



Creation of a Worldwide Leader in Concession and Quick Service Restaurants

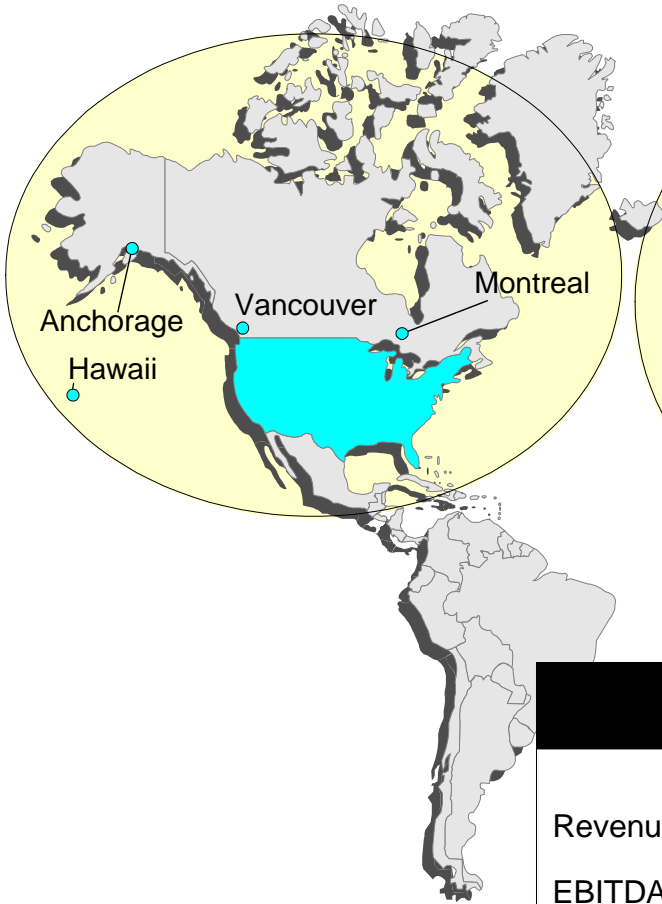


Milan, July 28, 1999

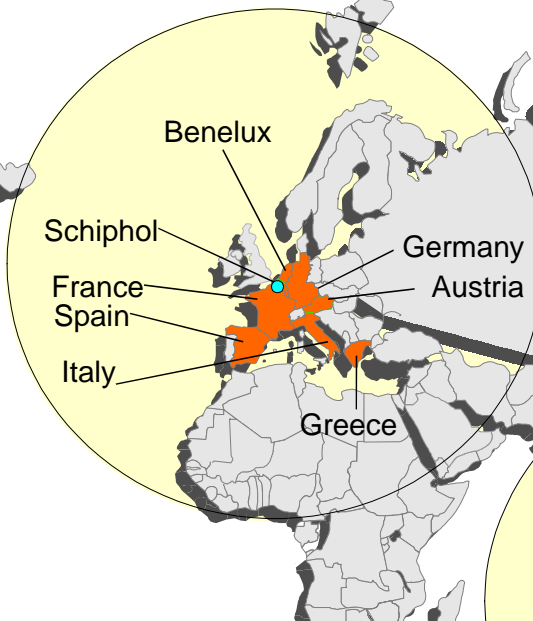


Compelling Global Platform

North America

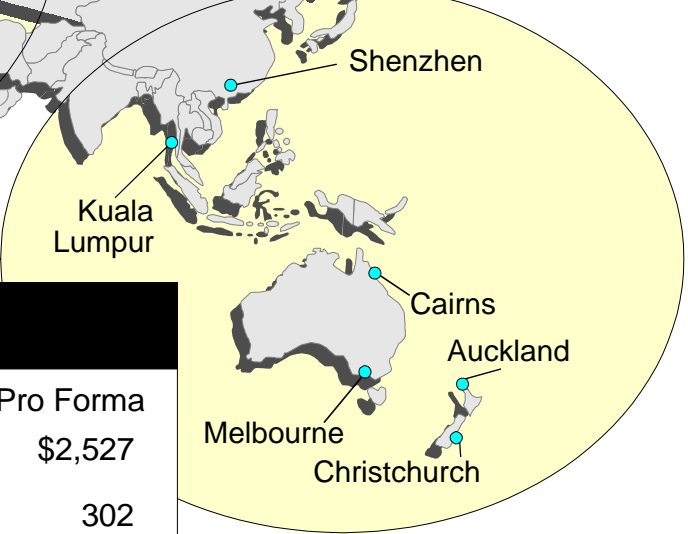


Europe



■ Autogrill Locations
■ HMS Locations

Asia Pacific

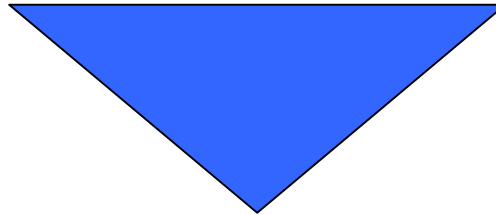


1998 Key Financials (US\$ in millions)			
	Autogrill	+ HMS	= Pro Forma
Revenues	\$1,149	\$1,378	\$2,527
EBITDA	173	129	302
EBIT	77	69	146



The Vision

To develop Autogrill into a global leader in commercial catering for travelers and in quick service restaurants



- The leading US provider of airport and tollroad concessions
- Strongest portfolio of licensed brands in the industry
- Highly diversified by contract, airline, brand and geography

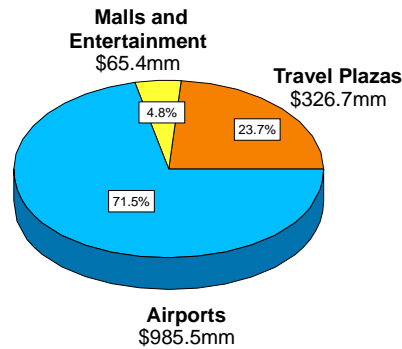
HMS

Business Review

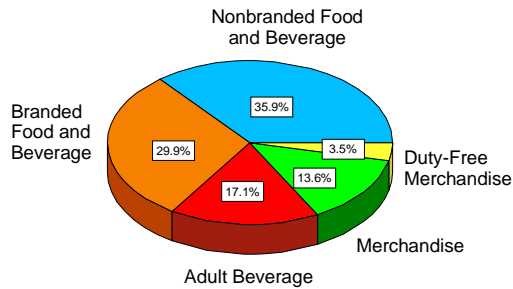


HMS Revenue Breakdown

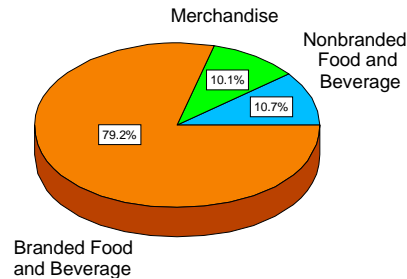
**Total Revenues
\$1,378 million**



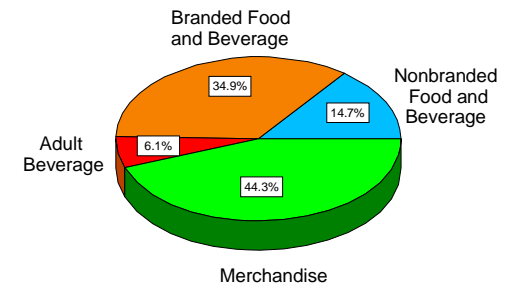
**Airports
\$985.5 million**



**Travel Plazas
\$326.7 million**



**Malls and Entertainment
\$65.4 million**





HMS — The US Market Leader

- 63% share of airport food and beverage
- 65% share of travel plazas
- Contracts in 18 of the 20 largest U.S. airports
- Leading market position in top 10 tollroads
- Few competitors can offer as wide a range of well-known high street and private brands
- Contract retention rate of 87% since 1996
- Average remaining contract life of approximately 7.9 years

HIGH BARRIERS TO ENTRY



HMS — Business Segments

Airports



Travel Plazas



Malls



Entertainment





HMS — Unmatched Portfolio of Global Brands

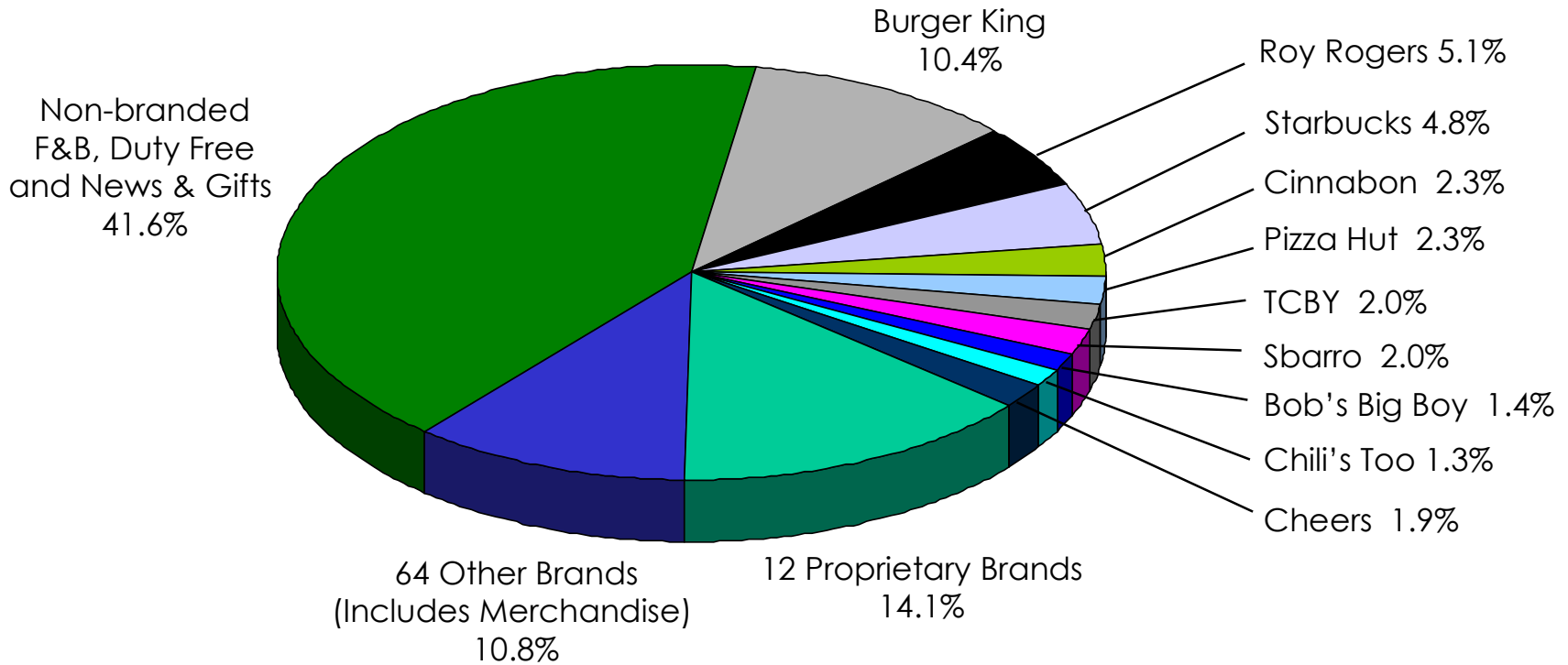
- One of the largest and most innovative franchisees/licensees of the best known consumer brand names worldwide
- Over 100 international, regional and proprietary brands
- Exclusive agreements in U.S. markets to operate certain brands (Burger King, Starbucks, Cinnabon and TCBY)





HMS — Diversified Brand Name Concepts

1998 Revenue Breakdown



LIMITED EXPOSURE TO ANY ONE BRAND OR CATEGORY

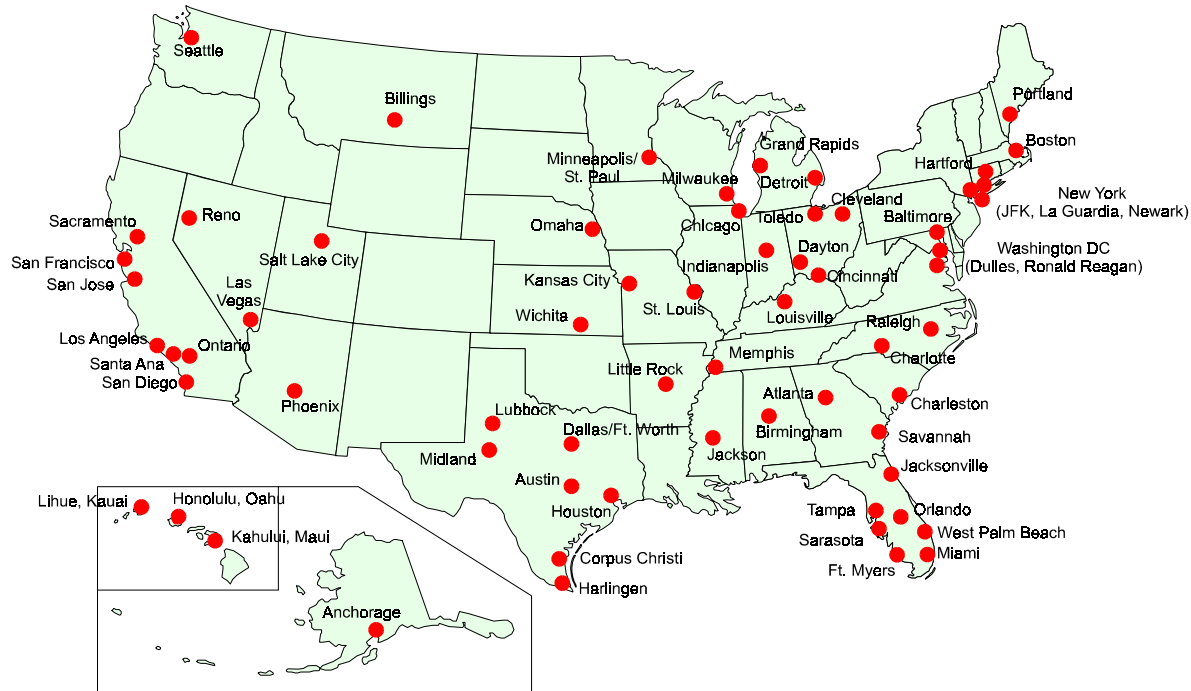


HMS — Airports

Leader in the United States

- Present in over 60 airport locations in the U.S.
- Operates in 19 of the 20 busiest airports in the U.S.

Domestic Airports



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HMS — Airports

Leader in the United States

- Five-year enplanement growth at airports where HMS operates exceeded overall industry enplanement growth (6.4% vs. 5.3%)

Top 20 Airports by 1997 Total Passengers (in millions)

Shaded areas indicate HMS presence

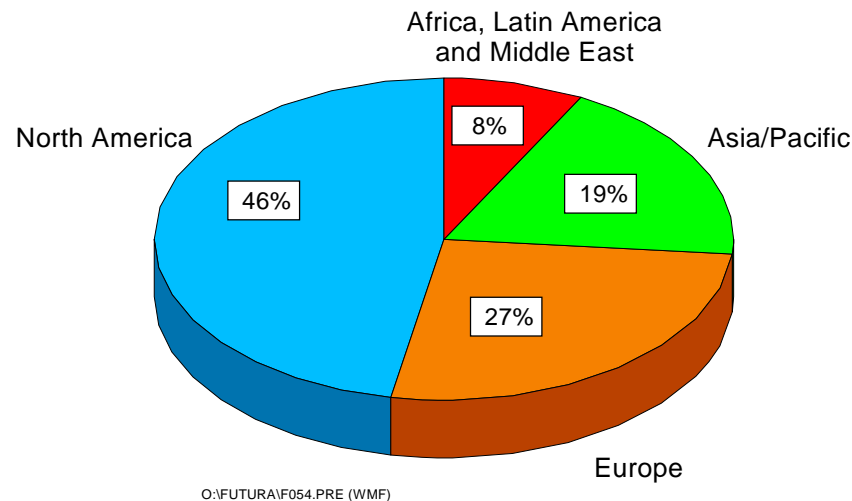
Rank	Airport	Total Passengers	Rank	Airport	Total Passengers
1	Chicago O'Hare International	70.4	11	Phoenix Sky Harbor International	30.7
2	Atlanta – Hartsfield	68.2	12	Las Vegas	30.3
3	Dallas/Fort Worth International	60.5	13	Minneapolis-St. Paul International	30.2
4	Los Angeles International	60.1	14	Houston Intercontinental	28.7
5	San Francisco International	40.5	15	St. Louis International	27.7
6	Denver International	35.0	16	Orlando International	27.3
7	Miami International	34.5	17	Boston Logan	25.6
8	Detroit Metropolitan Wayne	31.5	18	Seattle/Tacoma International	24.7
9	John F. Kennedy International	31.4	19	Honolulu	23.9
10	Newark International	30.9	20	Charlotte/Douglas International	22.8



HMS — Airport Industry Outlook

- Large and growing worldwide passenger base:
 - estimated 1.4 billion enplanements in 1998
 - forecast 10-year annual growth of 5.0%
- North America represents an important share, with over 630 million enplanements:
 - of the 200 airports around the world with more than 1 million enplanements, 78 are in the U.S.

Airport Enplanements

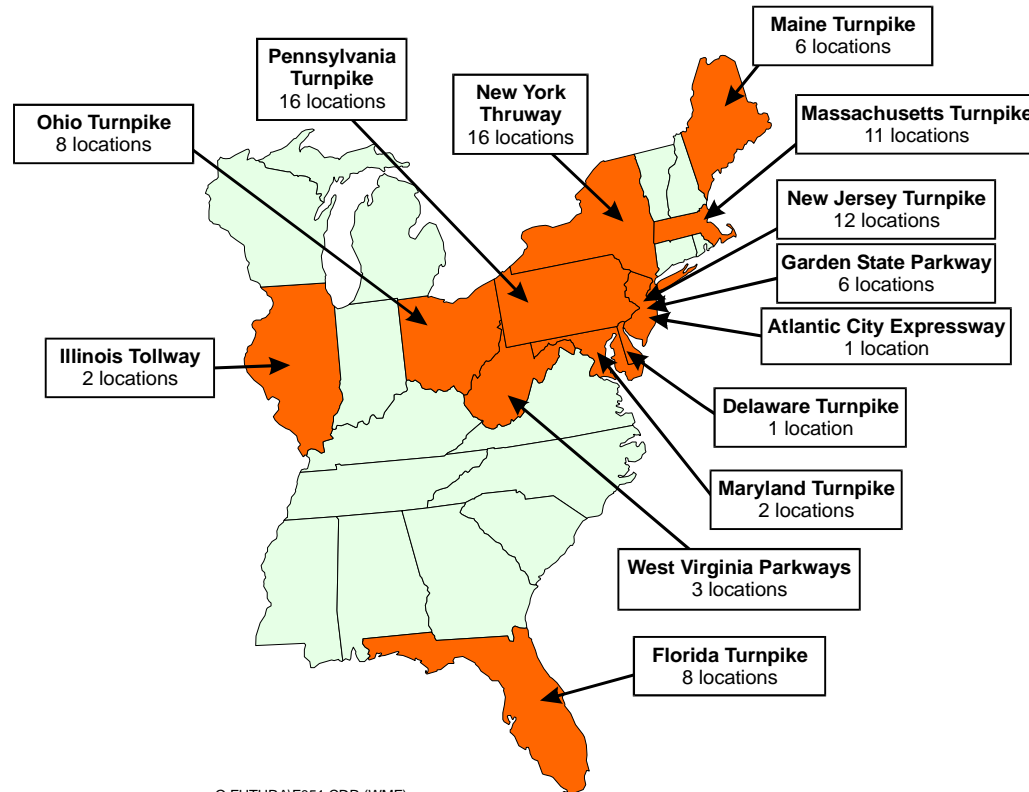




HMS — Travel Plazas

Leader in the United States

- 92 travel plazas located along the East Coast and in the Midwest
- Serve high population density areas, accounting for 50% of U.S. tollroad traffic
- Over 50% share of the travel plaza concession market
- Long term relationships with tollroad authorities

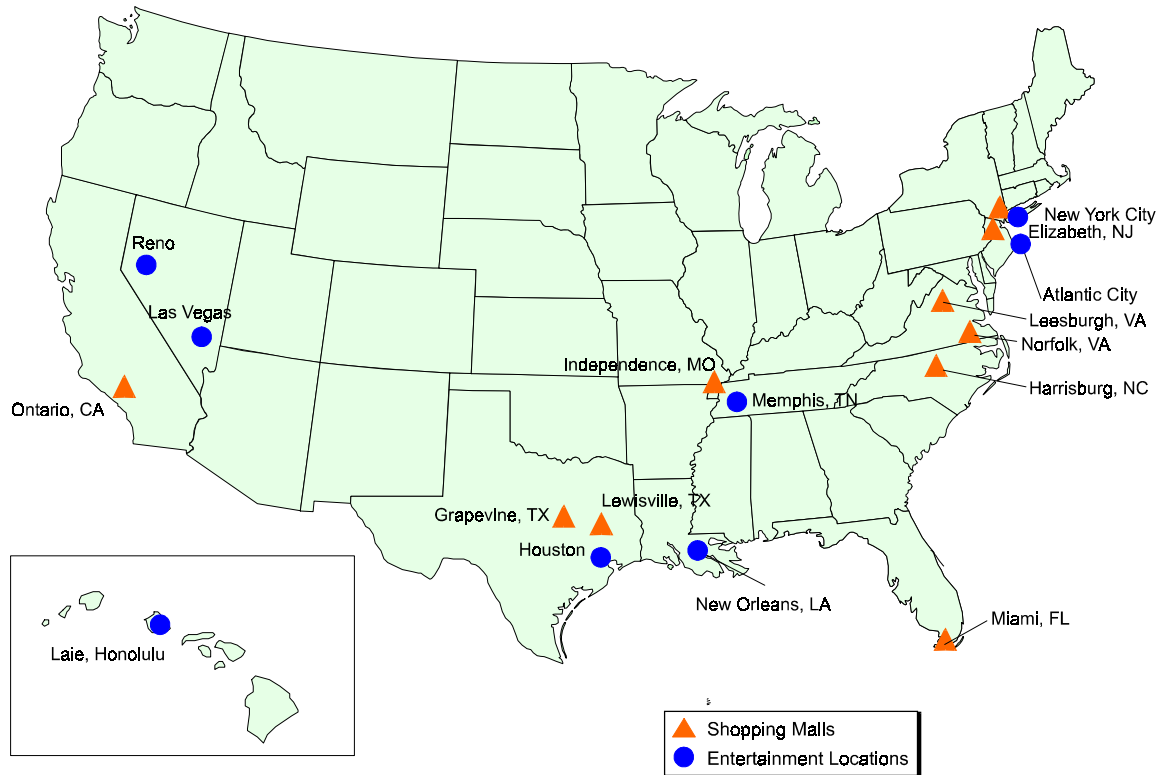


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HMS — Malls and Entertainment

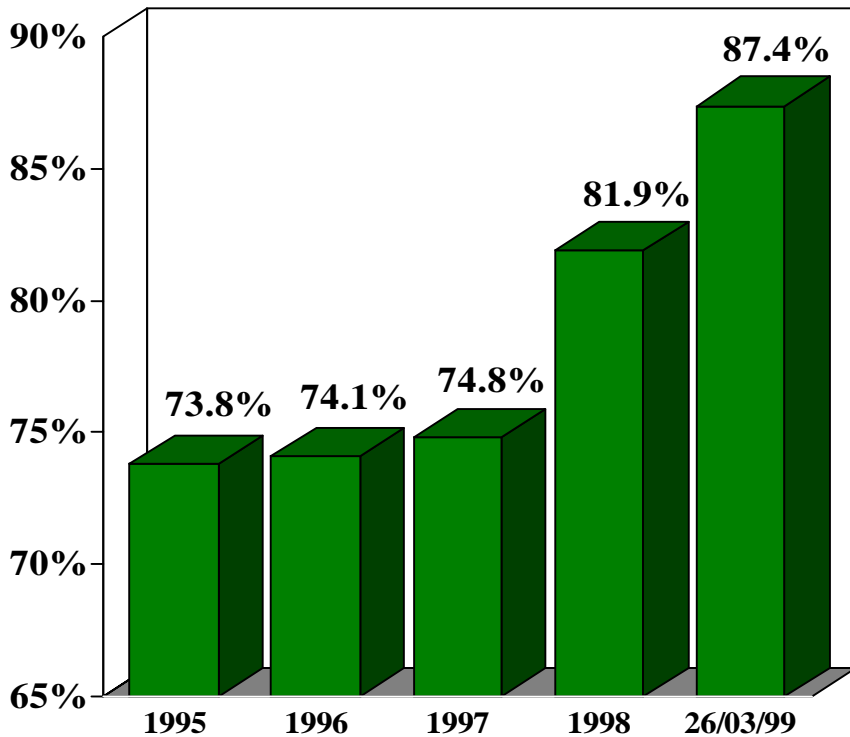
- First to introduce master concession operation of food courts in malls in the U.S.
- To date, six food courts currently operational with four more signed deals to open in 1999
- Uniquely positioned entertainment venues, including Empire State Building, The Houston Space Center and New Orleans Aquarium



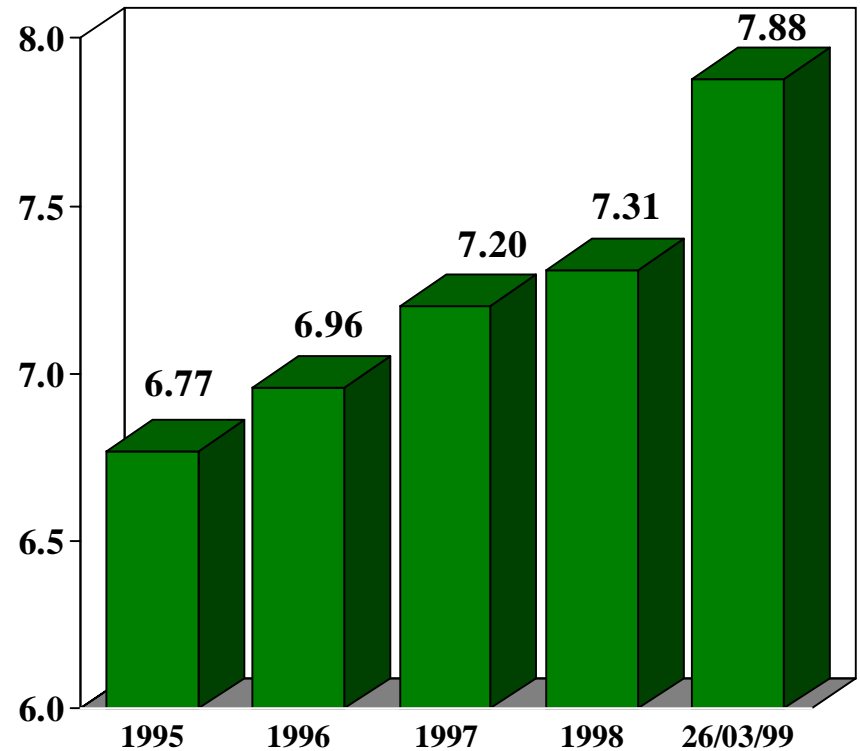


HMS — Increasing Contract Life and Retention

Contract Retention Rate^(a)



Average Contract Life



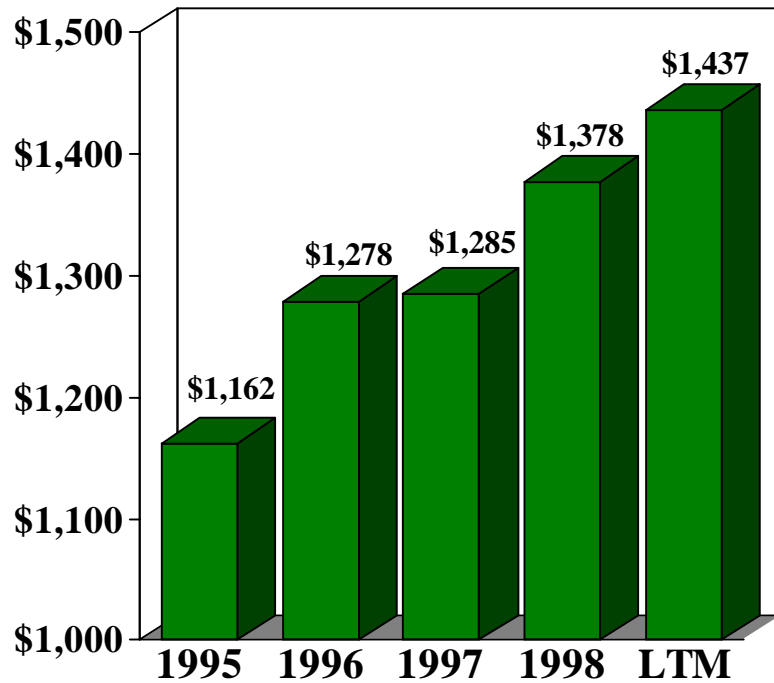
(a) Represents 3 year period ended '95, '96, '97, '98 and 3.25 year period ended 26/3/99



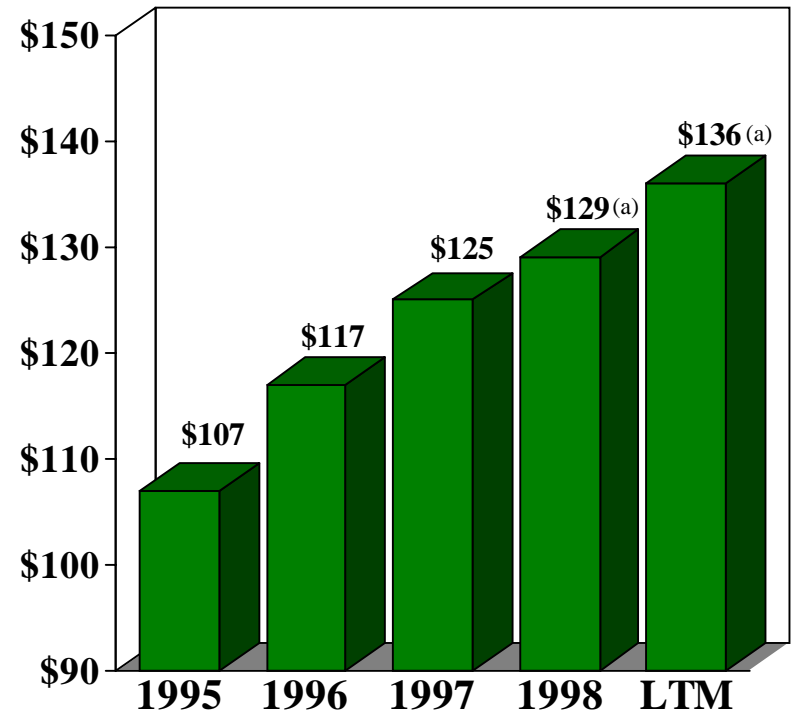
HMS — Strong Operating History

(\$ in millions)

Revenue



EBITDA

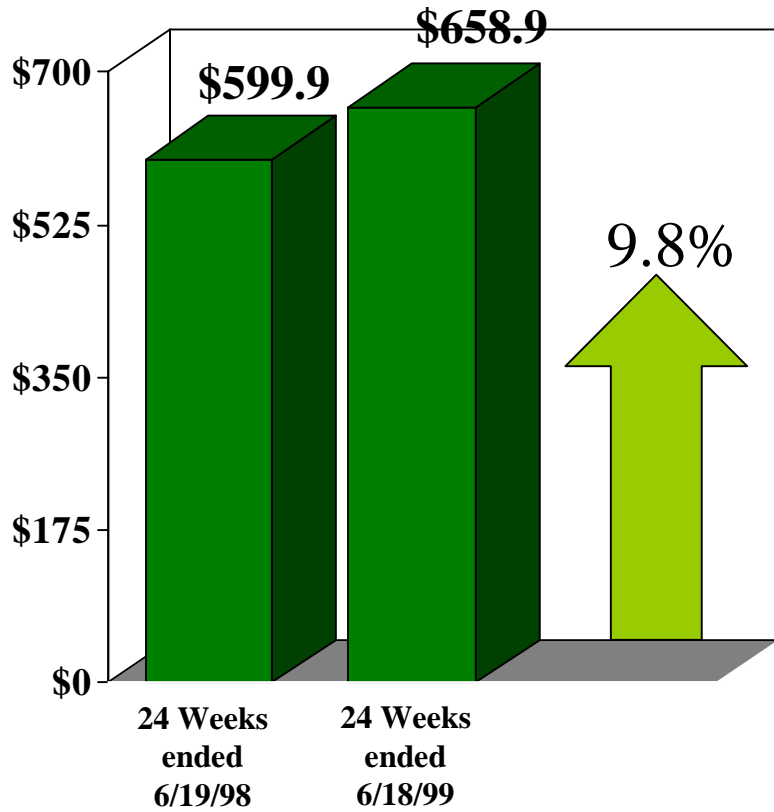


(a) Adjusted for extraordinary items.

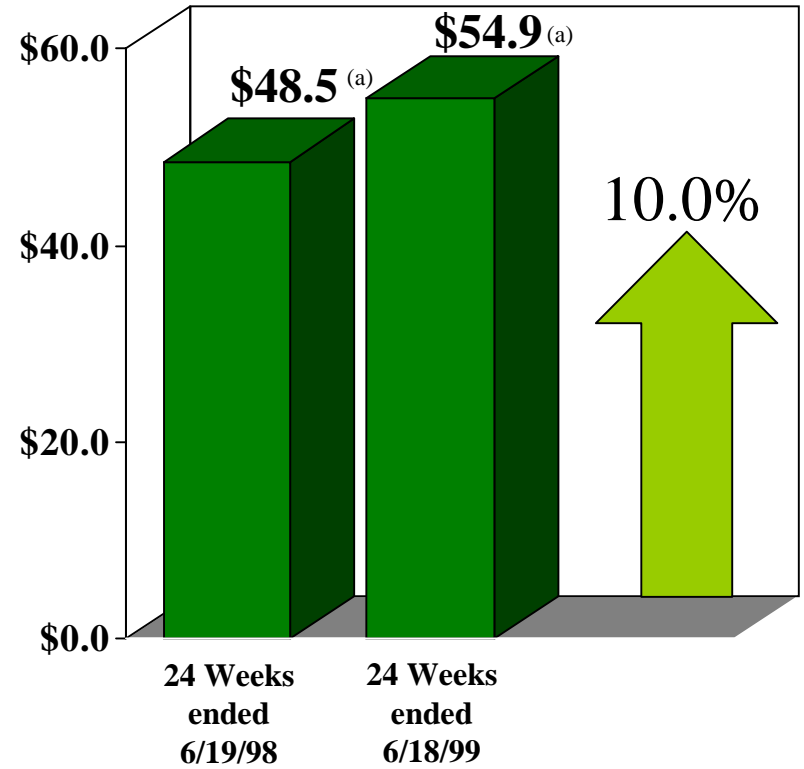


HMS — Recent Operating Results

Revenue



EBITDA



(a) Adjusted for extraordinary items.

Autogrill

Creating the Global Platform



Autogrill: a Brief Profile

- Europe's largest concession operator and second largest provider of modern retail catering services
- Operates both in the concession business (motorways, airports, railway stations and exhibition centers) and - mainly with its proprietary brand Spizzico and Burger King - in the quick service restaurant sector
- Runs 636 bars and restaurants in 9 European countries (1998 data)



Autogrill — Timeline

The first Motta, Alemagna and Pavese restaurants open on Italian motorways

Autogrill assumes a position in the urban sector

Autogrill starts - with France and Spain - its international expansion

Autogrill is listed on the Italian Stock Exchange
The Spizzico Project is launched
Autogrill enters the airport business

Autogrill enters Benelux (AC Restaurants) and Germany (Wienerwald)

'30

'55

'77

'86

'89

'93

'94

'96

'97

'98

'99

...

The first Motta and Alemagna shops open in Milan

Motta and Alemagna motorway restaurants are merged into Autogrill S.p.A.

Autogrill opens its first Spizzico Restaurant

Autogrill is privatised. Edizione Holding (Benetton Family) becomes major shareholder

Autogrill enters Greece and Austria and buys French Group Sogerba

Autogrill buys Frantour Restauration in France



Autogrill Financial Highlights

(figures in million Euros)

	1997	1998	+%
Chain Revenues	934.8	1,196.6	27.9%
Total Revenues	887.7	1,123.5	26.6
EBITDA	110.9	169.8	53.0
EBIT	37.0	75.0	102.7
Net Profit	25.7	33.8	31.4
Cash Flow	84.6	113.5	34.1
Employees (avg)	8,153	12,310	
Shareholders' Equity	200.1	224.9	12.4
Net Financial Position	(44.6)	(89.2)	



The Combined Company

	Highways	Airports	Shopping Malls	Other	Total
Italy	345	6	40	50	440
Rest of Europe	172	1	20	4	197
U.S.	92	60	10	15	178
Other	<u>--</u>	<u>9</u>	<u>--</u>	<u>--</u>	<u>9</u>
Total	609	76	70	69	824



The Combined Company

Euro million — 1998 Data

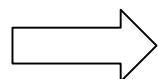
	Autogrill		HMS		Total	
	Million Euro	%	Million Euro	%	Million Euro	%
Net Sales	1,124	100.0	1,312	100.0	2,436	100.0
EBITDA	164	14.6	120	9.1	284	11.7
Depreciation	46	4.1	52	4.0	9.8	4.0
EBITA	118	10.5	68	5.2	186	7.6



Pro Forma Net Financial Position

(figures in million Euros)

	Autogrill 31/12/98	Subsequent Events	HMS 18/06/99	Purchase Price Debt	Total
Short-term	243	--	1		244
Long-term	57		413 (b)		470
Convertible	--	350			350
Bridge Loans	--	<u>50</u> (a)	---	<u>504</u>	<u>554</u>
Total Debt	300	400	414	504	1,618
Cash and Equivalent	<u>(210)</u>	<u>(350)</u>	<u>(32)</u>	---	<u>(592)</u>
Net Debt	90	50	382	504	1,026



Aggregate 1999 expected net financial debt: 1,100 million Euro

- Acquisition of Frantour.
- At the spin-off (Dec. 95) the company was capitalised with negative equity (117 million Euro) and 10 years senior notes (381 million Euro).



Financing Strategy

- Purchase price and acquisition costs financed by
 - Recently issued convertible (issued June 1999)
 - 18-month bridge financing (already available)
- “Permanent” capital structure to be defined based on
 - Market conditions
 - Favorable interest rate opportunities
 - Appropriate hedging of foreign exchange exposure
 - Tax-efficient structures
 - Financial flexibility



Free Cash Flow Generation (*)

- In 1998, Autogrill and HMS generated aggregate free cash flow of Euro 67 million (after capital expenditures of Euro 109 million)
- Following the integration, combined annual free cash flow is expected to be over Euro 130 million (after 2001) as a result of:
 - high cash generation
 - working capital management
 - controlled capital expenditures – focus on efficiency of capital employed
 - synergies

(*) Cash flow defined as Net Income + D&A - Capex - Δ Working Capital



Autogrill's Key Strategic Objectives

- **Leverage management skills and resources**
 - Ensure continuity of HMS management
- **Focus on core business**
 - Motorways
 - Airports
 - Quick Service Restaurants
- **Exploit potential synergies**
- **Focus on Return on Investment**
- **Develop new business opportunities**
 - Exchange of expertise
 - Potential rebranding opportunities
 - New airports
 - Retailing on tollroads
 - Railway stations

Result: A Stronger Competitive Position



Areas for Potential Synergies

Estimated Annual Impact on EBITDA starting 2001-2003 (million Euro)

Field costs	5 - 10
Productivity	5 - 10
Purchasing	5 - 10
Development of retailing in tollroads	3 - 5
Introduction of Autogrill Concepts	2 - 5
Expansion in international airports	8 - 12
Other	2 - 5
TOTAL	30 - 55



The Combined Company

Euro million — 1998 Data

	Autogrill		HMS		Total	
	Million Euro	%	Million Euro	%	Million Euro	%
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- Our preliminary estimate for the future:
 - Sales CAGR of 6.0-7.0% through 2003
 - Over 130 million Euro per year of free cash flow generated after 2001



A Changing Business Profile

Net sales 1999 - Mix by Channel / Country

Before acquisition

Italy	1,2%	58,1%	12,3%	71,5%	10,2%
International	0,0%	21,4%	7,1%	28,5%	1,1%
TOTAL	1,2%	79,5%	19,4%	100,0%	11,3%
	Airports	Motorways	Others	TOTAL	Q.S.R.

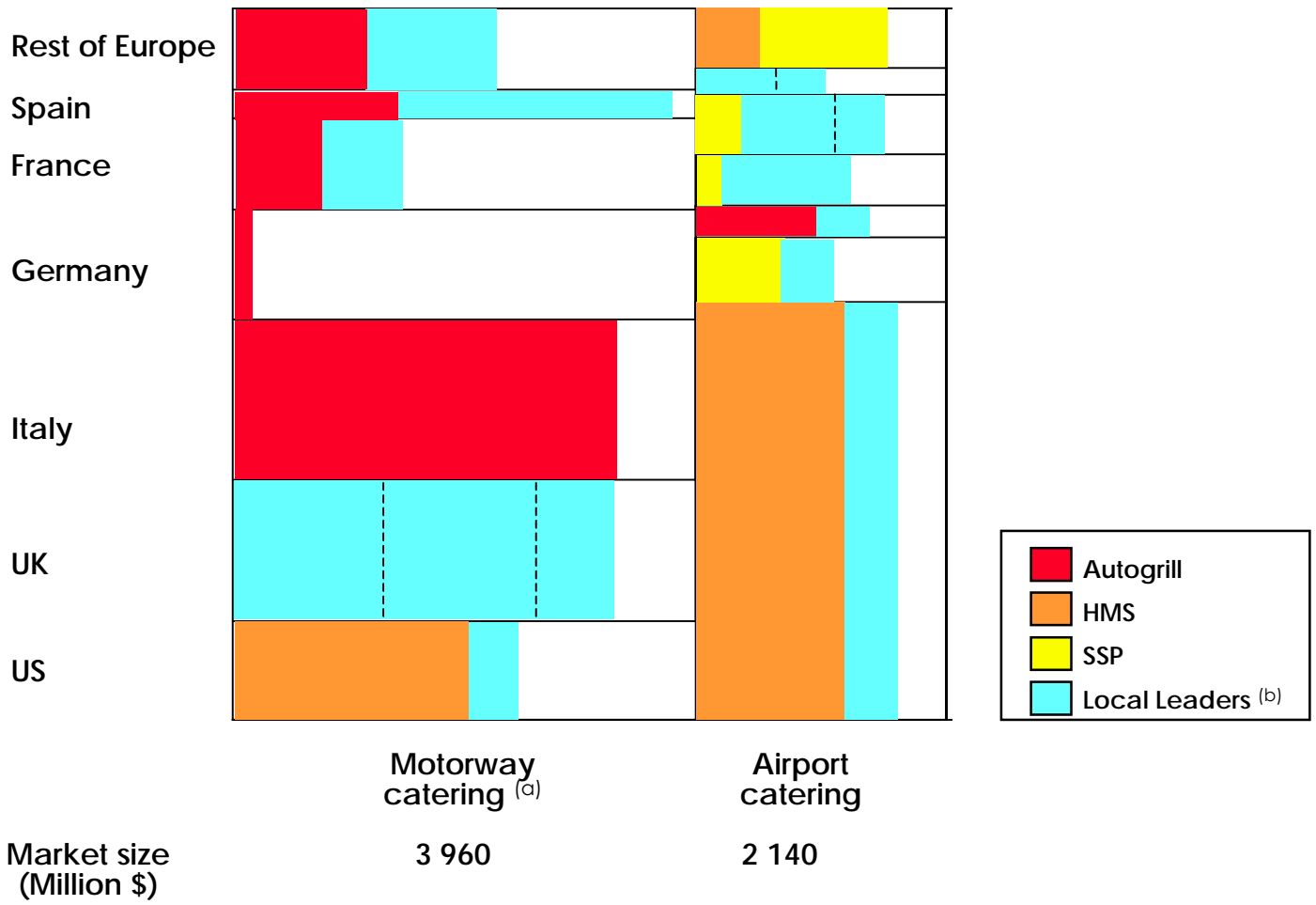
After acquisition

Italy	0,5%	27,6%	5,8%	33,9%	4,9%
International	37,6%	22,6%	5,9%	66,1%	10,6%
TOTAL	38,2%	50,2%	11,7%	100,0%	15,4%
	Airports	Motorways	Others	TOTAL	Q.S.R.



A Unique Positioning in the Catering Market

(million \$ - 1997 estimated)



(a) Includes retail sales
 (b) Airports: CAOne (US), Granada (UK), Eliance e Actair (F), Raesa e Areas (E); Motorway: McDonald's (US), Granada, WB e Roadchef (UK), HRC (F), Areas (E), Mövenpick (CH). In Motorway Germany Tank und Rast not considered a catering chain
 Source: HMS, press, ACI, Autogrill, BCG estimates



Overview of Transaction

Offer:	\$15.75 per HMS share in cash
Outstanding Shares:	33.6
Equity Value:	\$529
Net Indebtedness:	\$400
Total Value:	\$929
Anticipated Timing:	2 August, tender offer to commence. Expected to be open 20 business days.



Forward Looking Statements

The statements included herein contain forward-looking statements by the management of Autogrill S.p.A. (“Autogrill”) based on certain assumptions and current expectations about the combination of Autogrill and Host Marriott Services Corporation (“HMS”). Many risks and uncertainties could cause the actual results, performance or achievements of the combined entity to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements, including adverse trends in the Italian economy which may impact negatively on retail trade and consumer spending (including unemployment levels and wages and salaries), and changes in business strategy and various other factors. Autogrill undertakes no obligation to republish revised forward-looking statements to reflect events or circumstances after the date hereof. The inclusion of the forward-looking statements should not be regarded as a representation by Autogrill, HMS or any other person or entity that those statements will actually be achieved and the reader is cautioned not to place undue reliance on them.