost itself. This entails – through a mix of fixed- and floating-rate liabilities – the predetermination of a portion of financial expense out to a time horizon in keeping with the structure of debt, which in turn is to be in line with capital structure and future cash flows. Where it is not possible to obtain the desired risk profile in the capital markets or through banks, this is achieved by using derivatives of amounts and with maturities in line with those of the liabilities that are subject to this risk. The instruments used are mainly interest rate swaps.

Currently, the ratio of fixed-rate debt to net debt (i.e., net of financial assets, which are generally floating-rate) must as a matter of policy be in the range of 40 to 60% with reference to the Autogrill Group as a whole. At the moment, the Group complies with that range at just over 50%, although the percentage of fixed-rate debt is higher when considering debt denominated in British pounds and US dollars as opposed to debt in euros.

When applying the policy and procedures described above, interest rate risk management instruments were accounted for as cash flow hedges, and thus recognised as financial assets and liabilities with a specific balancing entry in the hedging reserve under equity. With regard to the instruments that tested effective, in 2009 Autogrill recognised a negative change of € 42,272k (net of the tax effect).

The details of IRS contracts at 31 December 2009 are as follows:

Interest rate risk

Underlying	Notional amount		Expiry	Average fixed rate paid	Floating rate received *	Fair value (€k)
€ 200m term loan	€k	120,000	24.06.2015	4.66%	3-month Euribor act/360	(13,295)
€ 275m term loan	€k	120,000	07.03.2013	4.59%	1-month Euribor +16.5 bps act/360	(10,291)
£ 477.5m term loan	£k	400,000	07.03.2013	5.39%	1-month BBA Gbp Libor +32 bps act/365	(38,726)

* In first quarter 2009 the Interest Rate Collars (notional amount of £ 250m) were converted into IRS for which Autogrill pays an average fixed rate of 5.16% and receives a floating monthly rate plus an average spread of 32bps

Interest rate collar

Underlying	Notional amount		Expiry	Cap	Floor	Floating rate received	Fair value (€k)
€ 275m term loan	€k	100,000	21.05.2010	5.44%-5.45%	4.07%-4.05%	Euribor 1 month act/360	(1,511)

The fair value of derivatives is measured using valuation techniques based on parameters other than price that can be observed in the open market. They can therefore be classified in level 2 of the fair value hierarchy, with no change on the previous year.

Currency risk

The objective of currency risk management is to neutralise this risk in respect of payables and receivables in foreign currency arising from lending transactions in currencies other than the euro. The derivatives used for these hedges are mainly bank loans contracted in the same currency, and to a minor degree, forward currency sales and purchases.

The transactions shown below are stated at their current amount and any change is charged to the income statement, against corresponding changes in the value of the related assets or liabilities.

The fair value of hedges outstanding at 31 December 2009 is as follows:

Currency	Notional amount	Expiry	Spot rate	Forward rate	Fair value (€k)
kCad	43,000	16.03.2010	1.5595	1.55880	900
kCzk	65,000	22.02.2010	25.700	25.8260	64
kChf	30,000	11.01.2010	1.5125	1.51130	(372)
kChf	30,000	11.01.2010	1.5125	1.51150	(375)

The fair value of derivatives is measured using valuation techniques based on parameters other than price that can be observed in the open market. They can therefore be classified in level 2 of the fair value hierarchy, with no change on the previous year.

Credit risk

Credit risk is the risk that a customer or a financial instrument counterparty may cause a financial loss by defaulting on an obligation. It arises principally in relation to trade receivables and financial investments.

The carrying amount of the financial assets is the Company's maximum exposure to credit risk, in addition to the face value of guarantees given for the borrowings or commitments of third parties.

Carrying amounts are shown below with prior-year figures for comparison:

(€k)	31.12.2009	31.12.2008	Change
Cash and cash equivalents	39,864	52,233	(12,369)
Other current financial assets	64,509	365,845	(301,336)
Trade receivables	27,174	24,980	2,194
Other current receivables	59,614	46,931	12,682
Other non-current financial assets	1,458,579	1,250,255	208,323
Total	**1,649,740**	**1,740,244**	**(90,506)**

Exposure to credit risk depends on the specific characteristics of each customer. Autogrill's business model, centred on the relationship with the end consumer, means that trade receivables and thus the relative degree of risk is of little significance in relation to total financial assets, since most sales are paid for in cash.

In most cases, the Company's trade receivables stem from catering service agreements and commercial affiliations.

Other receivables consist mainly of amounts due from Inland Revenue and other government agencies, fees paid in advance, and advances for services or commercial investments made on behalf of concession grantors, for which the degree of credit risk is low.

Financial assets are recognised net of impairment losses calculated on the basis of the counterparty's risk of default. Impairment is determined according to local procedures, which may require impairment of individual positions, if material, where there is evidence of an objective condition of uncollectability of part or all of the amount due, or generic impairment calculated on the basis of historical and statistical data.

Other current and non-current financial assets stem from loans granted to direct and indirect subsidiaries.

As discussed in note XI, "Other financial assets", other non-current financial assets include € 1,251m for the loan granted to Autogrill España S.A.U. for the acquisitions of Aldeasa S.A. and World Duty Free Europe Ltd., and € 190m for the loan granted to World Duty Free Europe Ltd. for the purchase of Autogrill Holding UK Plc. (formerly Alpha Group Holding Plc.), to further the process of integrating homogeneous operations conducted by companies in the United Kingdom.

The breakdown by region is as follows:

Current financial assets

	€k	%
Luxembourg	54,546	85.8%
Spain	3,170	5.0%
Italy	3,088	4.9%
United Kingdom	1,566	2.5%
Germany	789	1.2%
Austria	357	0.6%
Czech Republic	29	–
Total	**63,545**	**100.0%**

Non-current financial assets

	€k	%
Spain	1,250,737	85.8%
United Kingdom	189,618	13.0%
Austria	10,099	15.9%
Italy	5,470	0.4%
Czech Republic	2,455	3.9%
Slovenia	200	0.3%
Total	**1,458,579**	**100.0%**

Trade receivables are mainly governed by contractual relationships with affiliated companies, motorway partners or others under conventions. The Company's business model, focused on the final consumer, means that trade receivables are not materially significant in that sales are generally settled in cash. Affiliation entails the supply of merchandise and payment of royalties on the management of stores in Italy.

Motorway partnerships involve the sharing of expenses and capital expenditure on shared concession areas.

The following table shows the maturity of invoiced trade receivables by class of debtor, gross of impairment losses and excluding doubtful receivables (more than 90 days overdue).

(€k)		Receivables	Overdue	0-30	31-60	61-90	> 90
Franchises	26%	6,567	1,845	363	119	186	1,177
Special agreements	15%	3,725	1,988	421	457	237	874
Motorway partners	21%	5,389	5,152	798	166	682	3,506
Intercompany	18%	4,574	951	308	507	17	119
Other	20%	5,172	3,560	2,511	340	335	374
Total		**25,428**	**13,496**	**4,401**	**1,589**	**1,456**	**6,050**

First-demand bank guarantees are required on entering into affiliation agreements to cover exposure. As of 31 December 2009 these guarantees amounted to € 4,591k.

All current receivables are analysed monthly to determine potential collection problems, any action to be taken, and the adequacy of the allowance for impairment. At year end the allowance for impairment amounted to € 7,750k and was deemed sufficient with respect to existing credit risk.

Liquidity risk

Liquidity risk arises when it proves difficult to meet the obligations relating to financial liabilities.

The elements that make up the Company's liquidity are the resources generated or absorbed by operating and investing activities, the characteristics of its debt, and market conditions.

Autogrill S.p.A. has acted promptly to ensure adequate financial coverage with respect to amounts and maturities, and has no significant imminent payments to meet on existing loans.

Exposure and maturity data at 31 December 2009 and 31 December 2008 were as follows:

	31.12.2009						
		Contractual cash flows					
(€k)	Carrying amount	Total	1-3 months	3-6 months	6 months-1 year	1-5 years	Over 5 years
Bank accounts	1,761	1,761	1,761	–	–	–	–
Unsecured loans	1,477,378	1,477,378	117,630	–	–	1,359,748	–
Trade payables	290,469	290,469	290,469	–	–	–	–
Total	**1,769,608**	**1,769,608**	**409,860**	**–**	**–**	**1,359,748**	**–**

	31.12.2008						
		Contractual cash flows					
(€k)	Carrying amount	Total	1-3 months	3-6 months	6 months-1 year	1-5 years	Over 5 years
Bank accounts	4,809	4,809	4,809	–	–	–	–
Unsecured loans	1,656,916	1,656,916	18,350	–	–	1,060,155	578,411
Trade payables	280,551	280,551	280,551	–	–	–	–
Total	**1,942,276**	**1,942,276**	**303,710**	**–**	**–**	**1,060,155**	**578,411**

As for exposure to trade payables, there is no significant concentration of suppliers: the top 10 account for 38% of the total, the largest (Autostrade per l'Italia S.p.A.) for 13.7%, and the second largest (Consorzio Lotterie Nazionali) for 8.7%.

4.2.6 **Seasonal patterns**

The Company's performance is related to travel trends.

Business activity is above average in the second half of the year, mainly due to summer holiday traffic.

4.2.7 **Guarantees, commitments and contingent liabilities**

Guarantees given and commitments assumed come to € 642,877k, a decrease of € 1,678k on 2008:

(€k)	31.12.2009	31.12.2008	Change
Sureties and personal guarantees in favour of third parties	168,243	150,614	17,629
Sureties and personal guarantees in favour of subsidiaries	453,799	470,165	(16,366)
Other commitments and guarantees	20,835	20,419	416
Total	**642,877**	**641,198**	**1,679**

Sureties and personal guarantees in favour of third parties were issued in accordance with customary market practice. Most of the increase was caused by new leases and new catering and retail concessions.

Sureties and personal guarantees in favour of subsidiaries were issued to financial backers of direct or indirect subsidiaries. Most of the change reflects a decrease of € 15,732k for the adjustment to the euro/US dollar exchange rate of the guarantee on bond loans (nominal $ 520m) and on commitments (nominal $ 125m) in favour of Autogrill Group Inc.

Other commitments and guarantees refer to the value of third-party assets used by the Company.

4.2.8 **Operating leases**

For the purposes of these financial statements, the various kinds of contract by which the Company carries on its store business are defined as operating leases.
The management and provision of catering services along motorways or in airports is assigned by the motorway or airport operator to specialized companies under sub-concession arrangements. In railway stations, in addition to this kind of contract, there are also commercial leases. For operations conducted at trade fairs, shopping centers, and urban locations, the most common type of contract is a property lease or business rent.

It frequently occurs that a sub-concession for all the services of an entire motorway service area or airport terminal is assigned to a single entity, which then sub-assigns each individual service to a number of specialised firms.

The most common forms of agreement are the following.

1) **Access concession:** ownership of the land and buildings along the motorway is in the hands of a private firm (e.g. Autogrill S.p.A.), which negotiates access rights with the motorway company with the commitment to sell fuel and lubricants and/or food and beverages to motorway users. The firm accepts the obligation to pay rent to the motorway as well as certain stipulations regarding the way the services are to be provided and the hours of operation.

2) **Area concession:** the motorway company authorises an entity (i) to build a service station and/or shop/restaurant on land which it owns and (ii) to carry on this business against payment of a fee based on revenue, with certain stipulations regarding the way the services are to be provided and the hours of operation.
On expiry of the contract, the assets built for provision of services are to be relinquished free of charge to the motorway company.
Usually the holder of an area concession is a petrol company, which in turn can assign management of restaurant services to a specialised firm, generally through a business lease.

3) **Service concession:** the motorway operator authorises separate contractors by means of separate independent contracts to (i) build a service station and/or shop/restaurant on land which it owns and (ii) carry on this business against payment of a fee based on turnover, with certain stipulations regarding the way the services are to be provided and the hours of operation. On expiry of the contract, the assets built for this purpose are to be transferred free of charge to the motorway company.
Service concessions are also used in airport terminals where the contractor is authorised to sell food and beverages after installing the necessary equipment and furnishings at its own expense, against payment of a fee – usually based on revenue – and an agreement to guarantee service during the opening hours specified by the landlord. The contractor may have to transfer the assets free of charge when the concession expires, although this is fairly uncommon.

4) **Business lease and commercial lease:** leasing a business or parts thereof allows an operator to use rights and/or buildings, equipment etc. organised to serve food and beverage products. In some cases the business consists of an authorisation to operate and administrative licenses. In these cases the operator incurs the necessary capital expenditure and provides the service. In other cases, a firm leases a company consisting of both the authorization and the necessary buildings and equipment. Leasing a company in the concession business entails the obligation to ensure continuity of service and payment of a comprehensive fee which includes all amounts due to the landlord.
In a commercial lease, the operator uses buildings for business activity against payment of rent. The premises are equipped and furnished according to the specifications and at the expense of the operator, who must clear the premises when the lease expires.
These kinds of concession are common (i) along motorways, where there are area or service sub-concessions assigned to a petrol company, which then turns to a caterer, and (ii) in cities, railway stations and shopping centers, according to the business objectives of the owner of the property.
Business lease is preferred by shopping center management companies and sometimes in other business segments, with the aim of precluding fixed duration which, together with other rights (e.g., pre-emption and loss of goodwill), may be stipulated in commercial leases, and to ensure coordinated management of the administrative licenses to trade.

5) **Sub-contract:** the operator prepares and serves food and beverages using its own equipment and staff, and receives payment based on turnover (sales to the consumer). The party awarding the contract owns the property and has title to all the takings. This kind of agreement is used, for example, by the Milan Trade Fair.

The table below gives details by due date of the Company's future minimum lease payments at the close of the year, showing those concerning operations sub-leased to others:

	2009		
Year (€m)	**Total minimum lease payments**	**Total minimum sub-lease payments**	**Net minimum lease payments**
2010	107.8	2.7	105.1
2011	101 .1	2.7	98.4
2012	97.7	2.6	95.1
2013	91 .0	2.6	88.4
2014	64.0	2.0	62.0
Subsequent years	301 .9	5.5	296.4
Total	**763.5**	**18.1**	**745.4**

	2008		
Year (€m)	**Total minimum lease payments**	**Total minimum sub-lease payments**	**Net minimum lease payments**
2009	98.5	3.7	94.8
2010	93.9	3.1	90.8
2011	86.4	3.1	83.3
2012	81 .9	3.1	78.8
2013	77.3	3.1	74.2
Subsequent years	267.1	6.8	260.4
Total	**705.1**	**22.9**	**682.3**

The increase in future payments since the previous year is explained by the renewal of leases in 2009.

4.2.9 **Other information**

Related party transactions

All related-party transactions are carried out in the Company's interest and at arm's length.

Transactions with the Parent

Since 2006, the direct parent of Autogrill S.p.A. has been Schematrentaquattro S.r.l., controlled by Edizione S.r.l.

At 31 December 2008 the ultimate parent of Autogrill S.p.A. was Ragione S.A.p.A. di Gilberto Benetton e C.

Schematrentaquattro S.r.l. and Edizione S.r.l. are both based in Treviso and registred whit the Treviso Company Registrar.

In 2009 the Company had no direct transactions with Schematrentaquattro S.r.l.

By board resolutions dated 10 and 29 May 2007, the Company opted for the domestic tax consolidation scheme of Edizione S.r.l. for the years 2007-2009, pursuant to articles 117 to 129 of the Italian Consolidated Income Tax Act.

	Edizione S.r.l. [1]		
(€k)	**2009**	**2008**	**Change**
Income statement			
Revenue	3	–	3
Other operating income	90	–	90
Personnel expense	130	113	17
	31.12.2009	**31.12.2008**	**Change**
Statement of financial position			
Trade receivables	4	–	4
Other receivables	11,323	–	11,323
Other payables	130	14,838	(14,708)

"Other operating income" refers to services rendered by Autogrill concerning the use of equipped premises at its Rome offices.

Personnel expense refers to the accrual at 31 December 2009 of the fees due to two directors of Autogrill S.p.A., which was paid over to Edizione S.r.l. where the parties respectively serve as board member and executive manager. "Other payables" represent the remaining liability.

"Other receivables" refer to excess IRES (corporate tax) advances paid in 2009, net of the IRES liability on 2009 income (€ 9,298k), concerning the refund due for the deduction of IRAP (regional tax) paid from 2004 to 2007 (€ 2,025k). This credit was transferred to Edizione S.r.l. as a result of Autogrill's participation in the tax consolidation scheme for the period 2007-2009.

[1] With a deed dated 10 December 2008, Ragione S.A.p.A. di Gilberto Benetton e C. merged Edizione Holding S.p.A. with effect from 1 January 2009. From that date, Ragione S.A.p.A. di Gilberto Benetton e C. took over all of Edizione Holding S.p.A.'s rights and obligations and changed its name to Edizione S.r.l.

Transactions with companies under joint control

Income statement (€k)	Fabrica S.p.A. 2009	Fabrica S.p.A. 2008	Verde Sport S.p.A. 2009	Verde Sport S.p.A. 2008	Olimpias S.p.A. 2009	Olimpias S.p.A. 2008
Revenue	–	–	30	59	–	–
Other operating income	–	–	2	2	–	–
Other operating costs	67	112	65	67	106	63
Rentals, leases, concessions and royalties	–	–	–	–	–	–
Financial expense	–	–	–	–	–	–

Statement of financial position (€k)	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Trade receivables	–	–	16	16	–	–
Trade payables	22	105	39	2	65	38

More specifically:

- Atlantia Group: "Other operating income" refers to commissions on sales of Viacards (automatic toll collection cards), the contribution for the co-marketing initiative "Free coffee on the motorway", and the reimbursement of maintenance costs incurred on behalf of Autostrade per l'Italia S.p.A.
  Rent, concessions and royalties refer to concession fees and accessory costs pertaining to the year. Note that trade payables, originating from the same transactions, are especially high due to the revised payment schedule granted to retail operators for the balance on 2008 and advances on 2009.
  Financial expense reflects interest accrued at the annual rate of 5.50% in relation to the revised payment schedule granted to retail operators for 2009 concession fees.

- Olimpias S.p.A.: "Operating costs" refer to the purchase of uniforms for sales personnel and the purchase of sundry materials.

	Benetton Group S.p.A.		Bencom S.r.l.		Atlantia group		Edizione Property S.p.A.	
	2009	2008	2009	2008	2009	2008	2009	2008
	–	4	–	–	261	7	5	6
	–	–	411	367	3,344	1,973	–	–
	–	–	2	–	6,506	1,114	–	–
	73	53	–	–	69,396	52,122	–	–
	–	–	–	–	1,419	–	–	–

	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	–	1	773	875	1,081	1,760	7	–
	10	6	–	–	43,656	29,581	–	–

- Benetton Group S.p.A.: "Rentals, concessions and royalties" refer to the hire of meeting rooms.
- Verde Sport S.p.A.: "Revenue" and "Trade receivables" refer to sales of food & beverage products under the commercial affiliation contract for operating a Spizzico restaurant at La Ghirada - Città dello Sport.
- Fabrica S.p.A.: transactions refer to graphic design consulting and advertising production costs.
- Bencom S.r.l.: this company still holds a sub-lease for premises in Via Dante in Milan. "Other operating income" refers to rent and related charges for the year. All liabilities are current; the receivable from Bencom S.r.l. will be paid off in instalments over the residual life of the sub-lease.

Transactions with subsidiaries

	Autogrill Austria A.G.		Autogrill Schweiz A.G.		Autogrill Deutschland GmbH		Autogrill España S.A.U.	
Income statement (€k)	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Revenue	110	105	36	5	–	–	6	10
Other operating income	99	380	1,830	1,695	6	–	821	782
Financial income	84	145	30,190	–	22	243	51,856	45,440
Financial expense	–	–	–	136	42	1	–	–
Purchase of goods	–	–	–	–	–	–	–	–
Other operating costs	–	–	–	2	–	–	262	319
Rentals, leases, concessions and royalties	–	–	–	–	–	–	–	–

Statement of financial position (€k)	**31.12.2009**	**31.12.2008**	**31.12.2009**	**31.12.2008**	**31.12.2009**	**31.12.2008**	**31.12.2009**	**31.12.2008**
Trade payables	6	41	–	13	–	–	281	104
Financial payables	–	–	–	–	21,386	1,856	–	–
Trade receivables	125	374	550	688	7	20	286	438
Financial receivables	10,455	4,205	–	–	790	619	1,253,907	1,124,241
Other payables	116	–	274	–	15	–	248	–
Other receivables	57	–	87	–	20	–	50	–

	Autogrill Group Inc.		Autogrill Hellas E.P.E.		HMSHost Ireland Ltd.		HMSHost Sweden A.B.	
Income statement (€k)	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Revenue	–	–	101	148	–	–	–	–
Other operating income	(223)	80	97	47	8	–	6	1
Financial income	1,264	2,139	700	–	–	–	–	9
Financial expense	611	54	–	–	–	–	–	–
Purchase of goods	–	–	–	–	–	–	–	–
Other operating costs	1,043	182	–	8	–	–	–	–
Rentals, leases, concessions and royalties	–	–	–	–	–	–	–	–

Statement of financial position (€k)	**31.12.2009**	**31.12.2008**	**31.12.2009**	**31.12.2008**	**31.12.2009**	**31.12.2008**	**31.12.2009**	**31.12.2008**
Trade payables	293	182	54	3	–	–	–	–
Financial payables	28,439	14,762	–	–	–	–	–	–
Trade receivables	39	139	44	115	8	43	6	20
Financial receivables	–	93,502	–	–	–	–	–	–
Other payables	250	–	–	–	–	–	–	–
Other receivables	91	–	32	–	36	–	24	–

Aldeasa S.A.		Autogrill Coté France S.a.s.		Autogrill Finance S.A.		Autogrill Nederland B.V.	
2009	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
–	–	2	2	–	–	–	–
3	–	623	1,068	12	12	36	17
71	124	104	425	4,396	5,689	–	–
42	–	–	–	2	–	–	–
–	–	–	–	1,271	–	–	–
–	–	618	46	–	701	–	–
–	–	–	–	–	–	–	–

31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008
–	–	239	16	186	159	–	9
–	–	–	–	–	–	–	–
–	–	330	775	66	240	28	104
–	–	–	8,001	54,546	93,807	–	–
–	–	727	–	–	–	17	–
108	–	195	–	–	–	81	–

Autogrill D.o.o.		Autogrill Czech S.r.o.		Autogrill Belux N.V.		World Duty Free Europe Ltd.	
2009	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
–	5	1	–	–	–	–	–
4	3	2	50	71	23	607	610
–	–	29	–	–	–	5,836	2,273
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
–	–	–	63	11	–	–	22
–	–	–	–	–	–	–	–

31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008
–	–	52	52	10	17	83	26
–	–	–	–	–	–	–	–
2	16	24	72	3	75	1,506	967
200	–	2,484	–	–	–	191,184	237,965
15	–	22	–	30	–	500	–
4	–	12	–	117	–	569	–

Income statement (€k)	Autogrill Catering UK Ltd. 2009	Autogrill Catering UK Ltd. 2008	Autogrill Polska Sp.z.o.o. 2009	Autogrill Polska Sp.z.o.o. 2008	HMSHost Egypt Catering & Services Ltd. 2009	HMSHost Egypt Catering & Services Ltd. 2008
Revenue	–	–	3	–	–	–
Other operating income	3	–	–	–	1	–
Financial income	–	–	–	–	–	–
Financial expense	–	–	–	–	–	–
Purchase of goods	–	–	–	–	–	–
Other operating costs	–	–	–	–	–	–
Rentals, leases, concessions and royalties	–	–	–	–	–	–

Statement of financial position (€k)	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Trade payables	–	–	–	–	–	–
Financial payables	–	–	–	–	–	–
Trade receivables	3	–	1	–	1	–
Financial receivables	–	–	–	–	–	–
Other payables	–	–	–	–	–	–
Other receivables	–	–	–	–	–	–

Transactions with Autogrill S.p.A.'s subsidiaries are both financial and commercial in nature and are carried out at arm's length.

In December 2009, the "La Macchia Est" location came under new management and all assets and personnel were transferred from Autogrill S.p.A. to the subsidiary Nuova Sidap S.r.l.

During the year the Company made the following acquisitions:

- from Autogrill Deutschland GmbH: 100% of HMSHost Sweden A.B. and HMSHost Ireland Ltd., for respectively € 6,005k and € 13,500k; generating capital losses of respectively € 7,689k and € 100k for Autogrill Deutschland;
- from World Duty Free Europe Ltd.: 100% of Autogrill Catering UK Ltd. for £ 1,500k, leading to a capital loss of £ 1,799k for the seller.

The sale prices were based on the companies' statement of financial position as of the acquisition date and on estimated future earnings. They did not differ from those that would have been determined in a transaction between independent parties.

Nuova Sidap S.r.l.		Trentuno S.r.l.		Alpha Retail Italia S.r.l.		Total	
2009	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
2,677	1,748	2,418	2,636	–	–	5,353	4,660
620	702	278	603	49	10	4,953	6,082
38	130	–	–	15	17	94,604	56,634
–	–	–	–	–	–	698	191
–	–	–	–	–	–	1,271	–
231	–	83	27	–	21	2,247	1,392
–	–	–	–	–	–	–	–

31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008
661	145	425	438	–	22	2,291	1,226
–	–	14	–	–	–	49,839	16,618
677	410	1,141	761	38	12	4,884	5,267
3,055	2,879	1	–	269	469	1,516,890	1,565,688
–	–	–	–	–	–	2,213	–
–	–	–	–	17	–	1,501	–

Emoluments of key managers with strategic responsibilities

According to the Company's governance, strategic responsibilities are only held by the CEO and the Board of Directors. Their emoluments were as follows in 2009:

Name	Office held	Term of office	Emoluments (€)	Bonuses and other incentives (€)	Other fees (€)
Gilberto Benetton	Chairman	01.01-31.12.2009	50,400		
Gianmario Tondato da Ruos	CEO	01.01-31.12.2009	510,370	1,909,500	438,973
Alessandro Benetton	Director	01.01-31.12.2009	49,800		
Giorgio Brunetti	Director	01.01-31.12.2009	64,600		
Antonio Bulgheroni	Director	01.01-31.12.2009	64,400		
Francesco Giavazzi	Director	01.01-31.12.2009	50,400		
Javier Gomez-Navarro	Director	01.01-31.12.2009	49,800		
Arnaldo Camuffo	Director	01.01-31.12.2009	65,600		
Paolo Roverato (Edizione S.r.l.)	Director	01.01-31.12.2009	64,600		
Claudio Costamagna	Director	01.01-31.12.2009	63,200		
Gianni Mion (Edizione S.r.l.)	Director	01.01-31.12.2009	65,000		
Alfredo Malguzzi	Director	01.01-31.12.2009	79,800		
Total Directors			**1,177,970**	**1,909,500**	**438,973**

The fee related to the CEO includes the emoluments connected to the three-year incentive plan 2007-2009, to the annual bonus as well as the salary from Autogrill S.p.A., including post-employment benefits (TFR), accrued for the year.

The CEO's contract states that if he resigns with just cause or is dismissed by the Company without just cause, the Company will top up up to €2m the standard indemnity provided for in the national collective managers' contract for the commercial sector, when less than this amount.

Board of Statutory Auditors

Fees of the statutory auditors are as follows:

Name	Office held	Term of office	Emoluments (€)	Other fees (€)
Luigi Biscozzi	Chairman	01.01-31.12.2009	91,686	8,379
Eugenio Colucci	Standing Auditor	21.04-31.12.2009	57,740	5,801
Ettore Maria Tosi	Standing Auditor	01.01-31.12.2009	62,305	5,801
Gianluca Ponzellini	Standing Auditor	01.01-21.04.2009	1,611	–
Total Statutory Auditors			**213,342**	**19,981**

"Other fees" refer to the compensation accrued for statutory auditing duties at the subsidiary Nuova Sidap S.r.l.

Significant non-recurring events and operations

In 2009, there were no significant non-recurring events or transactions as defined by Consob's resolution 15519 and communication DEM/6064293.

Atypical or unusual transactions

No atypical or unusual transactions, as defined by Consob's notice DEM/28 of 2006 July 2006 and notice DEM/6064293 were performed in 2009.

4.2.10 **Subsequent events and business outlook**

Since the reporting date, no events have occurred that if known in advance would have entailed an adjustment to the figures reported.

4.2.11 **Authorisation to publish the financial statements**

The Board of Directors authorised the publication of these draft financial statements at its meeting of 4 March 2010.

List of investments held directly and indirectly in subsidiaries and associates

Company	Registered office	Country	Currency	Share/quota capital	% owned at 31.12.2009 Directly	Indirectly
Parent						
Autogrill S.p.A.	Novara	Italy	Eur	132,288,000		
Companies consolidated line-by-line:						
Alpha Retail Italia S.r.l.	Novara	Italy	Eur	10,000	100.000%	
Autogrill Austria A.G.	Gottlesbrunn	Austria	Eur	7,500,000	100.000%	
Autogrill Czech S.r.o.	Prague	Czech Republic	Czk	61,000,000	100.000%	
Autogrill D.o.o.	Lubiana	Slovenia	Eur	1,180,152	100.000%	
Autogrill Hellas E.P.E.	Avlona Attikis	Greece	Eur	1,696,350	100.000%	
Autogrill Overseas Inc.	Wilmington	USA	Usd	33,793,055	100.000%	
Autogrill Polska Sp.z.o.o.	Wroclaw	Poland	Pln	3,050,000	51 .000%	
HMSHost Ireland Ltd.	Cork	Ireland	Eur	13,600,000	100.000%	
HMSHost Sweden A.B.	Stockholm	Sveeden	Sek	2,500,000	100.000%	
Alpha Retail Catering Sweden A.B. (in liquidation)	Nyköping	Sveeden	Sek	61,816		100.000%
Nuova Sidap S.r.l.	Novara	Italy	Eur	100,000	100.000%	
Trentuno S.p.A.	Trento	Italy	Eur	1,417,875	100.000%	
Autogrill Catering UK Ltd	London	United Kingdom	Gbp	116,358	100.000%	
Restair UK Ltd.	London	United Kingdom	Gbp	1		100.000%
Autogrill España S.A.U.	Madrid	Spain	Eur	1,800,000	100.000%	
Autogrill Participaciones S.L.	Madrid	Spain	Eur	6,503,006		100.000%
Restauracion de Centros Comerciales S.A. (RECECO)	Madrid	Spain	Eur	108,182		85.000%
Autogrill Finance S.A.	Luxembourg	Luxembourg	Eur	250,000	99.996%	0.004%
Autogrill Europe Nord-Ouest S.A.	Luxembourg	Luxembourg	Eur	41,300,000	99.999%	0.001%
Autogrill Deutschland GmbH	Munich	Germany	Eur	205,000	100.000%	
HMSHost Egypt Catering & Services Ltd.	Cairo	Egypt	Egp	1,000,000		60.000%
World Duty Free Europe Ltd.	London	United Kingdom	Gbp	10,000,000		100.000%
Autogrill Holdings UK Plc.	London	United Kingdom	Gbp	24,249,234		100.000%
Autogrill Retail UK Ltd.	London	United Kingdom	Gbp	6,180,000		100.000%
Alpha Airports Group (Jersey) Ltd.	Jersey Airport, St. Peter	United Kingdom	Gbp	4,100		100.000%
Alpha Retail Ireland Ltd.	Dublin	Ireland	Eur	1		100.000%
Pratt & Leslie Jones Ltd.	London	United Kingdom	Gbp	8,900		100.000%
Alpha Flight Group Ltd.	London	United Kingdom	Gbp	2		100.000%
Alpha Flight UK Ltd.	London	United Kingdom	Gbp	190,000		100.000%
Alpha In-Flight Retail Ltd.	London	United Kingdom	Gbp	150,000		100.000%
Alpha Flight Ireland Ltd.	Dublin	Ireland	Eur	3		100.000%
Alpha Flight Services Overseas Ltd.	St. Helier	United Kingdom	Gbp	5,100		80.400%
Jordan Flight Catering Company Ltd.	Amman	Jordan	Jod	800,000		51 .000%

Company	Registered office	Country	Currency	Share/quota capital	% owned at 31.12.2009 Directly	Indirectly
Alpha Flight US Inc	Orlando	Florida	Usd	3,500,000		100.000%
Alpha Inflight US L.L.C.	Orlando	Florida	Usd	3,500,000		100.000%
Alpha Flight Services B.V.	Boesingheliede	The Netherlands	Eur	1,623,504		100.000%
Alpha Flight Services Pty. Ltd.	Broadbeach	Australia	Aud	30,515,000		51 .000%
Alpha ATS Pty Ltd.	Broadbeach	Australia	Aud	2		100.000%
Alpha Flight Services UAE	Sharjah	United Arab Emirates	Aed	2,000,000		49.000%
Alpha Airport Services EOOD	Sofia	Bulgaria	Lev	7,633,200		100.000%
Alpha Flight A.S.	Prague	Czech Republic	Czk	50,000,000		100.000%
Alpha Rocas S.A.	Otopeni	Romania	Ron	335,000		64.180%
Romanian Catering Services S.r.l.	Otopeni	Romania	Ron	38,400		44.926%
Alpha Airport Holdings B.V.	Boesingheliede	The Netherlands	Eur	74,874		100.000%
Alpha Kreol (India) Pvt Ltd.	Male	India	Inr	100,000		50.000%
Orient Lanka Ltd.	Fort Colombo	Sri Lanka	Lkr	30,000,000		99.000%
Alpha Airports Group Ltd.	London	United Kingdom	Gbp	2		100.000%
Alpha MVKB Maldives Pvt Ltd.	Male	Maldives	Mvr	20,000		60.000%
Alpha Airport Retail Holdings Pvt Ltd.	Mumbai	India	Inr	404,743,809		100.000%
Alpha Future Airport Retail Pvt Ltd.	Mumbai	India	Inr	97,416,000		100.000%
Autogrill Holdings UK Pension Trustee Ltd.	London	United Kingdom	Gbp	100		100.000%
Alpha ESOP Trustee Ltd.	London	United Kingdom	Gbp	100		100.000%
Alpha Euroservices Ltd.	London	United Kingdom	Gbp	100		100.000%
Alpha Airports Group (Channel Island) Ltd.	St. Heliers - Jersey	United Kingdom	Gbp	21		100.000%
Airport Catering Services (NI) Ltd.	London	United Kingdom	Gbp	2		100.000%
Alpha Airports (FURBS) Trustees Ltd.	London	United Kingdom	Gbp	26,000		100.000%
Airport Duty-Free Shops Ltd.	London	United Kingdom	Gbp	2		100.000%
Dynair B.V.	Schipolweg	The Netherlands	Eur	18,000		100.000%
Alpha Airfayre Ltd.	London	United Kingdom	Gbp	1,000		51 .000%
Alpha Heathrow Ltd.	London	United Kingdom	Gbp	3,136,000		51 .000%
Airfayre Heathrow Ltd.	London	United Kingdom	Gbp	1,503,146		51 .000%
Autogrill Belgie N.V.	Merelbeke	Belgium	Eur	26,250,000		100.000%
Ac Restaurants & Hotels Beheer N.V.	Merelbeke	Belgium	Eur	7,851,186		100.000%
Ac Restaurants & Hotels S.A.	Grevenmacher	Luxembourg	Eur	2,500,000		100.000%
Autogrill Nederland B.V.	Breukelen	The Netherlands	Eur	41,371,500		100.000%
Maison Ledeboer B.V.	Zaandam	The Netherlands	Eur	69,882		100.000%
Ac Holding N.V.	Breukelen	The Netherlands	Eur	150,000		100.000%
The American Lunchroom Co B.V.	Zaandam	The Netherlands	Eur	18,151		100.000%
Ac Apeldoorn B.V.	Apeldoorn	The Netherlands	Eur	45,378		100.000%
Ac Bodegraven B.V.	Bodegraven	The Netherlands	Eur	18,151		100.000%
Ac Heerlen B.V.	Heerlen	The Netherlands	Eur	23,143		100.000%
Ac Hendrik Ido Ambacht B.V.	Hendrik Ido Ambacht	The Netherlands	Eur	2,596,984		100.000%

Company	Registered office	Country	Currency	Share/quota capital	% owned at 31.12.2009 Directly	Indirectly
Ac Holten B.V.	Holten	The Netherlands	Eur	34,034		100.000%
Ac Leiderdorp B.V.	Leiderdorp	The Netherlands	Eur	18,151		100.000%
Ac Meerkerk B.V.	Meerkerk	The Netherlands	Eur	18,151		100.000%
Ac Nederweert B.V.	Weert	The Netherlands	Eur	34,034		100.000%
Ac Nieuwegein B.V.	Nieuwegein	The Netherlands	Eur	18,151		100.000%
Ac Oosterhout B.V.	Oosterhout	The Netherlands	Eur	18,151		100.000%
Ac Restaurants & Hotels B.V.	Breukelen	The Netherlands	Eur	90,756		100.000%
Ac Sevenum B.V.	Sevenum	The Netherlands	Eur	18,151		100.000%
Ac Vastgoed B.V.	Zaandam	The Netherlands	Eur	18,151		100.000%
Ac Vastgoed I B.V.	Zaandam	The Netherlands	Eur	18,151		100.000%
Ac Veenendaal B.V.	Veenendaal	The Netherlands	Eur	18,151		100.000%
Ac Zevenaar B.V.	Zevenaar	The Netherlands	Eur	57,176		100.000%
Holding de Participations Autogrill S.a.s.	Marseille	France	Eur	84,581,920		100.000%
Autogrill Aéroports S.a.s.	Marseille	France	Eur	2,207,344		100.000%
Autogrill Coté France S.a.s.	Marseille	France	Eur	31,579,526		100.000%
Société Berrichonne de Restauration S.a.s. (Soberest S.a.s.)	Marseille	France	Eur	288,000		50.010%
Société de la Porte de Champagne S.A. (SPC)	Perrogney	France	Eur	153,600		52.280%
Société de Restauration Autoroutière Dromoise S.a.s. (SRAD)	Marseille	France	Eur	1,136,000		100.000%
Société de Restauration de Bourgogne S.A. (Sorebo S.A.)	Marseille	France	Eur	144,000		50.000%
Société de Restauration de Troyes-Champagne S.A. (SRTC)	Marseille	France	Eur	1,440,000		70.000%
Société Régionale de Saint Rambert d'Albon S.A. (SRSRA)	St. Rambert d'Albon	France	Eur	515,360		50.000%
Volcarest S.A.	Riom	France	Eur	1,050,144		50.000%
Société de Gestion de Restauration Routière (SGRR S.A.)	Marseille	France	Eur	1,537,320		100.000%
Vert Pré Saint Thiebaut SCI	Nancy	France	Eur	457		100.000%
TJ2D S.n.c.	Nancy	France	Eur	1,000		100.000%
Autogrill Restauration Services S.a.s.	Marseille	France	Eur	15,394,500		100.000%
Autogrill Gares Province S.àr.l.	Marseille	France	Eur	274,480		100.000%
Autogrill Gares Métropoles S.àr.l.	Marseille	France	Eur	4,500,000		100.000%
Autogrill Restauration Carrousel S.a.s.	Marseille	France	Eur	2,337,000		100.000%
La Rambertine S.n.c.	St. Rambert d'Albon	France	Eur	1,524		100.000%
Autogrill Commercial Catering France S.a.s.	Marseille	France	Eur	2,916,480		100.000%
Autogrill Centres Commerciaux S.àr.l.	Marseille	France	Eur	501,900		100.000%
Autogrill FFH Auotoroutes S.àr.l.	Marseille	France	Eur	375,000		100.000%
Autogrill FFH Centres Villes S.àr.l.	Marseille	France	Eur	375,000		100.000%
SPB S.àr.l.	Marseille	France	Eur	4,500		100.000%

Company	Registered office	Country	Currency	Share/quota capital	% owned at 31.12.2009 Directly	Indirectly
Carestel Nord S.àr.l.	Mulhouse	France	Eur	76,225		100.000%
Autogrill Trois Frontières S.àr.l.	Marseille	France	Eur	621,999		100.000%
Autogrill Schweiz A.G.	Olten	Switzerland	Chf	23,183,000	43.140%	56.860%
Autogrill Pieterlen A.G.	Pieterlen	Switzerland	Chf	2,000,000		100.000%
Restoroute de Bavois S.A.	Bavois	Switzerland	Chf	2,000,000		73.000%
Restoroute de la Gruyère S.A.	Avry devant Pont	Switzerland	Chf	1,500,000		54.000%
Autogrill Group Inc.	Delaware	USA	Usd	225,000,000		100.000%
CBR Specialty Retail Inc.	Delaware	USA	Usd	–		100.000%
HMSHost Corp.	Delaware	USA	Usd	–		100.000%
HMSHost Europe Inc.	Delaware	USA	Usd	–		100.000%
HMSHost International Inc.	Delaware	USA	Usd	–		100.000%
HMSHost Tollroads Inc.	Delaware	USA	Usd	–		100.000%
HMSHost USA L.L.C.	Delaware	USA	Usd	–		100.000%
Host International Inc.	Delaware	USA	Usd	–		100.000%
Cincinnati Terminal Services Inc.	Delaware	USA	Usd	–		100.000%
Cleveland Airport Services Inc.	Delaware	USA	Usd	–		100.000%
HMS-Airport Terminal Services Inc.	Delaware	USA	Usd	1,000		100.000%
HMS B&L Inc.	Delaware	USA	Usd	–		100.000%
HMS Holdings Inc.	Delaware	USA	Usd	1,000		100.000%
HMS Host Family Restaurants Inc.	Maryland	USA	Usd	2,000		100.000%
HMS Host Family Restaurants L.L.C.	Delaware	USA	Usd	–		100.000%
Gladieux Corporation	Ohio	USA	Usd	750		100.000%
Host (Malaysia) Sdn.Bhd.	Kuala Lumpur	Malaysia	Myr	–		100.000%
Host Gifts Inc.	California	USA	Usd	100,000		100.000%
Host International of Canada Inc.	Vancouver	Canada	Cad	75,351,237		100.000%
Host Canada Ltd. Partnership	Vancouver	Canada	Cad	–		100.000%
SMSI Travel Centres Inc.	Toronto	Canada	Cad	–		100.000%
Host International of Kansas Inc.	Kansas	USA	Usd	1,000		100.000%
Host International of Maryland Inc.	Maryland	USA	Usd	79,576		100.000%
HMS Host USA Inc.	Delaware	USA	Usd	–		100.000%
Host of Holland B.V.	Amsterdam	The Netherlands	Eur	–		100.000%
Horeca Exploitatie Maatschappij Schiphol B.V.	Amsterdam	The Netherlands	Eur	45,378		100.000%
Host Services Inc.	Texas	USA	Usd	–		100.000%
Host Services of New York Inc.	Delaware	USA	Usd	1,000		100.000%
Host Services Pty Ltd.	North Cairns	Australia	Aud	6,252,872		100.000%
Las Vegas Terminal Restaurants Inc.	Delaware	USA	Usd	–		100.000%
Marriott Airport Concessions Pty Ltd.	Melbourne	Australia	Aud	3,910,102		100.000%
Michigan Host Inc.	Delaware	USA	Usd	1,000		100.000%
The Gift Collection Inc.	California	USA	Usd	1,000		100.000%

Company	Registered office	Country	Currency	Share/quota capital	% owned at 31.12.2009 Directly	Indirectly
Turnpike Restaurants Inc.	Delaware	USA	Usd	–		100.000%
HMSHost Services India Private Ltd.	Bangalore	India	Inr	668,441,683		100.000%
HMS-Airport Terminal Services Inc.	Christchurch	New Zealand	Nzd	–		100.000%
HMSHost Singapore Pte Ltd.	Singapore	Singapore	Sgd	8,470,896		100.000%
AAI Investments Inc.	Delaware	USA	Usd	–		100.000%
Anton Airfood Inc. (AAI)	Virginia	USA	Usd	1,000		100.000%
AAI Terminal 7 Inc.	New York	USA	Usd	–		100.000%
AAI Terminal One Inc.	New York	USA	Usd	–		100.000%
Airport Architects Inc.	Washington	USA	Usd	–		100.000%
Anton Airfood JFK Inc.	New York	USA	Usd	–		100.000%
Anton Airfood of Cincinnati Inc.	Kentucky	USA	Usd	–		100.000%
Anton Airfood of Minneapolis Inc.	Minnesota	USA	Usd	–		100.000%
Anton Airfood of New York Inc.	New York	USA	Usd	–		100.000%
Anton Airfood of North Carolina Inc.	North Carolina	USA	Usd	–		100.000%
Anton Airfood of Ohio Inc.	Ohio	USA	Usd	–		100.000%
Anton Airfood of Rhode Island Inc.	Rhode Island	USA	Usd	–		100.000%
Anton Airfood of Texas Inc.	Texas	USA	Usd	–		100.000%
Anton Airfood of Virginia Inc.	Virginia	USA	Usd	–		100.000%
Palm Springs AAI Inc.	California	USA	Usd	–		100.000%
Anton Airfood of Boise Inc.	Idaho	USA	Usd	–		100.000%
Anton Airfood of Tulsa Inc.	Oklahoma	USA	Usd	–		100.000%
AAI Islip. Inc.	New York	USA	Usd	–		100.000%
Fresno AAI. Inc.	California	USA	Usd	–		100.000%
Anton Airfood of Newark. Inc.	New Jersey	USA	Usd	–		100.000%
Anton Airfood of Seattle. Inc.	Washington	USA	Usd	–		100.000%
Anton/JQ RDU Joint Venture	Delaware	USA	Usd	–		100.000%
Host Bush Lubbock Airport Joint Venture	Texas	USA	Usd	–		90.000%
Host/Diversified Joint Venture	Michigan	USA	Usd	–		90.000%
CS Host Joint Venture	Kentucky	USA	Usd	–		70.000%
Airside C F & B Joint Venture	Florida	USA	Usd	–		70.000%
Host Kahului Joint Venture Company	Hawaii	USA	Usd	–		90.000%
Host/Coffee Star Joint Venture	Texas	USA	Usd	–		50.010%
Host-Chelle-Ton Sunglass Joint Venture	North Carolina	USA	Usd	–		80.000%
Southwest Florida Airport Joint Venture	Florida	USA	Usd	–		80.000%
Host Honolulu Joint Venture Company	Hawaii	USA	Usd	–		90.000%
Host/Forum Joint Venture	Maryland	USA	Usd	–		70.000%
HMS/Blue Ginger Joint Venture	Texas	USA	Usd	–		55.000%
Savannah Airport Joint Venture	Georgia	USA	Usd	–		45.000%
Host/Aranza Services Joint Venture	Texas	USA	Usd	–		50.010%

Company	Registered office	Country	Currency	Share/quota capital	% owned at 31.12.2009 Directly	Indirectly
Host & Garrett Joint Venture	Mississippi	USA	Usd	–		75.000%
Tinsley - Host - Tampa Joint Venture	Florida	USA	Usd	–		49.000%
Phoenix - Host Joint Venture	Arizona	USA	Usd	–		70.000%
Host Taco Joy Joint Venture	Georgia	USA	Usd	–		80.000%
Minnesota Retail Partners. L.L.C.	Minnesota	USA	Usd	–		51 .000%
Host Chelsea Joint Venture	Texas	USA	Usd	–		65.000%
Host - Tinsley Joint Venture	Florida	USA	Usd	–		84.000%
Host / Tarra Enterprises Joint Venture	Florida	USA	Usd	–		75.000%
Metro-Host Joint Venture	Michigan	USA	Usd	–		70.000%
Ben-Zey/Host Lottery JV	Florida	USA	Usd	–		40.000%
Host D and D St. Louis Airport Joint Venture	Missouri	USA	Usd	–		75.000%
East Terminal Chilis Joint Venture	Missouri	USA	Usd	–		55.000%
Host - Chelsea Joint Venture #2	Texas	USA	Usd	–		75.000%
Host/LJA Joint Venture	Missouri	USA	Usd	–		85.000%
Host/NCM Atlanta E Joint Venture	Georgia	USA	Usd	–		75.000%
Houston 8/Host Joint Venture	Texas	USA	Usd	–		60.000%
Seattle Restaurant Associates	Washington	USA	Usd	–		70.000%
Bay Area Restaurant Group	California	USA	Usd	–		49.000%
Islip Airport Joint Venture	New York	USA	Usd	–		100.000%
Host - Prose Joint Venture II	Virginia	USA	Usd	–		70.000%
HMS Host/Coffee Partners Joint Venture	Texas	USA	Usd	–		50.010%
Host-Grant Park Chili's Joint Venture	Arizona	USA	Usd	–		60.000%
Host/JV Ventures McCarran Joint Venture	Nevada	USA	Usd	–		60.000%
Airside E Joint Venture	Florida	USA	Usd	–		50.000%
Host-CJ & Havana Joint Venture	California	USA	Usd	–		70.000%
Host/Howell-Mickens Joint Venture	Texas	USA	Usd	–		65.000%
Host/JQ RDU Joint Venture	North Carolina	USA	Usd	–		75.000%
MIA Airport Retail Partners Joint Venture	Florida	USA	Usd	–		70.000%
Host of Santa Ana Joint Venture Company	California	USA	Usd	–		75.000%
Host Marriott Services - D/FW Joint Venture	Texas	USA	Usd	–		65.000%
Host Marriott Services - D/FWorth Joint Venture II	Texas	USA	Usd	–		75.000%
Host - Prose Joint Venture III	Virginia	USA	Usd	–		51 .000%
Host Adevco Joint Venture	Arkansas	USA	Usd	–		70.000%
HMSHost Shellis Trans Air Joint Venture	Georgia	USA	Usd	–		60.000%
Host PJJD Jacksonville Joint Venture	Florida	USA	Usd	–		51 .000%
Host/JQ Raleigh Durham	North Carolina	USA	Usd	–		100.000%
CMH A&W Joint Venture	Ohio	USA	Usd	–		100.000%
Detroit Duty-Free Partners	Michigan	USA	Usd	–		50.000%

Company	Registered office	Country	Currency	Share/quota capital	% owned at 31.12.2009 Directly	Indirectly
Host Atlanta Duty-Free Joint Venture	Georgia	USA	Usd	–		25.000%
Host CTI Denver Airport Joint Venture	Colorado	USA	Usd	–		90.000%
Host Houston Joint Venture Company	Texas	USA	Usd	–		30.000%
Host International (Poland) Sp.zo.o.	Poland	Poland	Pln	–		100.000%
Host International of Canada (RD), Ltd.	Canada	Canada	Cad	–		100.000%
Host Jackson Joint Venture Company	Arizona	USA	Usd	–		75.000%
Host of Cleveland Joint Venture	Ohio	USA	Usd	–		74.000%
Host Services (France) S.a.s.	Paris	France	Eur	–		100.000%
Host Shellis Atlanta JV	Georgia	USA	Usd	–		70.000%
Host-RLW LasVegas Airport Joint Venture	Nevada	USA	Usd	–		40.000%
RDU A&W JV-Anton	North Carolina	USA	Usd	–		100.000%
Sarasota Joint Venture	Florida	USA	Usd	–		20.000%
Shenzhen Host Catering Company. Ltd.	Shenzhen	China	Cny	–		100.000%
Host/Howell - Mickens Joint Venture III	Texas	USA	Usd	–		51 .000%
Host-Chelsea Joint Venture #3	Texas	USA	Usd	–		63.800%
Autogrill Belux N.V.	Merelbeke	Belgium	Eur	10,000,000	99.999%	0.001%
Carestel Motorway Services N.V.	Merelbeke	Belgium	Eur	9,000,000		100.000%
Carestel Beteiligungs GmbH & Co. (in liquidation)	Stuttgart	Germany	Eur	25,000		100.000%
Aldeasa S.A.	Madrid	Spain	Eur	10,772,462		99.960%
Aldeasa Internacional S.A.	Madrid	Spain	Eur	5,409,000		100.000%
Aldeasa Chile Ltda.	Santiago	Chile	Usd	2,516,819		99.900%
Sociedad de Distribución Aeroportuaria de Canarias S.L.	Las Palmas	Spain	Eur	667,110		60.000%
Aldeasa Colombia Ltda.	Cartagena de Indias	Colombia	Cop	2,356,075,724		100.000%
Aldeasa México S.A. de C.V.	Cancun	Mexico	Mxn	60,962,541		100.000%
Transportes y Suministros Aeroportuarios S.A.	Madrid	Spain	Eur	1,202,000		100.000%
Aldeasa Cabo Verde S.A.	Isla de Sal	Cape Verde	Cve	6,000,000		100.000%
Prestadora de Servicios en Aeropuertos S.A. de C.V.	Cancun	Mexico	Mxn	50,000		100.000%
Panalboa S.A.	Panama	Panama Republic	Pab	150,000		80.000%
Audioguiarte Servicios Culturales S.L.	Madrid	Spain	Eur	251,000		100.000%
Aldeasa Servicios Aeroportuarios Ltda.	Santiago	Chile	Usd	15,000		99.990%
Aldeasa Projets Culturels S.a.s.	Paris	France	Eur	1,301,400		100.000%
Cancouver Uno S.L.	Madrid	Spain	Eur	3,010		100.000%
Aldeasa US Inc.	Wilmington	USA	Usd	49,012,087		100.000%
Alpha Keys Orlando Retail Associates Ltd.	Florida	USA	Usd	100,000		85.000%
Alpha Airport Services Inc.	Florida	USA	Usd	1,400,000		100.000%
Aldeasa Atlanta L.L.C.	Wilmington	USA	Usd	1,122,000		100.000%
Aldeasa Atlanta JV	Georgia	USA	Usd	2,200,000		76.000%
Aldeasa Jordan Airports Duty-Free Shops (AJADFS)	Amman	Jordan	Usd	705,219		100.000%

Company	Registered office	Country	Currency	Share/quota capital	% owned at 31.12.2009 Directly	Indirectly
Aldeasa Curaçao N.V.	Curaçao	Dutch Antilles	Usd	500,000		100.000%
Aldeasa Canada Inc.	Vancouver	Canada	Cad	1,000		100.000%
Aldeasa Vancouver L.P.	Vancouver	Canada	Cad	44,201,000		100.000%
Palacios y Museos	Madrid	Spain	Eur	160,000		100.000%
Joint ventures						
Steigenberger Gastronomie GmbH	Frankfurt	Germany	Eur	750,000		49.000%
Servair Air Chef S.r.l.	Milan	Italy	Eur	5,150,000		50.000%
Servizi di Bordo S.r.l.	Milan	Italy	Eur	100,000		40.000%
Alpha ASD Ltd.	London	United Kingdom	Gbp	20,000		50.000%
Caresquick N.V.	Brussels	Belgium	Eur	3,300,000		50.000%
Associates						
Dewina Host Sdn Bhd	Kuala Lumpur	Malaysia	Myr	–		49.000%
HMS-AIAL Ltd.	Auckland	New Zealand	Nzd	–		50.000%
TGIF National Airport Restaurant Joint Venture	Texas	USA	Usd	–		25.000%
Souk al Mouhajir S.A.	Tangier	Morocco	Dhs	6,500,000		35.800%
Creuers del Port de Barcelona S.A.	Barcelona	Spain	Eur	3,005,061		23.000%
Lanzarote de Cultura y Ocio S.A.	Tias	Spain	Eur	90,151		30.000%
Virgin Express Catering Services N.V. *	Brussels	Belgium	Eur	62,000		49.000%

* The figures refer to 2008

Certification by the CEO and Financial Reporting Officer

CERTIFICATION
of the separate financial statements
pursuant to Art. 81-*ter* of the Consob Regulation (no. 11971 of 14 May 1999, as amended)

1. We, the undersigned, Gianmario Tondato Da Ruos as chief executive officer and Mario Zanini as financial reporting officer of Autogrill S.p.A., hereby declare, including in accordance with Art. 154-*bis* (3) and (4) of Legislative Decree 58 of 24 February 1998:

   a) the adequacy of in relation to the characteristics of the business; and

   b) due compliance with

   the administrative and accounting procedures for the preparation of the separate financial statements during the course of 2009.

2. No significant findings have come to light in this respect.

3. We also confirm that:

3.1 the separate financial statements:

   a) have been prepared in accordance with the applicable International Financial Reporting Standards endorsed by the European Union pursuant to Regulation 1606/2002/EC of the European Parliament and the Council of 19 July 2002;
   b) correspond to the ledgers and accounting entries;
   c) provide true and fair view of the issuer's financial position and results of operations.

3.2. The directors' report includes a reliable description of the performance and financial position of the company, along with the main risks and uncertainties to which the issuer is exposed.

Milan, 4 March 2010

Gianmario Tondato Da Ruos	Mario Zanini
Chief Executive Officer	Financial Reporting Officer
(signed on the original)	(signed on the original)

Independent Auditors' Report

KPMG S.p.A.
Revisione e organizzazione contabile
Via Vittor Pisani, 25
20124 MILANO MI

Telefono +39 02 6763.1
Telefax +39 02 67632445
e-mail it-fmauditaly@kpmg.it

(Translation from the Italian original which remains the definitive version)

Report of the auditors in accordance with article 156 of Legislative decree no. 58 of 24 February 1998

To the shareholders of
Autogrill S.p.A.

1 We have audited the separate financial statements of Autogrill S.p.A. as at and for the year ended 31 December 2009, comprising the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes thereto. The company's directors are responsible for the preparation of these financial statements in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05. Our responsibility is to express an opinion on these financial statements based on our audit.

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

Reference should be made to the report dated 3 April 2009 for our opinion on the prior year separate financial statements, which included the corresponding figures presented for comparative purposes that have been restated to reflect the changes in the presentation of financial statements introduced by IAS 1 (revised 2007).

3 In our opinion, the separate financial statements of Autogrill S.p.A. as at and for the year ended 31 December 2009 comply with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05. Therefore, they are clearly stated and give a true and fair view of the financial position of Autogrill S.p.A. as at 31 December 2009, the results of its operations and its cash flows for the year then ended.

Autogrill S.p.A.
Report of the auditors
31 December 2009

4 The directors of Autogrill S.p.A. are responsible for the preparation of a directors' report on the financial statements and a report on the corporate governance and shareholding structure, published in the "governance" section of Autogrill S.p.A.'s website, in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the directors' report and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the report on the corporate governance and shareholding structure with the financial statements to which they refer, as required by the law. For this purpose, we have performed the procedures required by the Italian Standard on Auditing 001 issued by the Italian Accounting Profession and recommended by Consob. In our opinion, the directors' report and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the report on the corporate governance and shareholding structure are consistent with the separate financial statements of Autogrill S.p.A. as at and for the year ended 31 December 2009.

Milan, 30 March 2010

KPMG S.p.A.

(signed on the original)

Giovanni Rebay
Director of Audit

Board of Statutory Auditors' Report

Dear shareholders,

During the year ended 31 December 2009 we performed the supervisory activities required by law, following the rules of conduct for statutory auditors endorsed by the Italian Accounting Profession and taking account of the recommendations provided by Consob in Circular 1025564 of 6 April 2001 and similar communications.

We confirm that we have:

- attended the annual general meeting of the shareholders and all meetings of the Board of Directors held during the year, and obtained periodic information from the directors on their activities and on the most significant transactions carried out by Autogrill S.p.A. and its subsidiaries;
- stayed informed of and supervised the Company's and its subsidiaries' activities, including as envisaged by Art. 151 of Legislative Decree 58/1998 (the Consolidated Finance Act), within the scope of our remit. The information in question was gathered through checks and directly from the chief executive officer and department heads, through attendance at the meetings of the Internal Control and Corporate Governance Committee, and by sharing information with the independent auditors KPMG S.p.A.;
- arranged meetings with the top representatives of the various corporate functions to ensure that the initiatives being followed were geared not only toward achieving business objectives but also toward improving the internal control system;
- verified the adequacy of the administrative-accounting system and its ability to represent performance correctly, including by examining the findings of the independent auditors, who informed us during the year of the outcome of their quarterly audits of the accounting books and reported no irregularities;
- been informed that the directors followed the same accounting policies used to prepare the 2008 financial statements and that the Company has opted for the early application of IFRS 3 Revised for the accounting treatment and representation in the consolidated financial statements of intangible assets acquired in the context of recent business combinations; the reason for this choice and its impact are explained thoroughly in the notes to the financial statements;
- verified that, in respect of Art. 36 of Consob's Market Regulations, the procedures adopted by the company ensure compliance with applicable law.

Again with reference to the aforementioned Consob circular, we provide the following information and statements:

a) the transactions of economic and financial significance carried out by the Company comply with the by-laws and with pertinent legislation. On the basis of information at our disposal we were able to determine that such transactions were not manifestly imprudent, hazardous, or otherwise liable to compromise the company's financial soundness.
b) We have found no atypical and/or unusual transactions carried out during the year with third parties, related parties, or other group companies that are worthy of mention. The Directors' Report and the notes provide information on the characteristics and economic effects of the main transactions with third parties, related parties and other companies in the Autogrill Group. We have also confirmed that the normal operating procedures followed by the Group are sufficient to ensure that all related party transactions are conducted at arm's length.
c) We find that the Directors' Report and the notes contain sufficient information on the transactions mentioned in letter b).
d) The independent auditors, KPMG S.p.A. issued an unqualified report on Autogrill S.p.A.'s separate financial statements at 31 December 2009, on 30 March 2010. KPMG's report on the Autogrill Group's 2009 consolidated financial statements, issued on the same date, is also unqualified.
e) In 2009 the Board of Statutory Auditors received no complaints pursuant to Art. 2408 of the Italian Civil Code.
f) In 2009 the Board of Statutory Auditors received no statements or exposés.
g) During the year, the independent auditors KPMG S.p.A. helped the Company conduct the inspections agreed on for purposes of issuing the Sustainability Report for fees of € 88,000, review the consideration due to landlords for fees of € 18,000, check statements given in the context of tax returns for fees of € 12,000, and set up access

authentication to IT networks for fees of € 10,000.

h) On the basis of contractual agreements in force, an additional € 83,000 was granted to KPMG S.p.A. for extra hours due to the early adoption of IFRS 3 Revised, as mentioned previously in this report.

i) It should also be noted that the foreign subsidiaries of Autogrill S.p.A. have hired members of KPMG's network for assignments other than auditing the financial statements, as reported in the notes.

j) With regard to points g), h) and i), no situations or circumstances have come to light that would compromise the independence of the independent auditors.

k) In 2009 the Board of Statutory Auditors issued the opinions called for by law.

l) The Company has complied with all data protection obligations as stated in Legislative Decree 196/2003, and has drawn up the Data Protection Document required by law. It continued to work with a view to thorough compliance with all obligations the decree places on the Company's designated process owners.

m) In accordance with the Company's organisational and management model for the prevention of legal offenses envisaged by Legislative Decree 231 of 8 June 2001 regarding corporate liability for crimes committed by employees and other staff, Autogrill S.p.A., through the Supervisory Board set up for this purpose, monitored processes and procedures to ensure that they remained appropriate for the prevention of the legal offenses covered by said decree. The statutory auditors were kept informed by the Board of Directors.

n) In 2009 there were ten meetings of the Board of Directors and eight meetings of the Internal Control and Corporate Governance Committee. There were also eleven meetings of the Board of Statutory Auditors.

o) We have no comments to make on the company's observance of sound management principles, which appear to have been constantly followed and geared toward the company's best interests.

p) Action proceeded in 2009 to adapt the entire organisational structure, with no significant changes occurring; risk management and control was also a continued priority through the work of the Group's Internal Audit department.

q) We verified that, in accordance with Art. 114 (2) of Legislative Decree 58/1998, the Company gave its subsidiaries sufficient instruction for the prompt receipt of the information needed to meet the reporting requirements mandated by law.

r) We have no observations to make regarding contacts with the corresponding bodies of the Company's subsidiaries.

s) During regular meetings between the Board of Statutory Auditors and the independent auditors, pursuant to Art. 150 (3) of the Consolidated Finance Act, no circumstances were noted that are worthy of mention in this report.

t) The Company continued to improve and implement the rules of corporate governance in accordance with the new Corporate Governance Code published by Borsa Italiana in March 2006, which the company adopted by resolution of the Board of Directors on 19 December 2006. Compliance with the code was verified by us and is the subject of the Autogrill Group's 2009 Corporate Governance Report, which is available in the required forms.

u) During the year, the Company verified the true independence of the directors qualifying as such, following the procedures stated in the Corporate Governance Code; likewise, it ascertained our own continued independence, according to the provisions of that Code.

v) The statutory auditors confirm that both the separate and the consolidated financial statements have been prepared according to the IFRS published by the IASB and endorsed by the European Union, as required by EC Regulation 1606 of 19 July 2002 and by Legislative Decree 38/2005. Those financial statements, and in particular the accompanying notes, contain the information required by Consob Circular no. 6064293 of 28 July 2006 and by Banca d'Italia/Consob/ISVAP Document no. 4 of 3 March 2010. Periodic accounting control and auditing of the separate and consolidated financial statements was assigned to the independent auditors KPMG S.p.A. During the year the independent auditors checked that the books were kept correctly, that transactions were properly entered in the accounting records, and that the accounting records correspond to the financial statements at 31 December 2009; the financial reporting officer and the chief executive officer have issued the statements and certifications required by law. The Board of Statutory Auditors in any case monitored the general layout of the financial statements, their compliance with the law and their observance of applicable regulations. The notes to the financial statements specify the accounting policies used and provide all information required by law; the Directors' Report describes the Company's performance, current situation and outlook, as well as the Group's development and reorganisation, including information on credit, market, liquidity, insurance and operational risks.

During the course of our work, as described above, no matters arose that might have required reporting to the authorities or mention in this report.

In conclusion, we certify that in the course of our work we found no omissions, inappropriate conduct or irregularities to report to the shareholders.

Within the scope of our mandate, we also assent to approval of the 2009 financial statements accompanied by the Directors' Report as presented by the Board of Directors, and to the directors' recommended allocation of profit for the year.

Milan, 30 March 2010

The Board of Statutory Auditors
Luigi Biscozzi
Eugenio Colucci
Ettore Maria Tosi

Below is a list of director and statutory auditor positions held by members of the Board of Statutory Auditors at other companies as of 30 March 2010 (Art. 144 *quinquiesdecies* of the Issuer Regulation). In brackets is the year of the financial statements whose approval marks the end of term.

- Luigi Biscozzi: chairman of the Board of Statutory Auditors of Nuova Sidap S.r.l., a subsidiary of Autogrill S.p.A. (2011), Costa Crociere S.p.A. (2011), New Mood S.p.A. (2011), Crociere Mercurio S.r.l. (2011), and Jupiter S.r.l. (2011). Standing auditor of Indesit Company S.p.A. (2010), Immobiliare Adamello S.r.l. (2009), Polimeri Europa S.p.A. (2009), Sony BMG Music Entertainment S.p.A. (2009), Touring Servizi S.r.l. (2010), Touring Vacanze S.r.l. (2011) and Touring Viaggi S.r.l. (2009).
- Eugenio Colucci: chairman of the Board of Statutory Auditors of Assicurazioni Generali S.p.A. (2010). Standing auditor of Nuova Sidap S.r.l., a subsidiary of Autogrill S.p.A. (2011), and director and chairman of the Internal Control Committee of EXOR S.p.A. (2011).
- Ettore Maria Tosi: chairman of the Board of Statutory Auditors of Dasit S.p.A. (2011), Draba S.r.l. (2010), Xilon S.r.l. (2010); standing auditor of Nuova Sidap S.r.l., a subsidiary of Autogrill S.p.A. (2011), and Hay Group S.r.l. (2011).

Autogrill S.p.A.

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