# Autogrill Group
## FY2019 Financial Results

Milan, 12 March 2020

AUTOGRILL

HMS HOST

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# FY2019 financial results

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# IMPORTANT NOTE

- The new accounting standard, IFRS 16 - Leases, is effective as from 1 January 2019
- For the sake of comparability with 2018 figures, Autogrill is providing the key performance indicators that it would have recognized, had it not adopted the new standard, under the heading “FY2019 excluding IFRS16”
- “Constant FX” and “Current FX” changes in this document are always calculated as the delta between “FY2019 excluding IFRS16” and “FY2018” results, unless otherwise indicated

# FY2019 – Highlights

- **FY2019 guidance met and a strong set of results, on track to 2021 targets**
- **Strong revenue growth, driven by airports**
- **Europe driving underlying EBITDA margin expansion[1]**
- **Successful disposal of the Canadian motorway business (selling price c.20x 2018 EBITDA)**
- **€2.8bn of new wins and renewals**

[1] Excluding the impact of IFRS16

# FY2019 – Guidance met

## FY2019 results

- ✓ **Revenue: €5.0bn**
- ✓ **Underlying EBITDA (IAS17): €463m**
- ✓ **Reported EPS (IAS17): €0.93**

*FX €/$: 1.1195*

## FY2019 guidance

- **Revenue: €5.0bn**
- **Underlying EBITDA (IAS17): €450m to €470m**
- **Reported EPS (IAS17): €0.90 to €0.95**

*FX €/$: 1.15 [(1)]*

[(1)] FY2019 guidance with actual 2019 average FX €/$ (1.1195):

- Revenue: €5.0bn-€5.05bn
- Underlying EBITDA (IAS17): €458m to €478m
- Reported EPS (IAS17): €0.91-€0.96

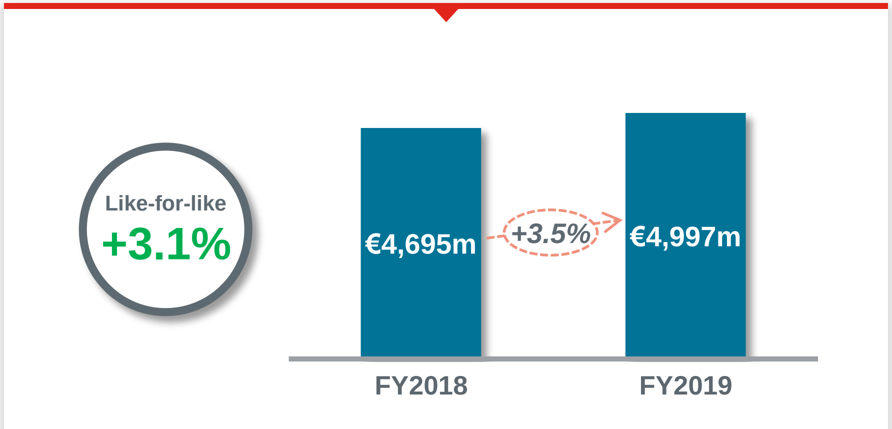
# FY2019 – A strong set of results

| | | |
|---|---|---|
| • Revenue [1] | +3.5% | • *North America and International driving the top line*<br>• *Strong performance at airports* |
| – YoY L-f-L growth | +3.1% | |
| • Underlying EBITDA (IAS17) [1] | +7.6% | • *Performance driven by strong margin expansion in Europe* |
| – EBITDA margin | +40bps | |
| • Underlying EBIT (IAS17) [1] | +6.1% | • *Increasing D&A due to the higher investments incurred over the last years* |
| • FCF [2] | +72% | • *Almost doubled 2018 FCF, despite an acceleration of investments on US motorways* |
| • Reported EPS (IAS17) [1] | +3.4x | • *Reflecting the capital gain arising from the disposal of the Canadian motorway business* |
| • Underlying EPS (IAS17) [1] | +11.7% | • *Reflecting good operational performance* |

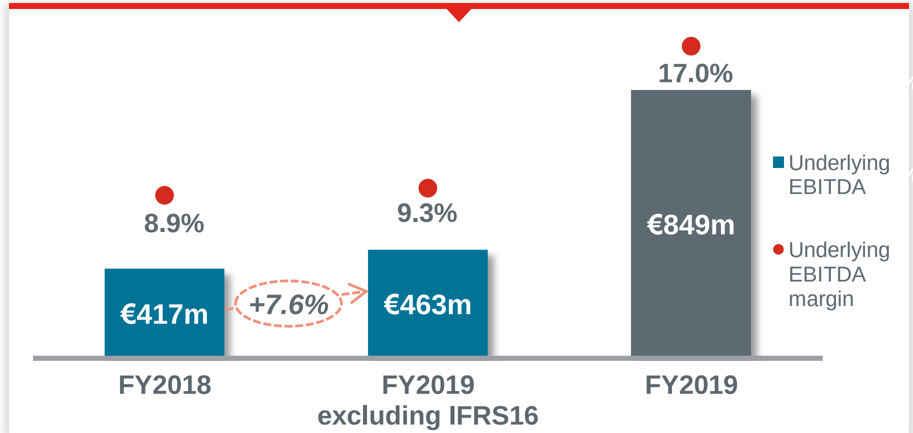
(1) YoY percentage changes at constant FX – Data converted using average FX rates: FX €/$ FY2019 avg. 1.1195 and FY2018 avg. 1.1810
(2) YoY change at actual FX

# FY2019 – Results impacted by IFRS16

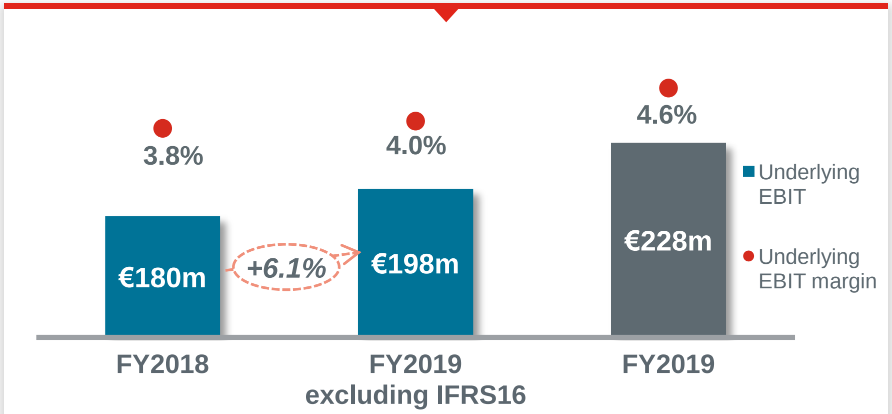
## Revenue



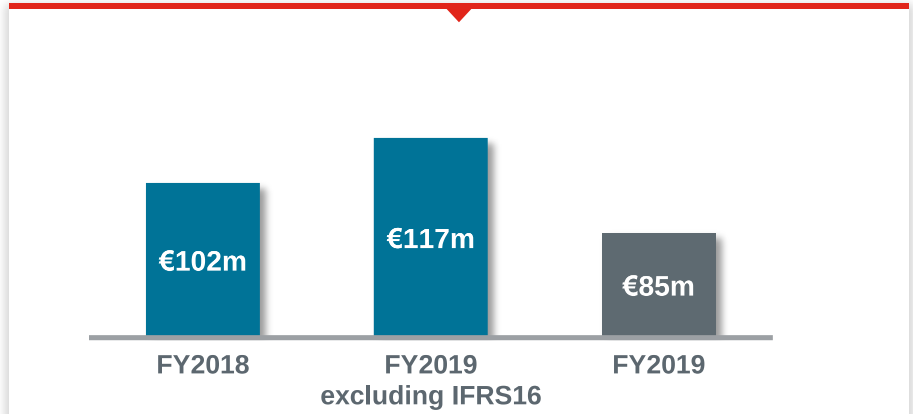

## Underlying (1) EBITDA




## Underlying (1) EBIT




## Underlying (1) net profit

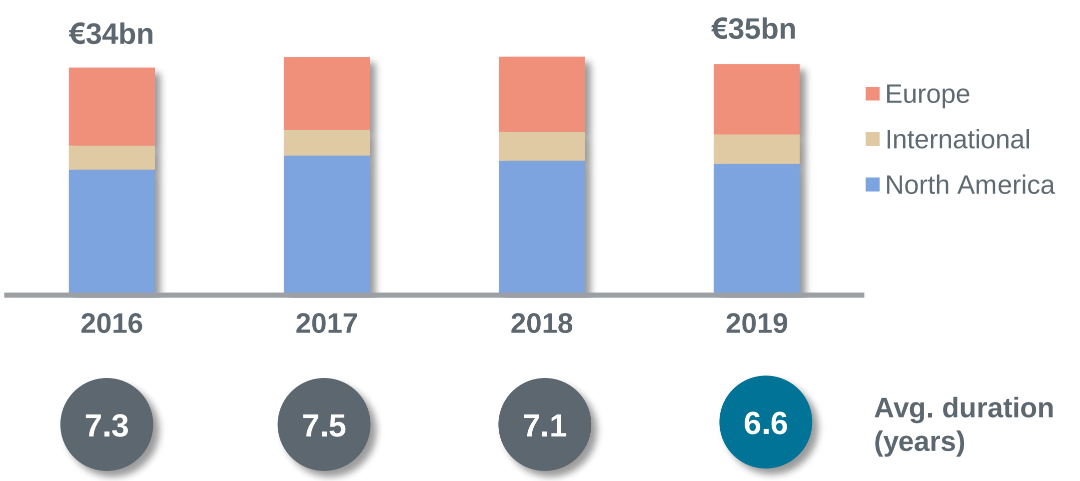



Data converted using average FX rates: FX €/$ FY2019 1.1195 and FY2018 1.1810
YoY percentage changes are at constant FX. See ANNEX for further details
(1) Underlying = excluding the following impacts:

- Stock option plans: -€10m in FY2019 and FY2019 excluding IFRS16; -€1m in FY2018
- Cross-generational deal (Italy), other efficiency projects and other items: -€9m in FY2019 and FY2019 excluding IFRS16; -€25m in FY2018
- Acquisition fees: -€1m in FY2019 and FY2019 excluding IFRS16; -€3m in FY2018
- Capital gain net of transaction costs: €128m in FY2019 and FY2019 excluding IFRS16; nil. in FY2018
- Capital gain on Canadian equity investment: €38m in FY2019 and FY2019 excluding IFRS16; nil. in FY2018
- Tax effect: -€26m in FY2019 and FY2019 excluding IFRS16; -€3m in FY2018

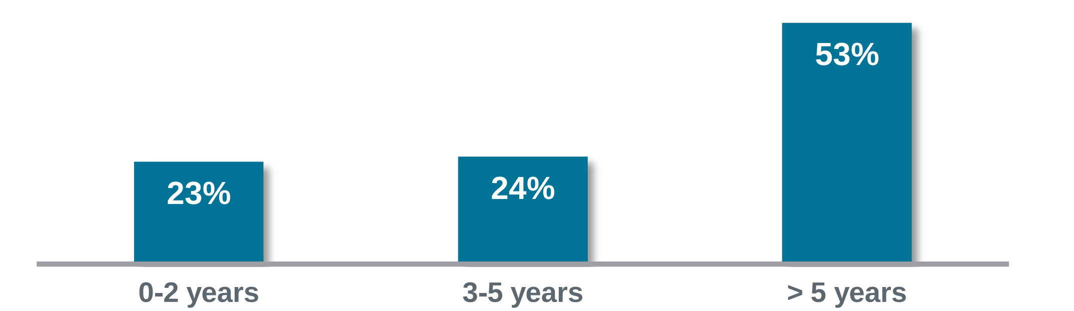
# FY2019 – Large and resilient contracts portfolio

## Portfolio by region (1)




**Stable portfolio despite disposal of Canadian motorway business (€3.0bn, 35-year avg. maturity)**

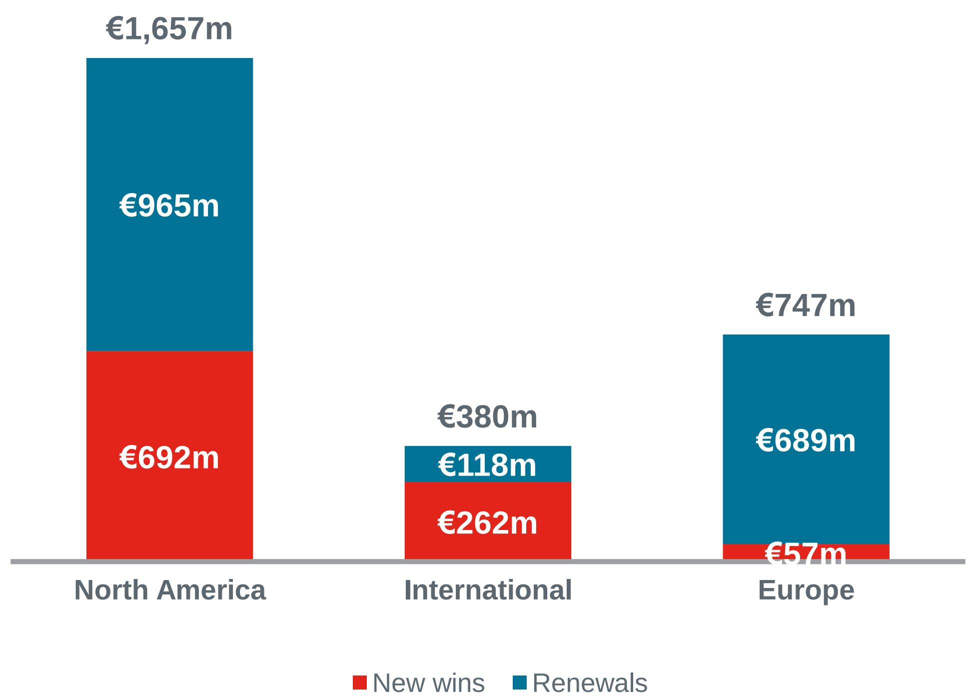
## Contract maturities (2)




(1) Actual FX
(2) 0-2 years (2019-2020-2021) includes "expired" and "rolling" contracts; 3-5 years (2022-2023-2024); >5 years (>2024) includes also "indefinite" contracts

# FY2019 – €2.8bn of new contract wins and renewals [1]

New wins and renewals by region [1]




New wins and renewals in 16 countries across the world

Not including $1.5bn Las Vegas contract extension announced in February 2020

[1] Total contract value. See ANNEX for definitions

# FY2019 – New wins and renewals in 16 countries

**USA**
New wins and renewals: **€1,550m**

**Canada**
Renewals: **€108m**

**Norway**
New wins: **€23m**

**Denmark**
Renewals: **€33m**

**UK**
New wins and Renewals: **€156m**

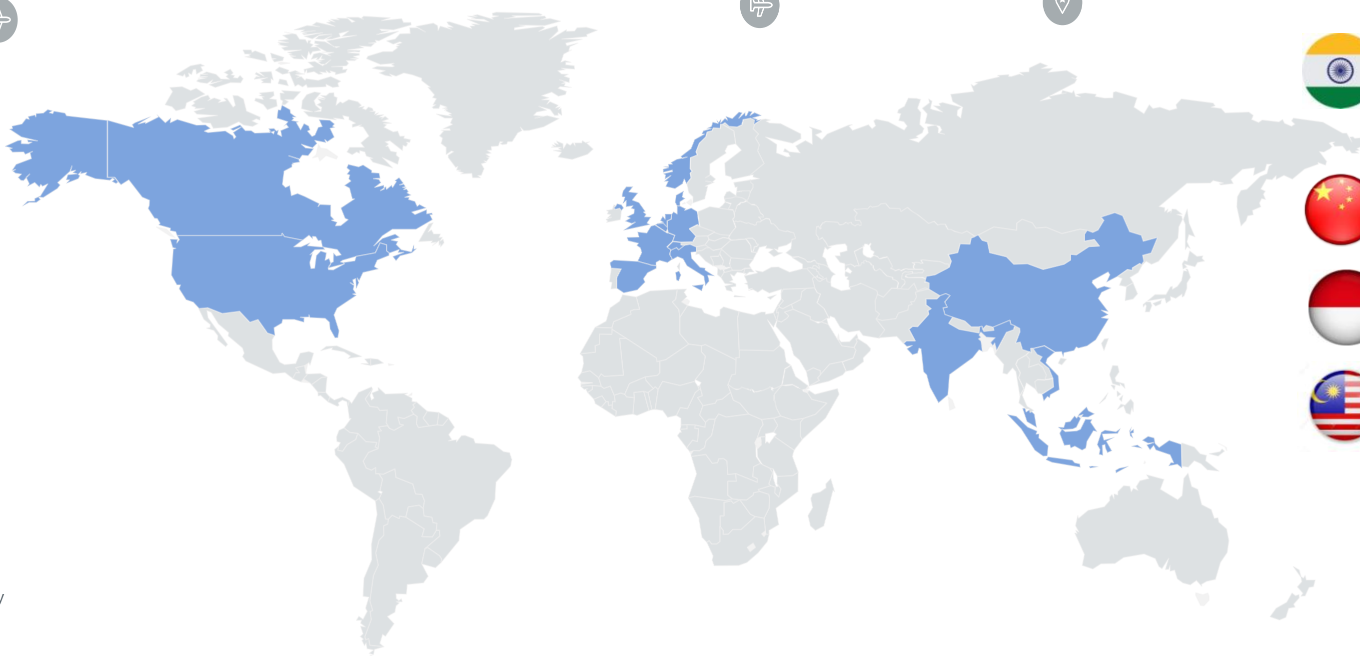
**The Netherlands**
New wins: **€16m**

**India**
New wins and renewals: **€70m**

**China**
New wins: **€54m**

**Indonesia**
Renewals: **€12m**

**Malaysia**
New wins: **€17m**



Airport
Motorway
Railway station
Downtown
Shopping mall
Outlet

**Italy**
New wins and renewals: **€386m**

**Spain**
Renewals: **€17m**

**France**
Renewals: **€149m**

**Germany**
Renewals: **€59m**

**Belgium**
Renewals: **€18m**

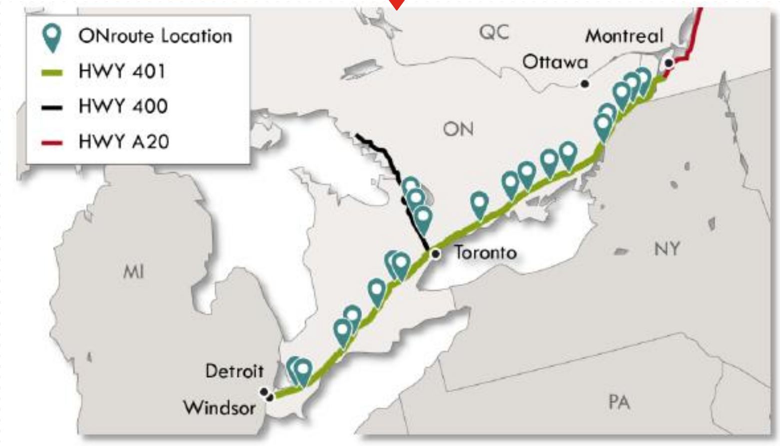
**Switzerland**
New wins and renewals : **€119m**

# FY2019 – Disposal of motorway business in Canada

## Transaction overview

- **In May 2019, the Group** completed the **disposal of all its motorway operations in Canada, expiring in March 2060**
- The transaction involved 23 plazas across Highways 400 and 401 in Ontario, and consists of:
  - HK Travel Centres: 20 travel plazas, **51% ownership**
  - SMSI Travel Centres: 3 travel plazas, **100% ownership**
  - HKSC Developments: **49% ownership**

**ONroute covers the most densely populated transportation corridor in Canada** *(c.30% of the Canadian population)*




## Key figures

**c.€94m**
**Annual FY2018 revenue** [1]

**c.€8m**
**Annual FY2018 EBITDA** [1]

**c.€164m**
**Selling price** [2]

**c.20x**
**2018 EBITDA**

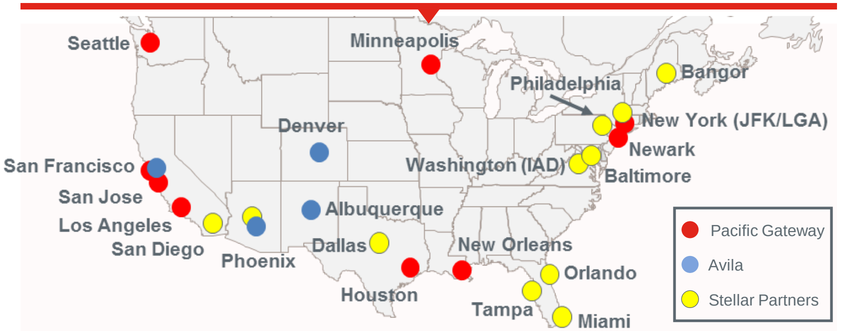
[1] Average EUR/USD FX rate in FY2018 of 1.1810
[2] Autogrill's share. Average EUR/USD FX rate of 1.1195

# FY2019 – Acquisition of Pacific Gateway Concessions

## Asset overview

- **In May 2019 HMSHost acquired Pacific Gateway Concessions ("PGC")**
- PGC is an **airport retail concession company** based in San Francisco
- Operates **51 F&B**, **news/gift** and **specialty retail stores** in **10 airports** located across the United States
- **Estimated annualized revenue of c.€77m** (1)

## Complementary geographic footprint






## Strategic rationale

- Provides ability to capture a **larger share of consumer spending**, **participate in additional growth opportunities** and **compete more effectively**
- Consistent with the Group strategy of seeking **opportunities within the attractive capex light airport retail concessions**
- Exploit **trend of converging airport retail and F&B** through convenience offerings which are becoming a relevant part of airport RFPs

(1) Average EUR/USD FX rate of 1.1195

# FY2019 – Group reported net result benefitting from capital gains

| €m | FY2019 | FY2019 excluding IFRS16 | FY2018 | Change | |
|---|---|---|---|---|---|
| | | | | Current FX | Constant FX [1] |
| **Revenue** | **4,997** | **4,997** | **4,695** | **6.4%** | **3.5%** |
| **EBITDA [2]** | **961** | **574** | **387** | **48.4%** | **43.4%** |
| ***% on revenue*** | ***19.2%*** | ***11.5%*** | ***8.2%*** | | |
| **EBIT** | **337** | **306** | **150** | **104.1%** | **95.7%** |
| ***% on revenue*** | ***6.7%*** | ***6.1%*** | ***3.2%*** | | |
| **Pre-tax result** | **274** | **316** | **121** | **161.0%** | **150.5%** |
| **Net result** | **226** | **260** | **86** | **200.1%** | **189.0%** |
| **Net result after minorities** | **205** | **237** | **69** | **244.9%** | **233.4%** |

(1) Data converted using average FX rates
(2) Net of Corporate costs of €30m in FY2019, €31m in FY2019 excluding IFRS16 and €24m in FY2018

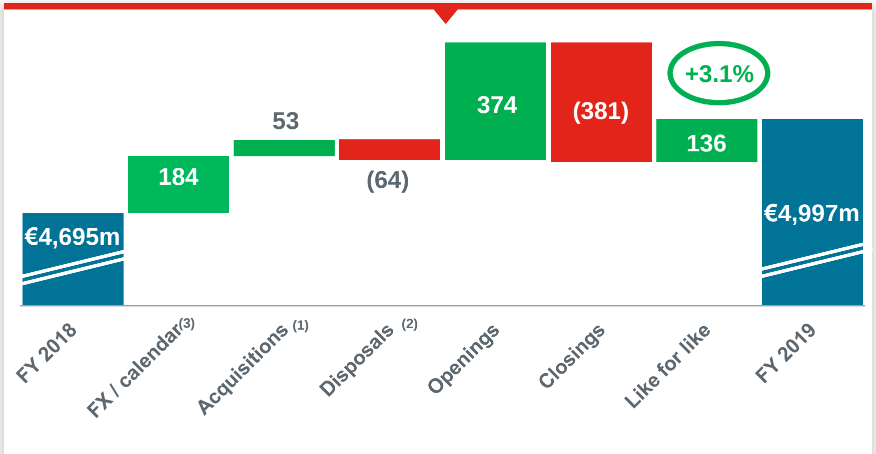
# FY2019 – Underlying EBIT up by 6.1% at constant FX (excl. IFRS16)

| €m | FY2019 | FY2019 excluding IFRS16 | FY2018 | Change Current FX | Change Constant FX [1] |
|---|---|---|---|---|---|
| **Revenue** | **4,997** | **4,997** | **4,695** | **6.4%** | **3.5%** |
| **Underlying EBITDA** [2] | **849** | **463** | **417** | **11.1%** | **7.6%** |
| ***% on revenue*** | ***17.0%*** | ***9.3%*** | ***8.9%*** | | |
| **Underlying EBIT** | **228** | **198** | **180** | **10.1%** | **6.1%** |
| ***% on revenue*** | ***4.6%*** | ***4.0%*** | ***3.8%*** | | |
| **Underlying pre-tax result** | **128** | **169** | **151** | **12.4%** | **8.6%** |
| **Underlying net result** | **106** | **139** | **119** | **16.6%** | **13.2%** |
| **UNDERLYING NET RESULT AFTER MINORITIES** | **85** | **117** | **102** | **14.8%** | **11.7%** |
| Stock option plans | (10) | (10) | (1) | | |
| Capital gain net of transaction costs | 128 | 128 | - | | |
| Acquisition fees | (1) | (1) | (3) | | |
| Capital gain on equity participation | 38 | 38 | - | | |
| Cross-generational deal and other efficiency costs | (9) | (9) | (25) | | |
| Tax effect [3] | (26) | (26) | (3) | | |
| **Net Reported Result after minorities** | **205** | **237** | **69** | **244.9%** | **233.4%** |

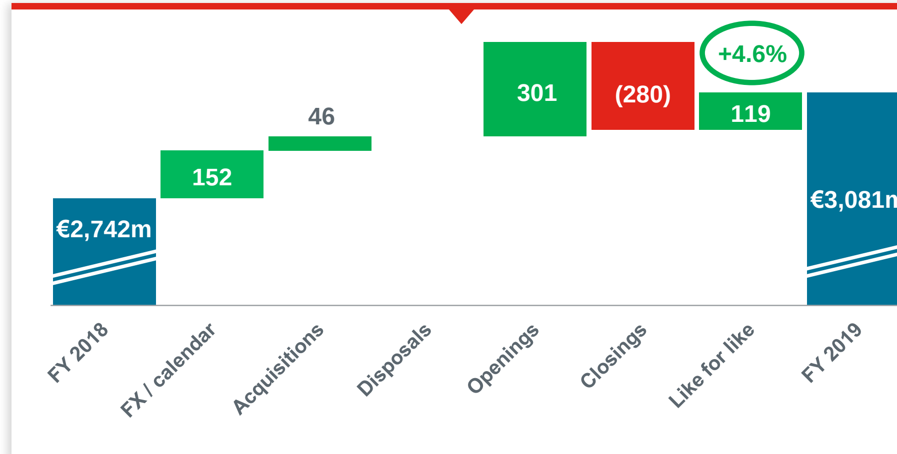
[1] Data converted using average FX rates
[2] Net of Corporate costs of €25m in FY2019, €26m in FY2019 excluding IFRS16 and €23m in FY2018
[3] Including US tax reform impact of -€4m in FY2018, nil in FY2019 and FY2019 excluding IFRS16

# FY2019 – Strong revenue growth at airports

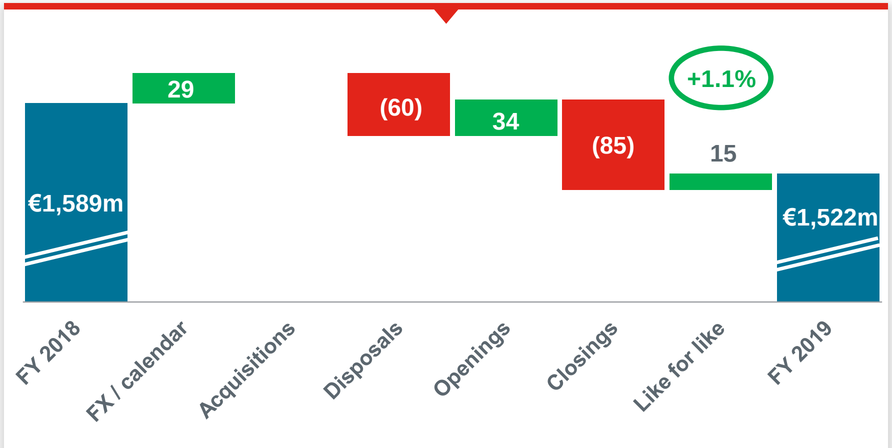
## Autogrill Group



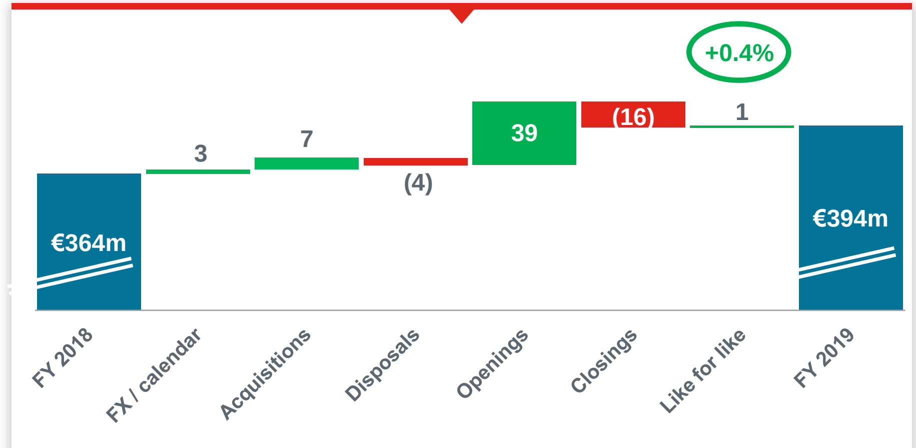

## Airports




## Motorways




## Other Channels



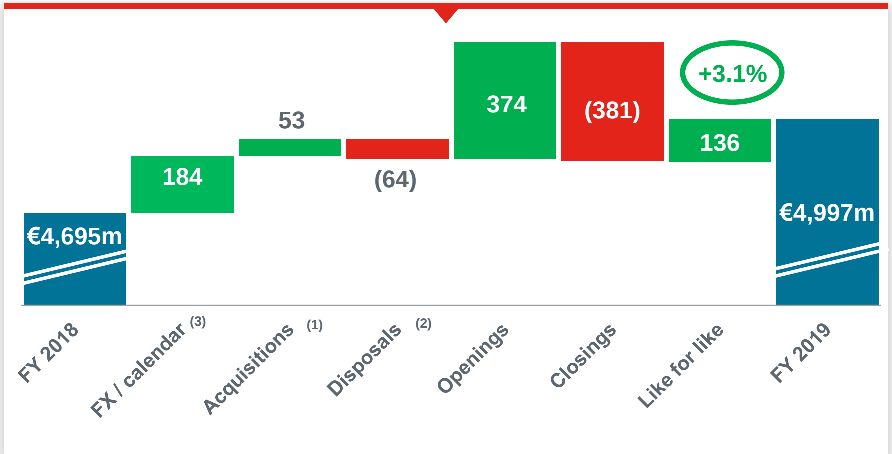

(1) Acquisitions: Le CroBag in Other Channels at the end of February 2018 (€7m of sales contribution in FY2019); Avila in Airports in Q3 2018 (c.€21m of sales contribution in FY2019); Pacific Gateway Concession in Airports in May 2019 (c.€26m of sales contribution in FY2019)

(2) Disposals: Canadian motorways in May 2019 (€60m of sales contribution in FY2018); Czech Republic in Other Channels in May 2019 (€4m of sales contribution in FY2018)

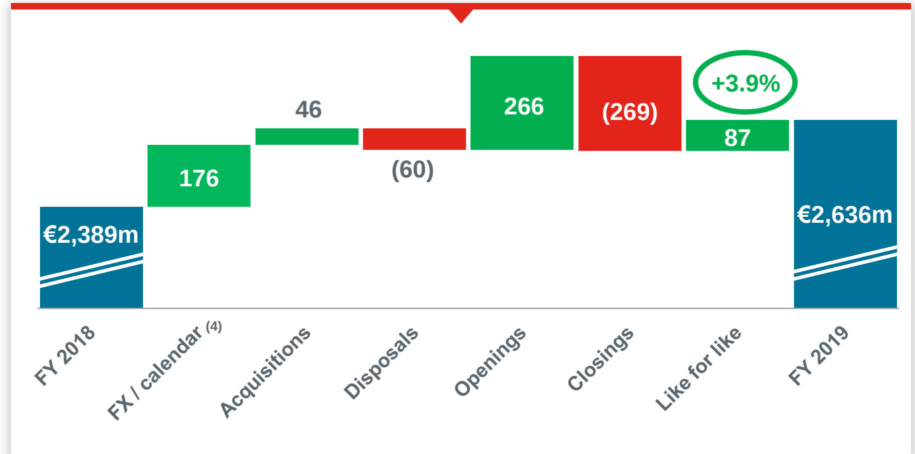
(3) FX: €133m; Calendar €51m

# FY2019 – Good like for like revenue growth globally

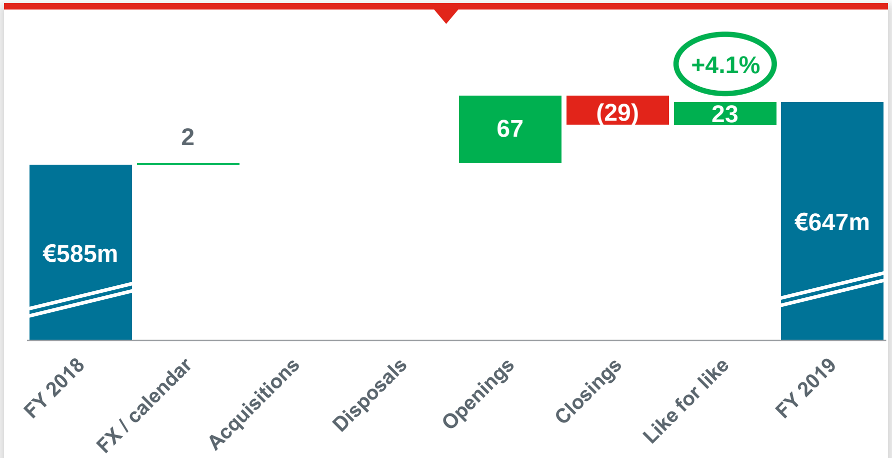
## Autogrill Group



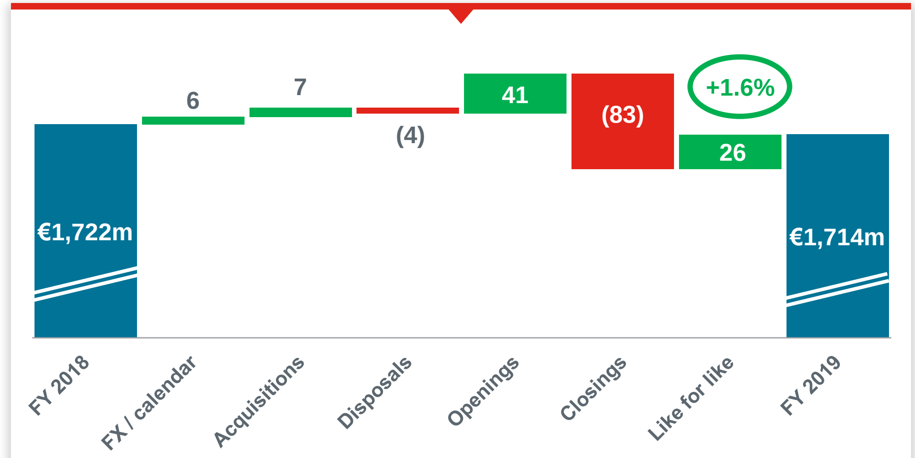

## North America




## International




## Europe




(1) Acquisitions: Le CroBag in Europe at the end of February 2018 (€7m of sales contribution in FY2019); Avila in North America in Q3 2018 (c.€21m of sales contribution in FY2019); Pacific Gateway Concession in North America in May 2019 (€26m of sales contribution in FY2019)

(2) Disposals: Canadian motorways in May 2019 (€60m of sales contribution in FY2018); Czech Republic in May 2019 (€4m of sales contribution in FY2018)

(3) Group FX: €133m; Group Calendar: €51m

(4) North America FX: €125m; North America Calendar: €51m

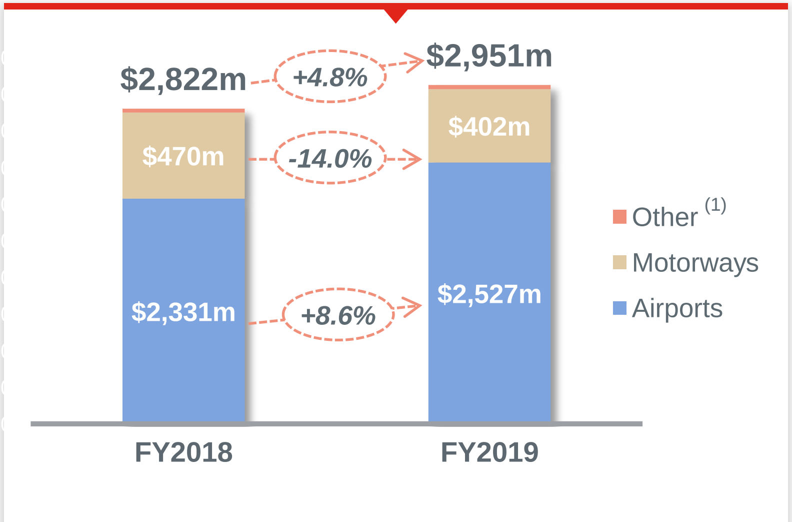
# FY2019 – Different dynamics across the regions

| | | Y-o-Y | Comments |
|---|---|---|---|
| North America | • Revenue growth | ↑ | • Strong revenue growth driven by very good like for like performance at airports |
| | • Underlying EBITDA margin [1] | → | • Stable underlying EBITDA margin despite the inflationary pressure on labor |
| International | • Revenue growth | ↑ | • Strong revenue growth both on a like for like basis and as a result of new openings |
| | • Underlying EBITDA margin [1] | ↓ | • 2019 a year focused on bringing all the new openings up to speed |
| Europe | • Revenue growth | → | • Revenue stable, as the exit from non strategic activities was recovered through positive like for like performance, new openings and acquisitions |
| | • Underlying EBITDA margin [1] | ↑ | • Significant EBITDA margin increase across the board, with Italy driving the performance |

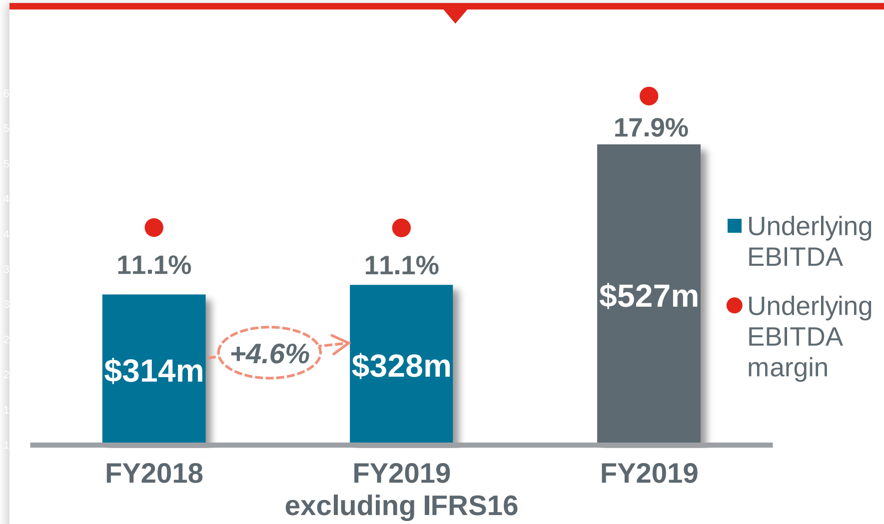
[1] Excluding IFRS16

# FY2019 – North America: strong revenue at airports

## Revenue




## Underlying[2] EBITDA and EBITDA margin

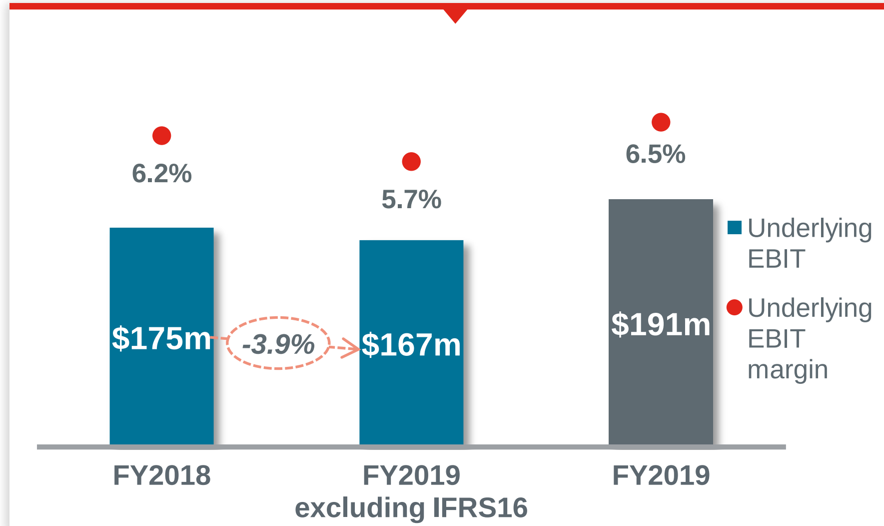



## Comments

- Very good like for like growth (+3.9%): strong growth at airports (+4.5% like for like)
- Stable underlying EBITDA as expected
- Underlying EBIT reflecting higher D&A

- *Impact of stock option plans: -$3.2m in FY2019 & FY2019 excluding IFRS16 EBITDA and EBIT (-$0.8m in FY2018)*
- *Impact of acquisition fees: -$1.0m in FY2019 & FY2019 excluding IFRS16 EBITDA and EBIT (-$2.4m in FY2018)*
- *Impact of other efficiency costs: -$5.4m in FY2019 & FY2019 excluding IFRS16 EBITDA and EBIT (-$1.9m in FY2018)*
- *Capital gain on Canadian motorway business disposal: +$133.9m in FY2019 & FY2019 excluding IFRS16 EBITDA and EBIT (nil. in FY2018)*

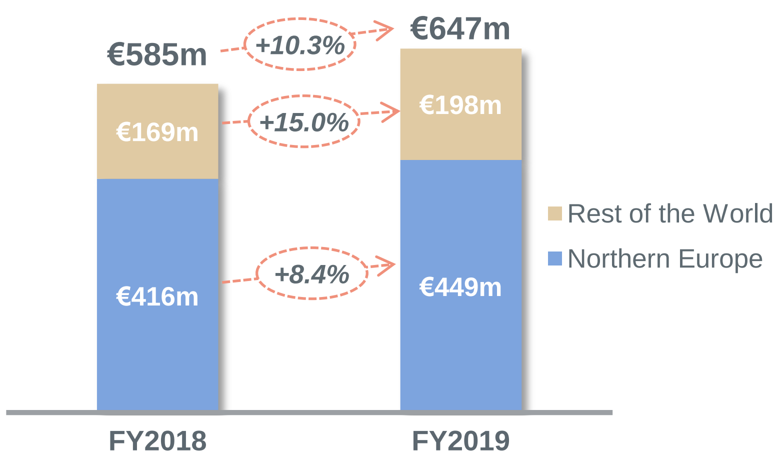
## Underlying[2] EBIT and EBIT margin



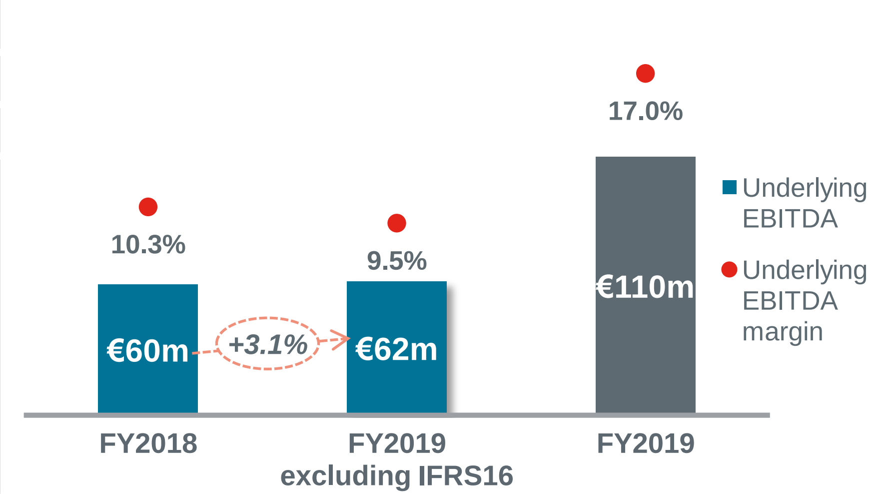

Data converted using average FX rates. YoY percentage changes are at constant FX. See ANNEX for further details.
[1] "Other" includes shopping malls
[2] Underlying = excluding the impact of the stock option plans, capital gain on Canadian motorway business disposal, acquisition fees and other items

# FY2019 – International: revenue growth with EBITDA impacted by start-up costs

## Revenue




## Underlying(1) EBITDA and EBITDA margin

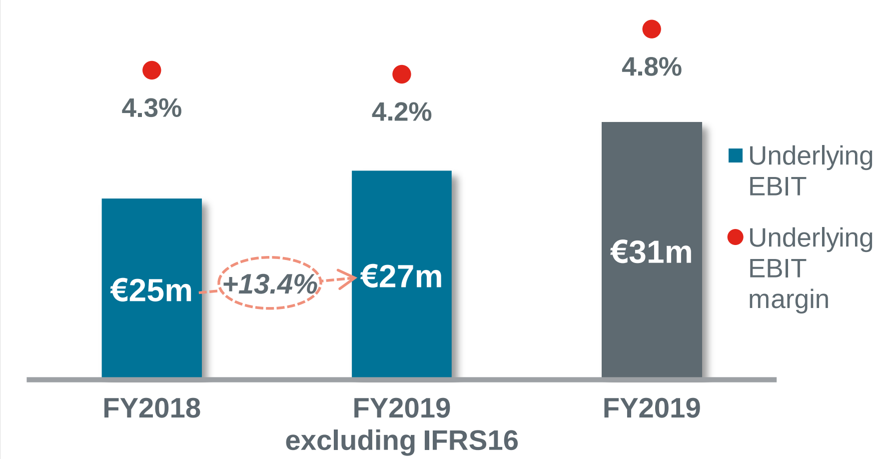



## Comments

- Positive like for like revenue growth (+4.1%), driven by airports
- Underlying EBITDA margin impacted by the start-up phase of the new business initiatives
- Underlying EBIT up 13.4%

- *Impact of stock option plans: -€1.3m in FY2019 & FY2019 excluding IFRS16 EBITDA and EBIT (-€0.5m in FY2018)*
- *Impact of other efficiency costs: -€0.9m in FY2019 & FY2019 excluding IFRS16 EBITDA (nil. in FY2018)*
- *Impact of other efficiency costs: -€3.7m in FY2019 & FY2019 excluding IFRS16 EBIT (nil. in FY2018)*

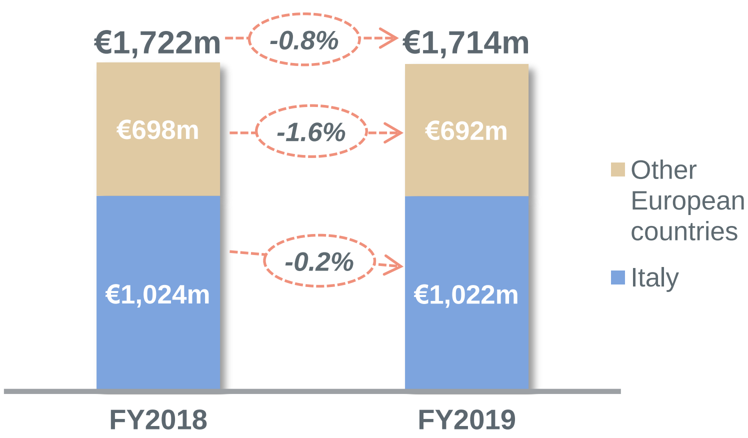
## Underlying(2) EBIT and EBIT margin



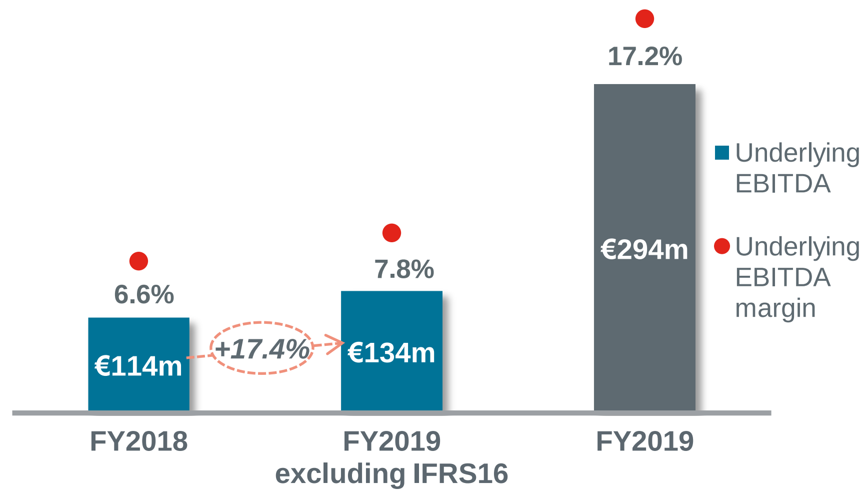

Data converted using average FX rates. YoY percentage changes are at constant FX. See ANNEX for further details.
(1) Underlying = excluding the impact of the stock option plans, and other items

# FY2019 – Europe: strong execution and significant profitability

## Revenue




## Underlying[1] EBITDA and EBITDA margin

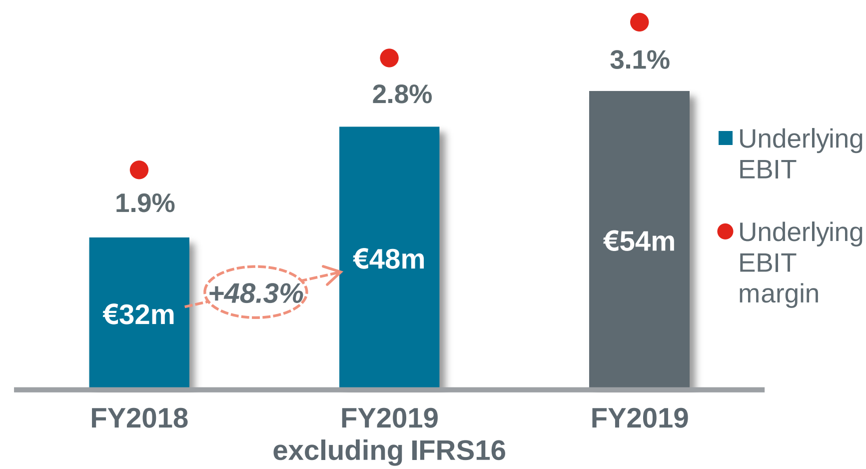



## Comments

- Like for like growth (+1.6%): improved performance at airports and on Italian motorways, gaining momentum in the second half of 2019
- Underlying EBITDA margin improved by c.120bps
- Underlying EBIT margin improved by c.95bps

- *Impact of stock option plans: -€0.7m in FY2019 &FY2019 excluding IFRS16 EBITDA and EBIT (nil. in FY2018)*
- *Cross-generational deal (Italy), other efficiency costs: -€0.2m in FY2019 & FY2019 excluding IFRS16 EBITDA and EBIT (-€23.4m in FY2018)*
- *Acquisition fees: nil. in FY2019 & FY2019 excluding IFRS16 EBITDA and EBIT (-€0.9m in FY2018)*
- *Capital gain on disposal of Czech Republic activities: +€8.0m in FY2019 & FY2019 excluding IFRS16 EBITDA and EBIT (nil. in FY2018)*

## Underlying[2] EBIT and EBIT margin

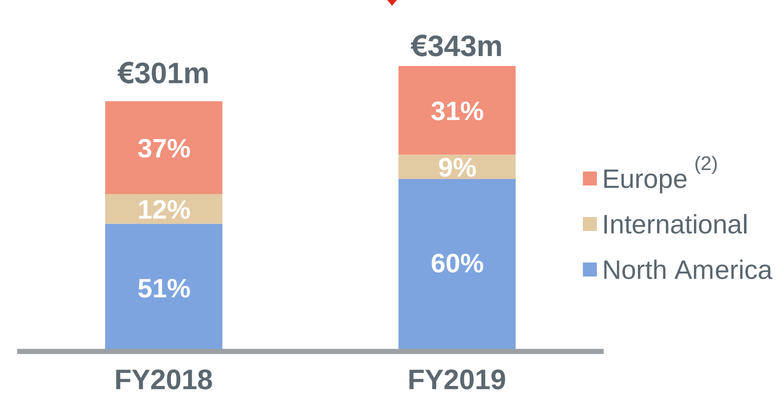



Data converted using average FX rates. YoY percentage changes are at constant FX. See ANNEX for further details.

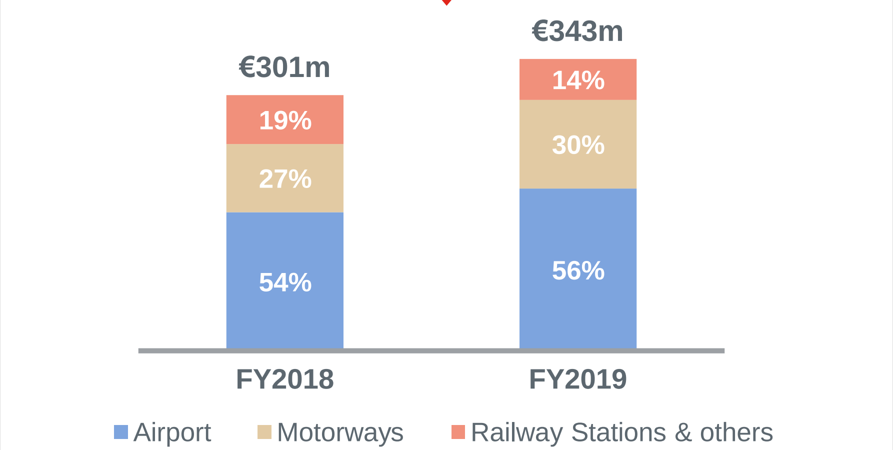
[1] Underlying = excluding the impact of the stock option plans, Cross-generational deal (Italy), other efficiency projects and other items, acquisition fees and capital gain on disposal of Czech Republic activities

# FY2019 – Capex (1) focused in North America

## Capex by region




## Capex by channel




- Investing to support future growth at airports
  - North America: New Orleans, Minneapolis, Seattle and Boston
  - International: Istanbul, India and Dubai
  - Europe: Zurich
- Refurbishment works following a major motorway concessions renewal season in 2016 and 2017
  - Europe: Italy and France
  - North America: ramped up the pace of investment on the New Jersey Turnpike and Garden State Parkway
- 80% development capex, 20% maintenance and ICT

(1) Accrued capex
(2) Including Corporate capex

# FY2019 – Free cash flow up by 72%

| €m | FY2019 | FY2019 excluding IFRS16 | FY2018 |
|---|---|---|---|
| **EBITDA** | ***961*** | **574** | **387** |
| Capital gains net of transaction costs | *(128)* | (128) | - |
| Change in net working capital and net change in non-current non-financial assets and liabilities | *(10)* | (17) | (6) |
| Net repayment of lease liabilities | *(325)* | - | - |
| Other non-cash items | *(2)* | (6) | (3) |
| **OPERATING CASH FLOW** | ***496*** | **424** | **377** |
| Taxes paid | *(27)* | (27) | (30) |
| Net interest paid | *(25)* | (25) | (23) |
| Net implicit interest on lease liabilities | *(72)* | - | - |
| **FREE CASH FLOW FROM OPERATIONS, BEFORE CAPEX** | ***372*** | **372** | **324** |
| Net capex [(1)] | *(333)* | (333) | (290) |
| **FREE CASH FLOW as reported** | ***39*** | **39** | **33** |
| Taxes paid on Canadian motorways disposal | *10* | 10 | - |
| Capex committed as part of transaction for the acquisition of Pacific Gateway Concession | *8* | 8 | - |
| **FREE CASH FLOW excluding the impact of North American acquisitions/disposals** | ***57*** | **57** | **33** |

[(1)] FY2019 and FY2019 excluding IFRS16: capex paid -€343m net of asset disposal €11m – FY2018: capex paid -€300m net of fixed asset disposal €10m

# FY2019 – Net cash flow of €175m before dividends

| €m | *FY2019* | FY2019 excluding IFRS16 | FY2018 |
|---|---|---|---|
| **FREE CASH FLOW excluding impact from North American acquisitions/disposals** | ***57*** | **57** | **33** |
| Acquisitions/disposals [1] | *135* | 135 | (76) |
| Taxes paid on Canadian motorways disposal | *(10)* | (10) | - |
| Capex committed as part of transaction for the acquisition of Pacific Gateway Concession | *(8)* | (8) | - |
| **NET CASH FLOW BEFORE DIVIDENDS** | ***175*** | **175** | **(43)** |
| Dividends [2] | *(44)* | (44) | (56) |
| **NET CASH FLOW** | ***131*** | **131** | **(99)** |
| | | | |
| **OPENING NET FINANCIAL POSITION** | ***671*** | **671** | **544** |
| Net cash flow | *(131)* | (131) | 99 |
| FX and other movements | *19* | 19 | 28 |
| **CLOSING NET FINANCIAL POSITION before IFRS16 impact** | ***559*** | **559** | **671** |
| | | | |
| Net Lease Liabilities | *2,389* | | |
| **CLOSING NET FINANCIAL POSITION after IFRS16 impact** | ***2,948*** | | |

[1] Acquisitions: Pacific Gateway acquired in May 2019 (-€32m) and Le CroBag acquired in March 2018 (-€6m in FY2019 and FY2019 excluding IFRS16; -€59m in FY2018); Disposals: Canadian motorways in May 2019 (€164m) and Czech Republic in May 2019 (€9m)
[2] Dividends include dividends paid to Group shareholders (€51m in FY2019 and FY2019 excluding IFRS16; €48m in FY2018) and dividends paid to minority partners net of capital increase (-€7m in FY2019 and FY2019 excluding IFRS16; €8m in FY2018)

# 2020 outlook

Terrazza Aperol Milano (IT)

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# COVID-19 – Update

- The COVID-19 has developed since the second half of January, leading to a rapid deterioration worldwide in February, affecting air travel as well as broadening to specific countries where the impact has been more acute
- This outbreak is evolving rapidly and the potential developments are extremely hard to predict

## Trading update at the end of the first week of March 2020

- **International** (13% of Group revenue): sharp decline in traffic in China and Vietnam (1.5% of Group revenue) since late January. During the first week of March, the outbreak resulted in a general weakness of the air traffic
  - Negative impact on revenue of approximately €5-10m, mainly in China and Vietnam
- **Italy** (20% of Group revenue):
  - Before 22nd February 2020: strong revenue performance
  - After 22nd February 2020: revenue impacted by severe traffic drop, store closures in a few locations and restrictions on high-margin bar counter service as well as on the overall network
  - Negative impact on revenue of approximately €10-15m
- **North America** (53% of Group revenue): limited impact so far mostly due to a reduction in international flights. In case of additional traffic restrictions, local management is already defining an action plan to deal with the situation and protect profitability
  - Negative impact on revenue of approximately €5m, concentrated mostly in the last two weeks
- **Rest of Europe** (14% of Group revenue): minor impact so far
- **The consolidated negative impact on Group revenue caused by COVID-19 is estimated to be of approximately €25-30m at the end of the first week of March 2020**

# COVID-19 – Update

- **Autogrill Group has taken significant measures to safeguard employees' health and safety and to ensure operational activity** of an essential service for the collectivity, pursuant to the provisions from time to time in force
- In response to the slowdown in revenue, **a number of specific actions to mitigate the COVID-19 impact** (including opening hours, PoS management and optimization, G&A cost control) have been implemented or started in the countries in which the Group operates
- **A task force is in place** to monitor and react to the evolving situation on a daily basis

- Given the ongoing uncertainty on the potential impact and duration of COVID-19, **Autogrill Group FY2020 guidance will be released once there will be more clarity on the situation**
- In view of this uncertainty, the Board of Directors has taken a prudent approach and **proposed not to distribute a dividend**, and to allocate the net profit for the year as retained earnings

# In Italy, Autogrill rolled out new formats based on premiumization of product offering

## Ristorante La Fucina

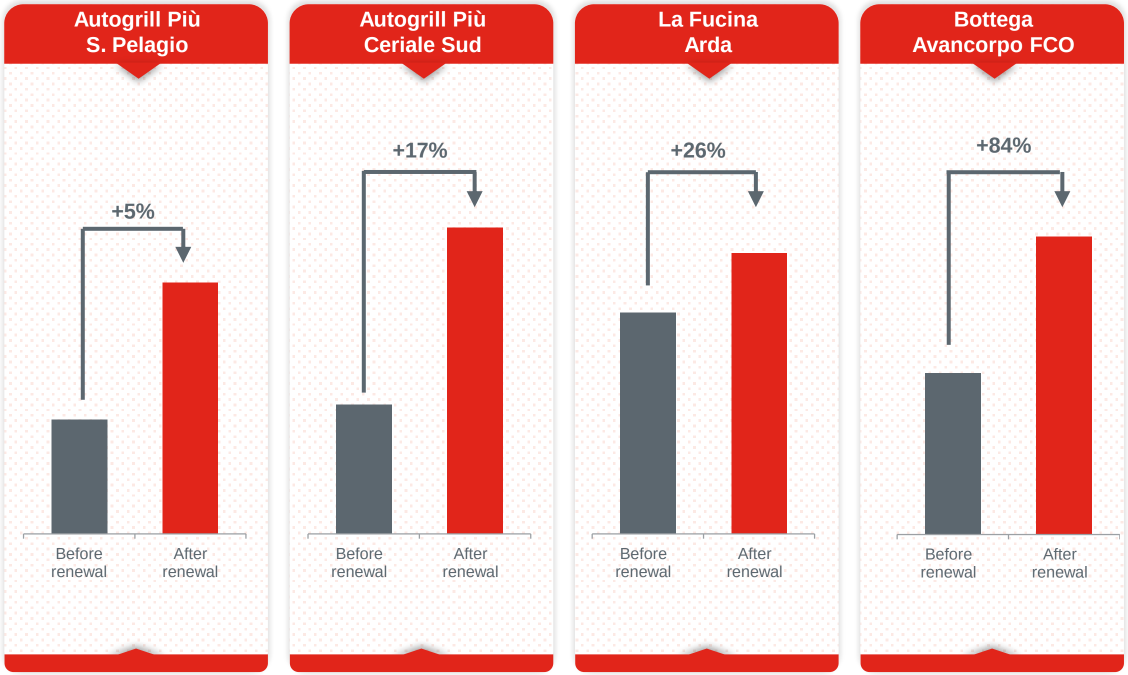

## Autogrill Più


## Autogrill Più & La Fucina


## Bottega

# New stores posted a relevant revenue and margin uplift, with a quick payback

## Examples of some PoS revenue performances with new formats (1)




**Given this strong results, a set of 50 motorway stores will be upgraded in 2020, absorbing ~ €60m capex with an average payback period of ~ 3 years**

(1) Performances since opening until 2019 year-end; all the stores have at least 6 months of track record

# The global leader in F&B concessions


Chaya, Los Angeles airport (US)

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# Within F&B, travel concession is a very attractive space

## Regulatory environment

- **Complex** operating environment
- **Controlled** by government authorities and landlords
- **Scale** and **consistent execution** are required to be successful

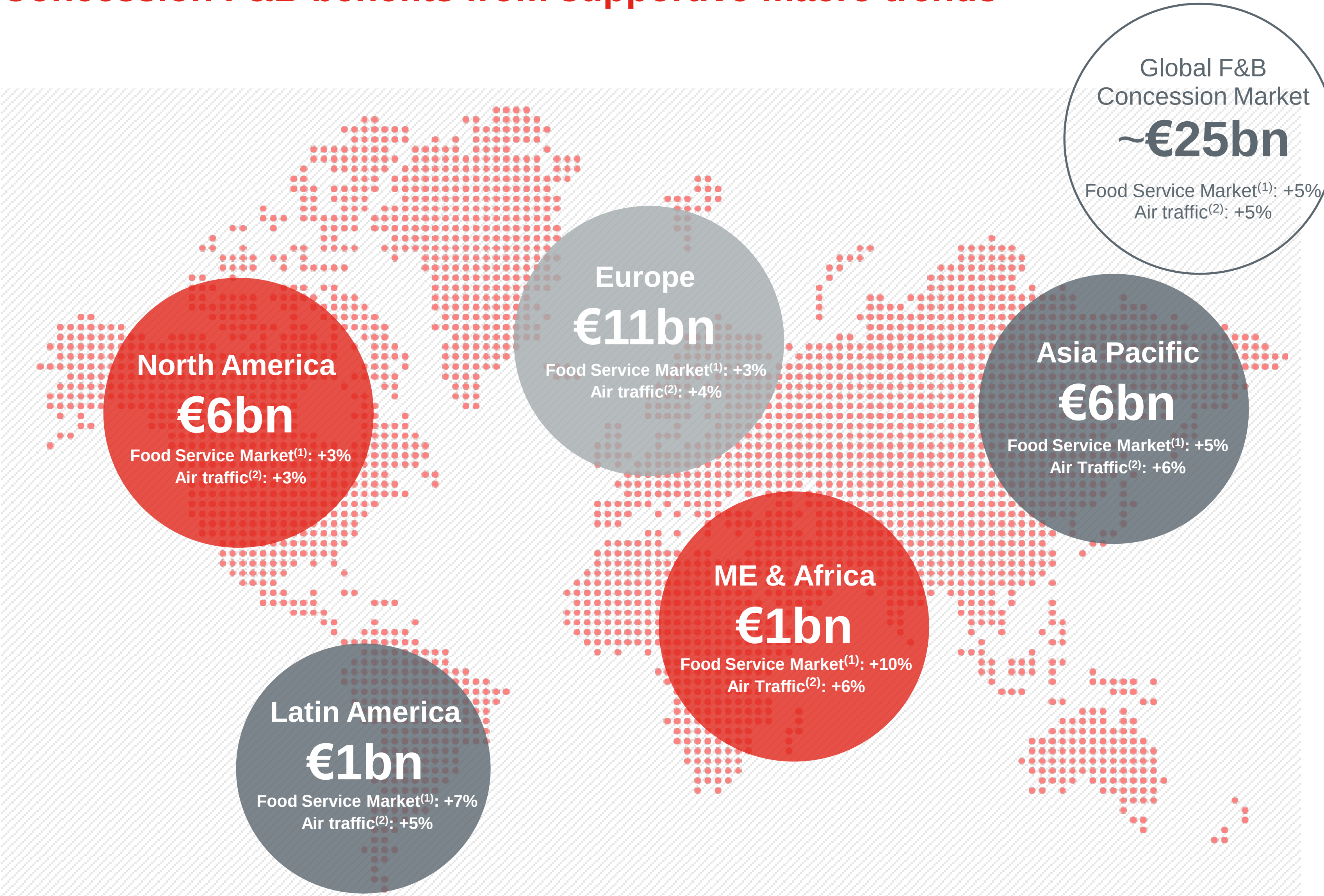
## Propensity to spend and need-based services

- Driven by **immediate needs** and impulse
- **Favourable** customer **demographics**
- Higher average **dwell time** increases spend

## Limited competition from e-commerce

- Captive audience and need-based purchasing provide a **shelter from e-commerce**
- Security at airports is **barrier to delivery providers**

# Concession F&B benefits from supportive macro trends




Source: Euromonitor, DKMA, GIRA, company estimates
(1) Food service market 2017-23 CAGR
(2) Air Passengers 2017-23 CAGR

# Autogrill's strengths reflect excellence in the travel space

## A unique global concession platform

**# 1 player** in F&B concession market

**Scale** benefits

Sharing of **best practices** across the Group

## Diversification

**Global** footprint

**Multi-channel** exposure

**Broad portfolio of brands**

## Execution

**Best-in-class** commercial offer

Longstanding **partnership** with landlords

Operational **excellence**

## Capital allocation

Active **capital allocation strategy** for a continuous enhancement of the contract portfolio

Allocating capital to the **best opportunities** in terms of profitable growth

**Strong balance sheet**

# Autogrill at a glance: leader with a global footprint

**€5.0bn** revenue

**60,000** employees

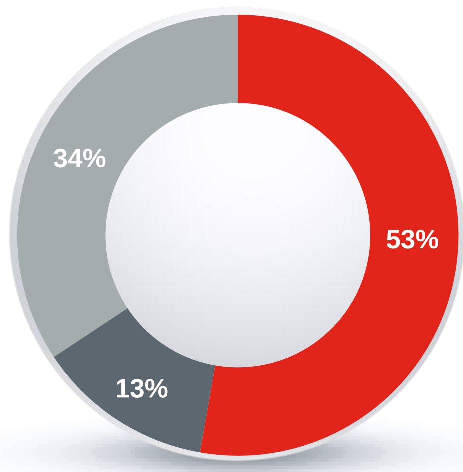
**31** countries

**1,000** locations

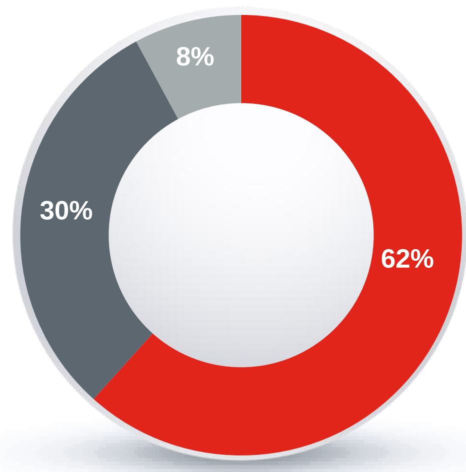
**4,000** stores

**6.6** years average portfolio duration

## Revenue by geography




## Revenue by channel




Figures refer to FY2019

(1) "Other" includes: railway stations, shopping malls, downtown, fair exhibitions

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# Autogrill at a glance: leader with a global footprint

Market leader in: (1)

Market leader in: (2)

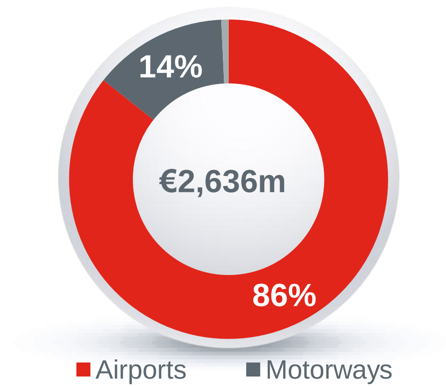
Number 2 or 3 in: (2)

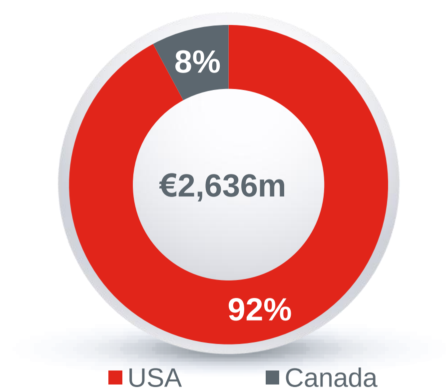
Growing presence in:

(1) Source: Airport Experience Fact Book (2018), company estimates
(2) Source: Girà, company estimates

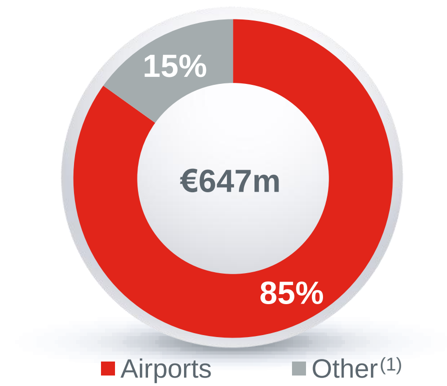
# Autogrill at a glance: leader with a global footprint

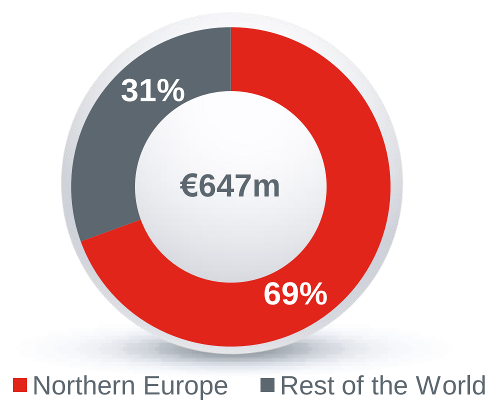
## North America



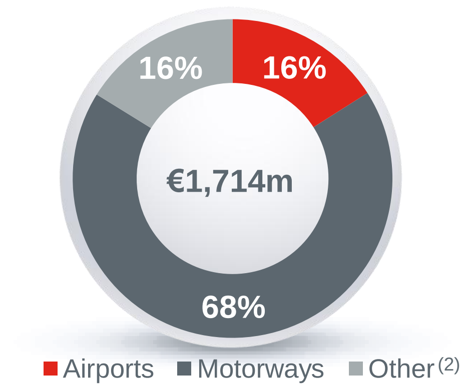



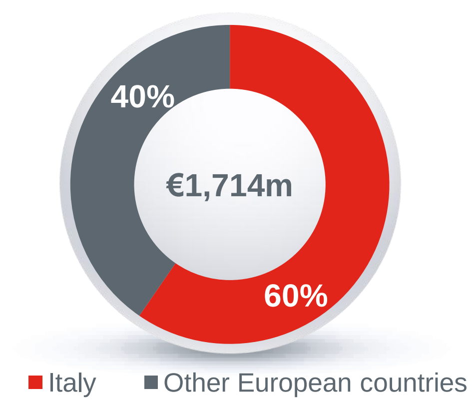

## International




## Europe

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Figures refer to FY2019 revenue
(1) "Other" includes railway stations and shopping malls
(2) "Other" includes: railway stations, shopping malls, downtown, fair exhibitions

# Autogrill at a glance: leader with a global footprint

## Best Airport & Concessionaire Awards

ARN Airport Revenue News

2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018

## ACI Awards

ACI Airports Council International 4x 2016[(1)]

ACI Airports Council International 2x 2017[(2)]

ACI Airports Council International 3x 2018[(3)]

ACI Airports Council International 5x 2019[(4)]

## "Highest Regard for Customer Service"

USA Today 10Best Readers' Choice 2019

2019

## Best "Green" Concessions Practice

ACI Airports Council International

Food donation program 2019

## Our "Bistrot": a multi-award-winning concept

Bistrot @ Milano Centrale — FAB 2013

CNCC Retailer Awards 2015 — Foodservice Award Italy 2015 — 2015

Winner Retail Design Brand Identity Grand Prix — 2016

The Moodie Davitt Digital Awards Winner 2x — FAB 2017[(5)]

*Thought leadership award* — FAB 2018

*Best Green concept* — ACI 2018

## Outstanding Design

AIR @ Zurich Airport — FAB 2019

[(1)] Best Innovative Consumer Experience Concept, Best New F&B (Full-Service Concept), Best New F&B (Quick-Service Concept), Best New National Brand Concept - [(2)] Best New Local Concept for Kapnos Taverna at Ronald Reagan Washington National Airport , Best New National Brand for P.F. Chang's at Tampa International Airport. [(3)] Best New F&B Concept (Full-Service) – Book & Bourbon Southern Kitchen at Louisville International Airport, Best Green Concession Practice or Concept – Bistrot at Montréal-Trudeau International Airport, Best New National Brand Concept, 2nd Place – Shake Shack at Los Angeles International Airport [(4)] Best "Green" Concessions Practice or Concept – HMSHost's Food Donation program,Best Innovative Consumer Experience Concept or Practice – Eat Well. Travel Further; Best New Food & Beverage Full-Service Concept – Whisky River at Raleigh-Durham International Airport, Best "Green" Concessions Practice or Concept – #NoStraws campaign; Best New National Brand Concept – Starbucks at Minneapolis-St. Paul International Airport;[(5)] Bistrot's website recognized as Best F&B website at the Moodie Davitt Digital Awards. Bistrot recognized for its Creative Carbohydrates offering and as Best F&B marketing & promotions campaign of the year at FAB awards -

# Appendix


Autogrill Villoresi Est (IT)

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# Definitions

- "FY2019 excluding IFRS16" / "31/12/2019 excluding IFRS16" — *Autogrill Group has applied the IFRS16 accounting standard since the 1st of January 2019. To allow a better understanding of the operations and a better comparison of the data, it was felt appropriate to adjust the numbers to the 31st of December 2019, by applying the new accounting principle, to make the numbers coherent with criteria for the preparation of financial results which did not require application of the new principle (the criteria for the preparation of the financial results are illustrated in the Group consolidated financial statement to the 31st of December 2018 and the abbreviated financial statement to the 30st of December 2019). From financial year 2020, it will no longer be necessary to present historical numbers adjusted for the application of IFRS16, as the numbers will be immediately comparable to the current financial year*

- EBITDA — *Earnings before Depreciation, Amortization and Impairment Loss, Net Financial Income (Charges) and Income Taxes*

- EBIT — *Earnings before Net Financial Income (Charges) and Income Taxes*

- UNDERLYING EBITDA / EBIT / NET RESULT — *Underlying = performance indicator calculated by adjusting the reported results of some non-operational components, such as: i) costs related to stock option plans (FY2019 & FY2019 excluding IFRS16 and FY2018), ii) Cross-generational deal (Italy) and other efficiency projects (FY2019 & FY2019 excluding IFRS16 and FY2018), iii) Tax effect (FY2019 & FY2019 excluding IFRS16 and FY2018), iv) Capital gains net of transaction costs (FY2019 & FY2019 excluding IFRS16), v) Capital gains on equity participation (FY2019 & FY2019 excluding IFRS16), vi) Acquisition fees (FY2019 & FY2019 excluding IFRS16 and 2018)*

- NET CAPEX — *Capital Expenditure, net of asset disposals, excluding Investments in Financial Fixed Assets and Equity Investments*

- NET INVESTED CAPITAL — *Non-Current Assets plus Current Assets less Current Liabilities less Other Non-Current non Financial Assets and Liabilities (including IFRS 16 impacts on all these sections)*

Some figures may have been rounded to the nearest million / billion. Changes and ratios have been calculated using figures in thousands and not the figures rounded to the nearest million as shown.

# Definitions

- FREE CASH FLOW

*Cash generated by the company after deducting capital expenditures from its operating cash flow. Free cash flow does not include the following items: acquisitions, disposals, dividends (both dividends paid to Group shareholders and dividends paid to minority partners)*

- CONSTANT EXCHANGE RATES CHANGE

*Constant currency basis restates the prior year results to the current year's average exchange rates*

- LIKE FOR LIKE REVENUE GROWTH

*Like for like revenue growth is calculated by adjusting organic revenue growth for new openings and closings and for any calendar effect.*
*Like for like growth (%) = like for like change / revenue of the previous year adjusted to exclude i) revenue relating to those points of sales that are no longer active in the current year (closings and disposals), ii) exchange rate movements and iii) any calendar effect*

- NEW WINS AND RENEWALS

*Total revenue per region is calculated as the sum of the total sales of each contract included in the cluster. Total revenue per contract is calculated as the sum of estimated revenue during the contract length. Average duration is calculated as weighted average on total revenue of duration for each signed contract.*
*"New" refers to new spaces not previously managed by the Group. "Renewal" refers to the extension of existing contracts. Mixed new/renewal contracts are counted as new or renewal based on prevalence in terms of revenue. Contracts consolidated with the equity method are included*

- CONTRACT PORTFOLIO VALUE

*The Group's contract portfolio value, for a reference year, is the sum of all contracts' portfolio values defined as the contracts' actual sales during the reference year multiplied by the residual duration of the contracts at the end of the reference year.*
*An adjustment to the actual sales is made for those contracts that did not operate at full regime during the reference year. The Group's contract portfolio value for a reference year includes all the Group's signed contracts at the end of the month after the end of the reference year*

Some figures may have been rounded to the nearest million / billion. Changes and ratios have been calculated using figures in thousands and not the figures rounded to the nearest million as shown.

# Consolidated P&L

| €m | FY2019 | % on revenue | FY2019 excluding IFRS16 | % on revenue | FY2018 | % on revenue | Change* Current FX | Change* Constant FX [1] |
|---|---|---|---|---|---|---|---|---|
| **Revenue** | **4,996.8** | ***100.0%*** | **4,996.8** | ***100.0%*** | **4,695.3** | ***100.0%*** | **6.4%** | **3.5%** |
| Other operating income | 231.0 | *4.6%* | 249.3 | *5.0%* | 131.1 | *2.8%* | 90.2% | 89.4% |
| **Total revenue and other operating income** | **5,227.7** | ***104.6%*** | **5,246.1** | ***105.0%*** | **4,826.4** | ***102.8%*** | **8.7%** | **5.8%** |
| Raw materials, supplies and goods | (1,534.8) | *30.7%* | (1,534.8) | *30.7%* | (1,445.6) | *30.8%* | 6.2% | 3.7% |
| Personnel expense | (1,673.8) | *33.5%* | (1,673.8) | *33.5%* | (1,557.0) | *33.2%* | 7.5% | 4.4% |
| Leases, rentals, concessions and royalties | (578.4) | *11.6%* | (983.4) | *19.7%* | (876.5) | *18.7%* | 12.2% | 9.2% |
| Other operating expense | (607.8) | *12.2%* | (607.7) | *12.2%* | (560.4) | *11.9%* | 8.5% | 5.4% |
| Capital gain on asset disposal | 127.6 | *2.6%* | 127.6 | *2.6%* | - | *0.0%* | 0.0% | 0.0% |
| **EBITDA** [2] | **960.6** | ***19.2%*** | **574.0** | ***11.5%*** | **386.9** | ***8.2%*** | **48.4%** | **43.4%** |
| Depreciation, amortisation and impairment losses | (624.0) | *12.5%* | (267.7) | *5.4%* | (236.9) | *5.0%* | 13.0% | 9.9% |
| **EBIT** | **336.6** | ***6.7%*** | **306.3** | ***6.1%*** | **150.0** | ***3.2%*** | **104.1%** | **95.7%** |
| Net financial charges | (99.0) | *2.0%* | (26.9) | *0.5%* | (29.1) | *0.6%* | -7.6% | -11.6% |
| Income (expenses) from investments | 36.4 | *0.7%* | 36.4 | *0.7%* | 0.0 | *0.0%* | n.s. | n.s. |
| **Pre-tax result** | **273.9** | ***5.5%*** | **315.8** | ***6.3%*** | **121.0** | ***2.6%*** | **161.0%** | **150.5%** |
| Income tax | (47.7) | *1.0%* | (56.3) | *1.1%* | (34.5) | *0.7%* | 63.1% | 55.0% |
| **Net Result** | **226.3** | ***4.5%*** | **259.5** | ***5.2%*** | **86.5** | ***1.8%*** | **200.1%** | **189.0%** |
| Minorities | 21.1 | *0.4%* | 22.7 | *0.5%* | 17.8 | *0.4%* | 27.5% | 21.1% |
| **Net Result after minorities** | **205.2** | ***4.1%*** | **236.8** | ***4.7%*** | **68.7** | ***1.5%*** | **244.9%** | **233.4%** |

[1] Data converted using average FX rates
[2] ) Net of Corporate costs of €30m in FY2019, €31m in FY2019 excluding IFRS16 and €24m in FY2018

# Consolidated P&L – Detailed revenue growth

## Revenue by geography

| | | | | Organic growth | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| €m | FY 2019 | FY 2018 | FX (1) | Like for Like | | Openings | Closings | Acquisitions(2) | Disposals (3) | Calendar |
| **North America** | 2,635.6 | 2,389.1 | 125.0 | 87.5 | 3.9% | 266.4 | (269.2) | 45.6 | (59.7) | 50.9 |
| **International** | 647.1 | 584.6 | 1.8 | 22.6 | 4.1% | 66.7 | (28.7) | - | - | - |
| **Europe** | 1,714.1 | 1,721.6 | 5.8 | 26.1 | 1.6% | 41.3 | (83.3) | 7.1 | (4.5) | - |
| Italy | 1,021.7 | 1,023.6 | | 12.1 | 1.2% | 17.2 | (31.3) | | | |
| Other European countries | 692.4 | 698.0 | 5.8 | 13.9 | 2.2% | 24.1 | (52.0) | 7.1 | (4.5) | - |
| **Total Revenue** | **4,996.8** | **4,695.3** | **132.6** | **136.2** | **3.1%** | **374.5** | **(381.2)** | **52.7** | **(64.1)** | **50.9** |

## Revenue by channel

| | | | | Organic growth | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| €m | FY 2019 | FY 2018 | FX (1) | Like for Like | | Openings | Closings | Acquisitions(2) | Disposals (3) | Calendar |
| **Airports** | 3,080.8 | 2,742.2 | 108.3 | 119.4 | 4.6% | 301.2 | (279.8) | 45.6 | - | 44.0 |
| **Motorways** | 1,521.6 | 1,588.6 | 22.2 | 15.5 | 1.1% | 34.2 | (85.3) | - | (59.7) | 6.4 |
| **Other Channels** | 394.3 | 364.5 | 2.1 | 1.4 | 0.4% | 39.1 | (16.0) | 7.1 | (4.5) | 0.5 |
| **Total Revenue** | **4,996.8** | **4,695.3** | **132.6** | **136.2** | **3.1%** | **374.5** | **(381.2)** | **52.7** | **(64.1)** | **50.9** |

(1) Data converted using average FX rates
(2) Acquisitions: Le CroBag in Europe in February 2018; Avila in North America in Q3 2018; Pacific Gateway in North America in May 2019
(3) Disposals: Canadian motorways in May 2019; Czech Republic in May 2019

# Consolidated P&L – Detailed revenue, underlying EBITDA, underlying EBIT

| €m | FY2019 | % on revenue | FY2019 excluding IFRS16 | % on revenue | FY2018 | % on revenue | Change | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Current FX | Constant FX (1) |
| North America | 2,636 | | 2,636 | | 2,389 | | 10.3% | 4.8% |
| International | 647 | | 647 | | 585 | | 10.7% | 10.3% |
| Europe | 1,714 | | 1,714 | | 1,722 | | -0.4% | -0.8% |
| **Total REVENUE** | **4,997** | | **4,997** | | **4,695** | | **6.4%** | **3.5%** |
| | | | | | | | | |
| North America | 471 | *17.9%* | 293 | *11.1%* | 266 | *11.1%* | 10.2% | 4.6% |
| International | 110 | *17.0%* | 62 | *9.5%* | 60 | *10.3%* | 2.1% | 3.1% |
| Europe | 294 | *17.2%* | 134 | *7.8%* | 114 | *6.6%* | 18.1% | 17.4% |
| Corporate costs | (25) | | (26) | | (23) | | 11.1% | 8.3% |
| **Underlying EBITDA** | **849** | ***17.0%*** | **463** | ***9.3%*** | **417** | ***8.9%*** | **11.1%** | **7.6%** |
| | | | | | | | | |
| North America | 170 | *6.5%* | 150 | *5.7%* | 148 | *6.2%* | 1.1% | -3.9% |
| International | 31 | *4.8%* | 27 | *4.2%* | 25 | *4.3%* | 9.3% | 13.4% |
| Europe | 54 | *3.1%* | 48 | *2.8%* | 32 | *1.9%* | 50.2% | 48.3% |
| Corporate costs | (27) | | (27) | | (25) | | 8.0% | 5.5% |
| **Underlying EBIT** | **228** | ***4.6%*** | **198** | ***4.0%*** | **180** | ***3.8%*** | **10.1%** | **6.1%** |

(1) Data converted using average FX rates

# Consolidated balance sheet

| €m | 31/12/2019 | 31/12/2019 excluding IFRS16 | 31/12/2018 | Change Current FX | Change Constant FX [1] |
|---|---|---|---|---|---|
| Intangible assets | *986* | 986 | 961 | 25 | 9 |
| Property, plant and equipment | *1,091* | 1,093 | 983 | 110 | 96 |
| Right of Use | *2,359* | - | - | - | - |
| Financial assets | *38* | 38 | 29 | 9 | 8 |
| **A) Non-current assets** | ***4,474*** | **2,116** | **1,973** | **143** | **113** |
| Inventories | *134* | 134 | 122 | 12 | 11 |
| Trade receivables | *55* | 55 | 48 | 7 | 6 |
| Other receivables | *125* | 153 | 167 | (14) | (14) |
| Trade payables | *(397)* | (411) | (376) | (34) | (31) |
| Other payables | *(392)* | (396) | (390) | (6) | (1) |
| **B) Working capital** | ***(474)*** | **(465)** | **(431)** | **(34)** | **(29)** |
| **Invested capital (A+B)** | ***3,999*** | **1,652** | **1,542** | **109** | **85** |
| **C) Other non-current non-financial assets and liabilities** | ***(115)*** | **(124)** | **(130)** | **6** | **8** |
| **D) Net invested capital of continuing operations (A+B+C)** | ***3,884*** | **1,528** | **1,412** | **116** | **93** |
| **E) Asset held for sale and discontinued** | ***(0)*** | **(0)** | **(0)** | **0** | **0** |
| **F) Net invested capital (A+B+C+E)** | ***3,884*** | **1,528** | **1,412** | **116** | **93** |
| Equity attributable to owners of the parent | *858* | 890 | 686 | 204 | 189 |
| Equity attributable to non-controlling interests | *78* | 79 | 55 | 24 | 24 |
| **G) Equity** | ***936*** | **969** | **741** | **228** | **213** |
| Non-current financial liabilities | *2,925* | 826 | 860 | (34) | (42) |
| Non-current financial assets | *(74)* | (8) | (15) | 8 | 9 |
| **H) Non-current net financial indebtedness** | ***2,851*** | **819** | **845** | **(26)** | **(33)** |
| Current financial liabilities | *462* | 88 | 77 | 11 | 7 |
| Cash and cash equivalents and current financial assets | *(365)* | (348) | (251) | (97) | (93) |
| **I) Current net financial indebtedness** | ***97*** | **(260)** | **(174)** | **(86)** | **(86)** |
| **Total net financial position (H+I)** | ***2,948*** | **559** | **671** | **(112)** | **(120)** |
| Net Finance Lease Liabilities | *(2,389)* | - | - | - | - |
| **Net Financial Position** | ***559*** | **559** | **671** | **(112)** | **(120)** |
| **J) Total (G+H+I), as in F)** | ***3,884*** | **1,528** | **1,412** | **116** | **93** |

[1] FX €/$ 31 December 2019 of 1.1234 and 31 December 2018 of 1.1450

# Debt overview – Outstanding gross debt (excl. lease liabilities)

| Borrowings - 31 December 2019 | Interest rate | Maturity date | Available amount | Drawn | Undrawn | Covenants |
|---|---|---|---|---|---|---|
| $150m private placement | 5.12% | Jan-23 | | $150m | | |
| $25m private placement | 4.75% | Sep-20 | | $25m | | |
| $40m private placement | 4.97% | Sep-21 | | $40m | | |
| $80m private placement | 5.40% | Sep-24 | | $80m | | |
| $55m private placement | 5.45% | Sep-25 | | $55m | | EBITDA interest coverage ≥ 4.5x (1)<br>Gross Debt / EBITDA ≤ 3.5x (1) |
| **US private placements** | | | | **$350m** | | |
| Amortizing Term Loan | Floating | Jun-23 | $150m | $150m | $0m | |
| Revolving Credit Facility | Floating | Jun-23 | $200m | $0m | $200m | |
| **Other loans** | | | | **$150m** | | |
| **Total - HMS Host Corp** | | | | **$500m** | | |
| Term Loan | Floating | Aug-21 | €150m | €150m | €0m | |
| Amortizing Term Loan | Floating | Jan-23 | €100m | €100m | €0m | EBITDA interest coverage ≥ 4.5x (1)<br>Net Debt / EBITDA ≤ 3.5x (1) |
| Amortizing Revolving Credit Facility | Floating | Jan-23 | €200m | €0m | €200m | |
| Revolving Credit Facility | Floating | Jan-23 | €100m | €100m | €0m | |
| Amortizing Term Loan | Floating | Aug-24 | €50m | €50m | €0m | EBITDA interest coverage ≥ 4.5x (2)<br>Net Debt / EBITDA ≤ 3.5x (2) |
| Revolving Credit Facility | Floating | Aug-24 | €25m | €0m | €25m | |
| **Other loans** | | | | **€400m** | | |
| **Total - Autogrill S.p.A.** | | | | **€400m** | | |

Based on nominal value of borrowings as at 31 December 2019

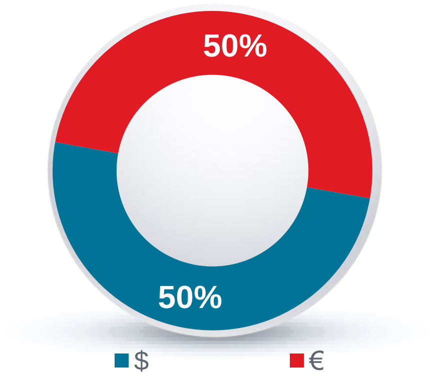
Coupons shown are those at which the debt was issued. The Group deals with IRS to manage the effective interest rates. The chart includes committed lines facilities only

(1) Covenants calculation excluding the impact of IFRS16 application

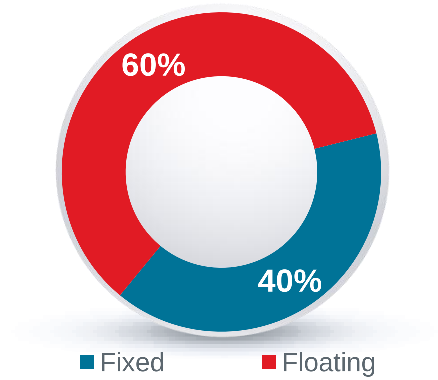
(2) Covenants calculation after the impact of IFRS16 application

# Debt overview – Net financial position (excl. lease liabilities)

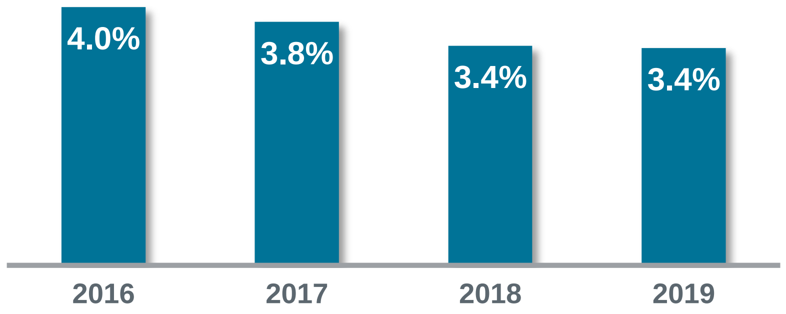
## Breakdown by currency



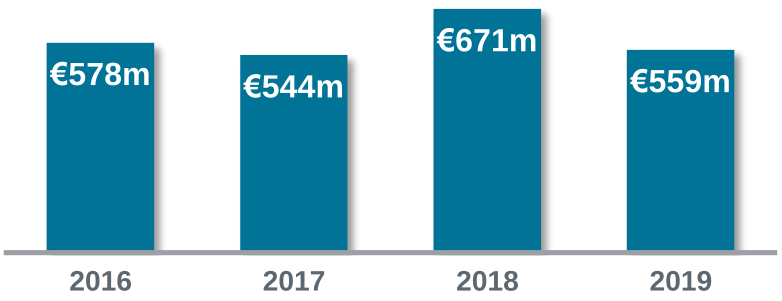

## Breakdown by coupon




## Average cost of debt(1)




## Net financial position




(1) Average cost of debt is calculated on average gross debt less cash at banks & deposits

# Calendar


Pier Zero, Helsinki Vantaa Airport (FI)

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# Calendar

## 21 May 2020

- Shareholders' meeting to approve 2019 financial statements
- Revenue performance as of **30 April 2020**

## 30 July 2020

- Financial report on 1$^{st}$ Half period to **30 June 2020**

## 24 September 2020

- Revenue performance as of **31 August 2020**

# IR Contacts


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