QUARTERLY REPORT AS AT 30 SEPTEMBER 2006

3RD QUARTER 2006

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Note: The Quarterly Report for the Third quarter ended 30 September 2006 has been translated into English from the original Italian version. Where differences exist, the Italian version shall supersede the English version.

1. HIGHLIGHTS AND GENERAL INFORMATION

Currencies

Unless otherwise stated, in the Report on Operations all amounts are in millions of euros, US dollars, or Swiss francs abbreviated as €m, $m and CHFm. There may be imperfect rounding due to the use of millions.

In the Notes to the Accounts figures are in thousands of euros or US dollars, abbreviated as €k and $k respectively.

1.1 GENERAL INFORMATION AND CORPORATE BODIES

Corporate Bodies

BOARD OF DIRECTORS(1)

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

BOARD OF STATUTORY AUDITORS(7)

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

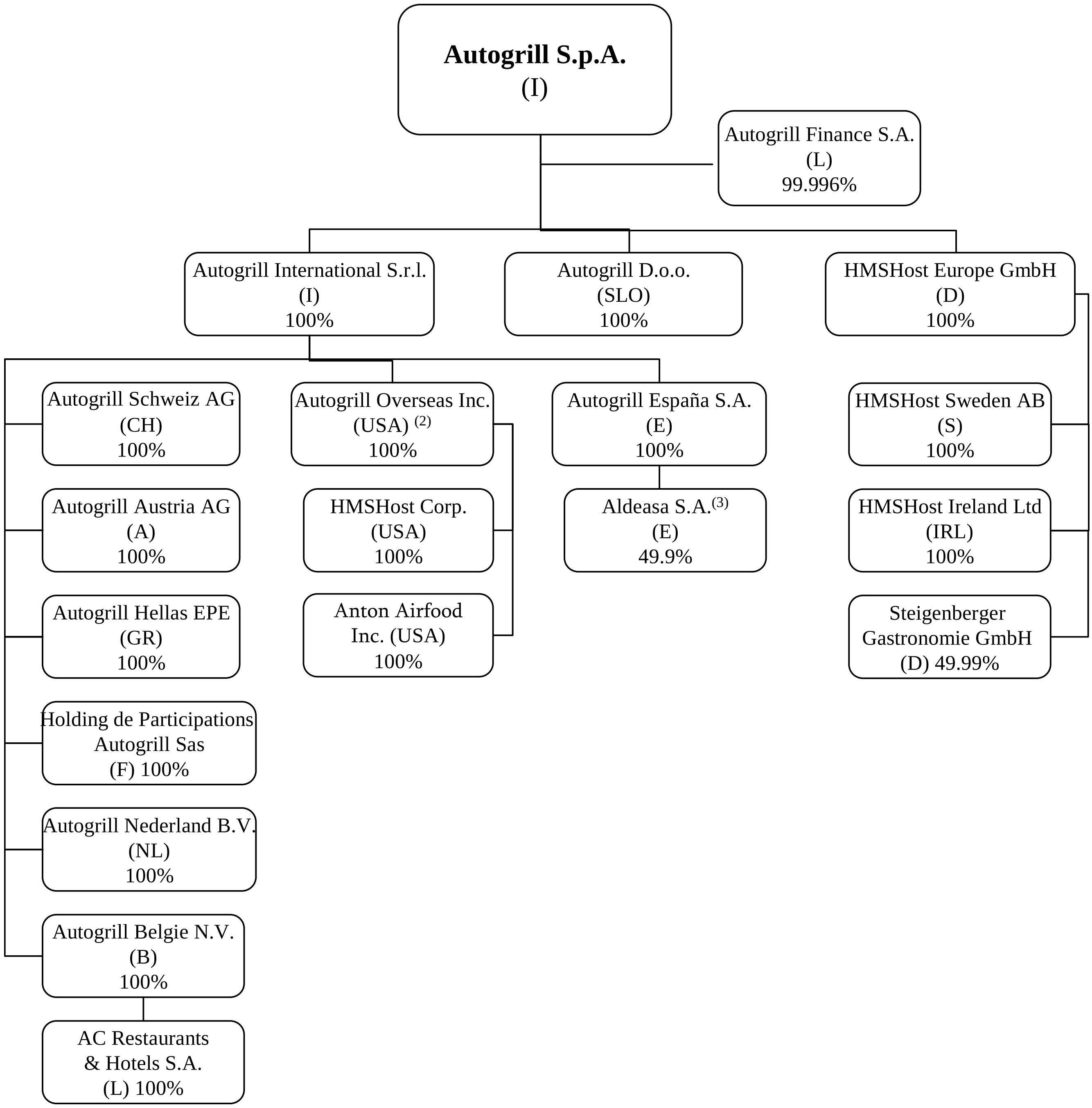
EXTERNAL AUDITORS(8)

KPMG, S.p.A.

1. Appointed by the Shareholders' Meeting held on 27 April 2005, in office until approval of the 2007 Accounts.
2. Appointed by the Board of Directors on 27 April 2005.
3. Invested with all legal and corporate powers including legal representative of the Company and sole signatory on behalf of the Company.
4. Invested with all day-to-day powers of management as sole signatory as per resolution dated 27 April 2005.
5. Member of the Internal Controls Committee.
6. Member of the Remuneration Committee.
7. Appointed by the Shareholders' Meeting held on 27 April 2006, in office until approval of the 2008 Accounts.
8. Appointed by the Shareholders' Meeting held on 27 April 2006, mandate expires on approval of the 2011 Accounts

E. Executive Director.
I. Independent Director

1.2 MAIN GROUP COMPANIES[1]



[1] This chart contains the main companies belonging to the Autogrill Group and shows the sub-holding company for each country in which the Group operates and not in most cases the subsidiaries of the sub-holding company. Please see page 76 et seq. for a complete list of Autogrill Group companies.

[2] This holding company currently has as its only asset its 100% holding in Autogrill Group Inc. (AGI). For the sake of continuity, the latter is however given as the lead company for North American business of the Autogrill Group in the Report on Operations.

[3] The new name of Retail Airport Finance S.L. after the 1 August 2006 merger with Aldeasa (effective from 1 January 2006 for accounting purposes).

1.3 GROUP PROFILE

The Autogrill Group ("Autogrill") is world leader in restaurant and retail services for travellers.
The Group operates along motorways and in airports, railway stations and shopping and town centres in America and in Europe, through its network of over 4,600 outlets, in over 1,000 locations in 29 countries. In 2005 the Group served more than 800 million customers and employed over 51,000 people.

In Europe business centres on the motorways, while in North America airports are the main business segment. Geographical and segment diversification makes it possible to offset the impact on results of fluctuations in numbers of people on the move. The product and service range is constantly updated through the Group's brand portfolio, whether proprietary or licensed, and this allows to take advantage of changes in consumer needs as they occur in each country where the Group operates. The life of the concessions makes it possible to plan the business over the medium-to-long term.

Seasonality of the Business

Business volumes in the Group are linked to passenger and traveller traffic.

Q3 is characterised by business volumes that are significantly higher than the annual average. Revenue is some 30% of the total for the year and profitability indicators are above the annual average. Please note however that these indications are a rough guide and should not be used to project the results for the year.

Conversion Effect of Non-Eurozone Business

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

The Group's continuing policy is to manage exchange rate risk, by funding the main net assets denominated in currencies other than the euro with loans in the same currency, or by entering into forward transactions with the same resultant effect.

The local nature of our business also means that revenues and costs in each country of operation are predominantly denominated in the same currency.

This does not however completely neutralise the effect of changes in exchange rates in respect of individual balance sheet items. Specifically, fluctuations in the euro-US$ exchange rate can make comparison of Group figures with those of the previous year less meaningful.

In the first nine months of 2006 the average euro/US$ exchange rate showed a 1.4% appreciation of the US$ over first half 2005, while in Q3 2006 the US$ fell by 4.3% against the euro as compared to the same period 2005.

Where conversion differences are significant and it helps to understand the performance in the period, changes in results at both constant and actual exchange rates have been calculated.

1.4 HIGHLIGHTS

(€m)	Q3 2006	Q3 2005	Change	
			At current exch. rate	At constant exch. rate (1)
Total Revenue	1,094.9	1,038.0	**5.5%**	**7.6%**
Operating Revenue (2)	1,071.7	1,014.7	**5.6%**	**7.8%**
Ebitda (3)	194.6	181.5	**7.2%**	**9.2%**
EBITDA Margin	**18.2%**	**17.9%**		
Operating Profit (EBIT) (4)	154.1	138.9	**10.9%**	**12.8%**
EBITDA Margin	**14.4%**	**13.7%**		
Net Profit (attr. to Group)	90.4	73.3	**23.4%**	**25.2%**
EBITDA Margin	**8.4%**	**7.2%**		
Capital Expenditure (5)	48.3	48.5	**-0.3%**	**2.6%**
Earn per Share (€cents)				
undiluited	35.6	28.8		
diluited	35.2	28.5		

(1) Average US$/ € exchange rate Q3 2006: 1.2744, down by 4.3% from Q3 2005 (1.2198)
(2) Does not include sales of fuel (€23.2m in Q3 2006, €23.3m in H1 2005)
(3) Earnings before depreciation, extraordinay items, interest and tax.
(4) Earnings before extraordinay items, interest and tax.
(5) Does not include financial fixed assets and equity investments.

(€m)	First nine months 2006	First nine months 2005	Change		2005
			At current exch. rate	At constant exch. rate (1)	
Total Revenue	2,897.2	2,587.7	**12.0%**	**11.3%**	3,599.9
Operating Revenue (2)	2,840.0	2,532.6	**12.1%**	**11.4%**	3,528.9
Ebitda (3)	398.7	373.2	**6.8%**	**6.1%**	475.3
EBITDA Margin	**14.0%**	**14.7%**			**13.5%**
Operating Profit (EBIT) (4)	275.5	251.1	**9.7%**	**9.1%**	294.9
EBITDA Margin	**9.7%**	**9.9%**			**8.4%**
Net Profit (attr. to Group)	140.0	118.3	**18.3%**	**17.7%**	130.1
EBITDA Margin	**4.9%**	**4.7%**			**3.7%**
Capital Expenditure (5)	129.8	129.7	**0.1%**	**3.2%**	195.0
Earn per Share (€cents)					
undiluited	55.0	46.5			51.1
diluited	54.5	46.0			50.6

(1) Average US$/ € exchange rate first 9 months 2006: 1.2446, up by 1.4% over first 9 months 2005 (1.2625)
(2) Does not include sales of fuel (€57.2m in first 9 months 2006, €55.1m in first 9 months 2005)
(3) Earnings before depreciation, extraordinay items, interest and tax.
(4) Earnings before extraordinay items, interest and tax.
(5) Does not include financial fixed assets and equity investments.

2. REPORT ON OPERATIONS

2.1 OPERATING RESULTS

The results of the 3rd Quarter 2006 are given first: in a section of the following Report the cumulative results of the first nine months 2006 are discussed.

CONDENSED CONSOLIDATED INCOME STATEMENT(1)

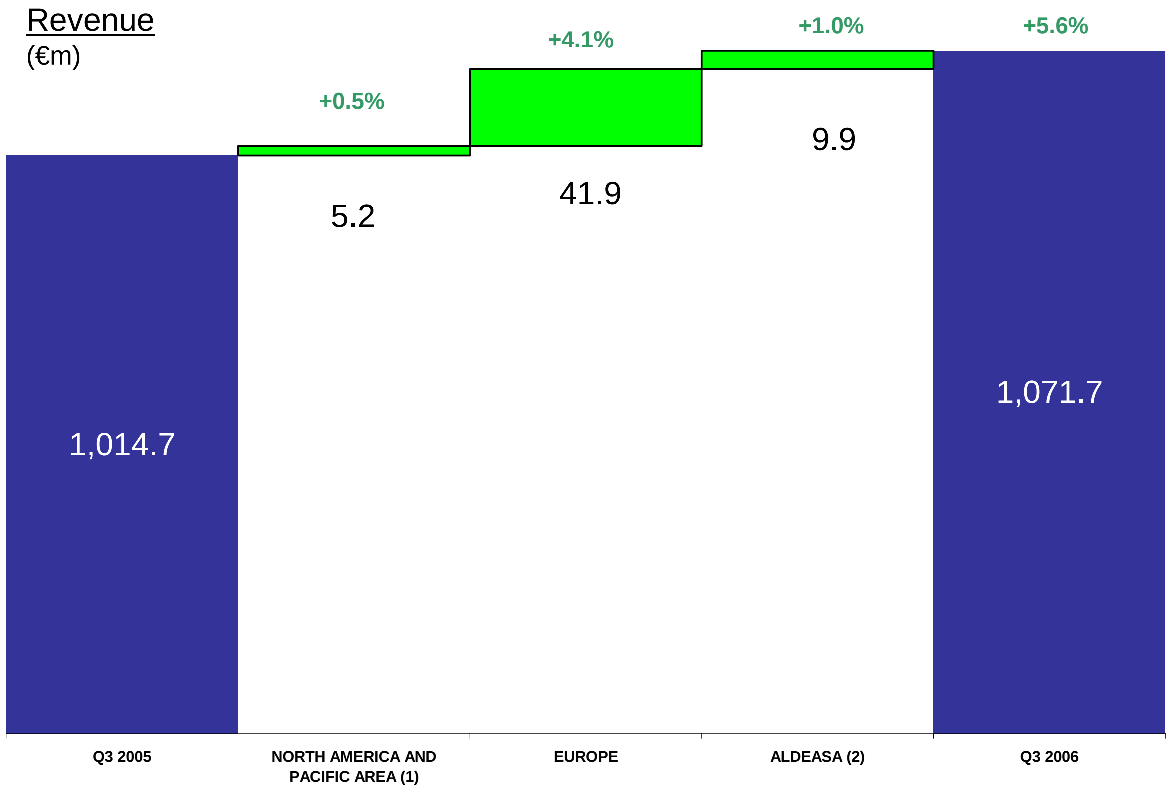
(€m)	Q3 2006		Q3 2005		Change	
					At current exch. rate	At constant exch. Rate
Operating Revenue	1,071.7	100.0%	1,014.7	100.0%	5.6%	7.8%
Other operating income	35.3	3.3%	22.1	2.2%	59.4%	59.5%
Total Income	**1,107.0**	**103.3%**	**1,036.8**	**102.2%**	**6.8%**	**8.9%**
Cost of raw materials, items for use and merchandise	(375.7)	-35.1%	(348.5)	-34.3%	7.8%	9.6%
Payroll	(272.8)	-25.5%	(259.4)	-25.6%	5.2%	7.6%
Rents, concessions and royalties	(156.6)	-14.6%	(145.0)	-14.3%	7.9%	10.5%
Other operating costs	(107.3)	-10.0%	(102.4)	-10.1%	4.7%	6.9%
EBITDA	**194.6**	**18.2%**	**181.5**	**17.9%**	**7.2%**	**9.2%**
Depreciation	(40.5)	-3.8%	(42.6)	-4.2%	-4.9%	-2.6%
Operating Profit (EBIT)	**154.1**	**14.4%**	**138.9**	**13.7%**	**10.9%**	**12.8%**
Financial income (expense)	(12.0)	-1.1%	(11.1)	-1.1%	7.0%	10.1%
Value adjustments on financial assets	0.3	0.0%	0.1	0.0%	n.s.	179.7%
Profit before tax	**142.4**	**13.3%**	**127.9**	**12.6%**	**11.3%**	**13.2%**
Tax	(47.8)	**-4.5%**	(50.5)	**-5.0%**	-5.4%	-3.8%
NET PROFIT	**94.6**	**8.8%**	**77.4**	**7.6%**	**22.3%**	**24.3%**
- attributable to the Group	90.4	8.4%	73.3	7.2%	23.4%	25.2%
- attributable to minorities	4.2	0.4%	4.1	0.4%	2.5%	5.1%

1. Compared to the Income Statement on page 42, fuel sales are disclosed only as to the gross margin generated (€1.0m in Q3 2006, €1.3m in Q3 2005), which is in Other income, and not as to revenue (€23.2m in Q3 2006, €23.3m in Q3 2005) and purchase cost (€22.2m in Q3 2006, €22m in Q3 2005).

AUTOGRILL GROUP

Consolidated Revenue

In Q3 2006 Autogrill recorded consolidated revenue of €1,071.7m, up by 5.6% over the €1,014.7m of Q3 2005.



(1) This area is that of Autogrill Group, Inc. and thus also includes restaurant business in Schiphol Airport The Netherlands).
(2) Proportionately consolidated as to 50%, the amount considered.

North America recorded an increase of 4.8%, clearly contrary to negative air traffic trends (down by 2.6% according to A.T.A.).

In Europe the advance of 9.2% was due to the recovery of motorway traffic and new openings in the airport, railway station and trade fair segments.

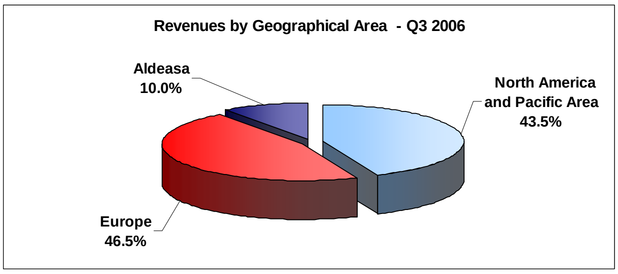
Aldeasa S.A. (our 50/50 joint venture with Altadis S.A. consolidated proportionately since 1 May 2005) contributed €107.6m to consolidated revenue, an increase of 10.1% over Q3 2005's €97.7m despite the restrictions imposed on travellers in August 2006 for security reasons.

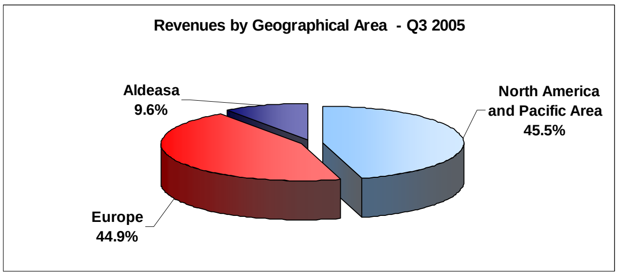
The following table shows quarterly changes in revenue by geographical area:

(m€)	Q3 2006	Q3 2005	Change At current exch. rate	Change At constant exch. Rate
North America and Pacific Area (1)	466.6	461.4	1.1%	4.8%
Europe	497.5	455.6	9.2%	9.3%
Aldeasa (2)	107.6	97.7	10.1%	10.1%
Consolidated revenues	**1,071.7**	**1,014.7**	**5.6%**	**7.8%**

(1) This area is that of Autogrill Group, Inc. and thus also includes restaurant business in Schiphol Airport The Netherlands).
(2) Proportionately consolidated as to 50%, the amount considered.

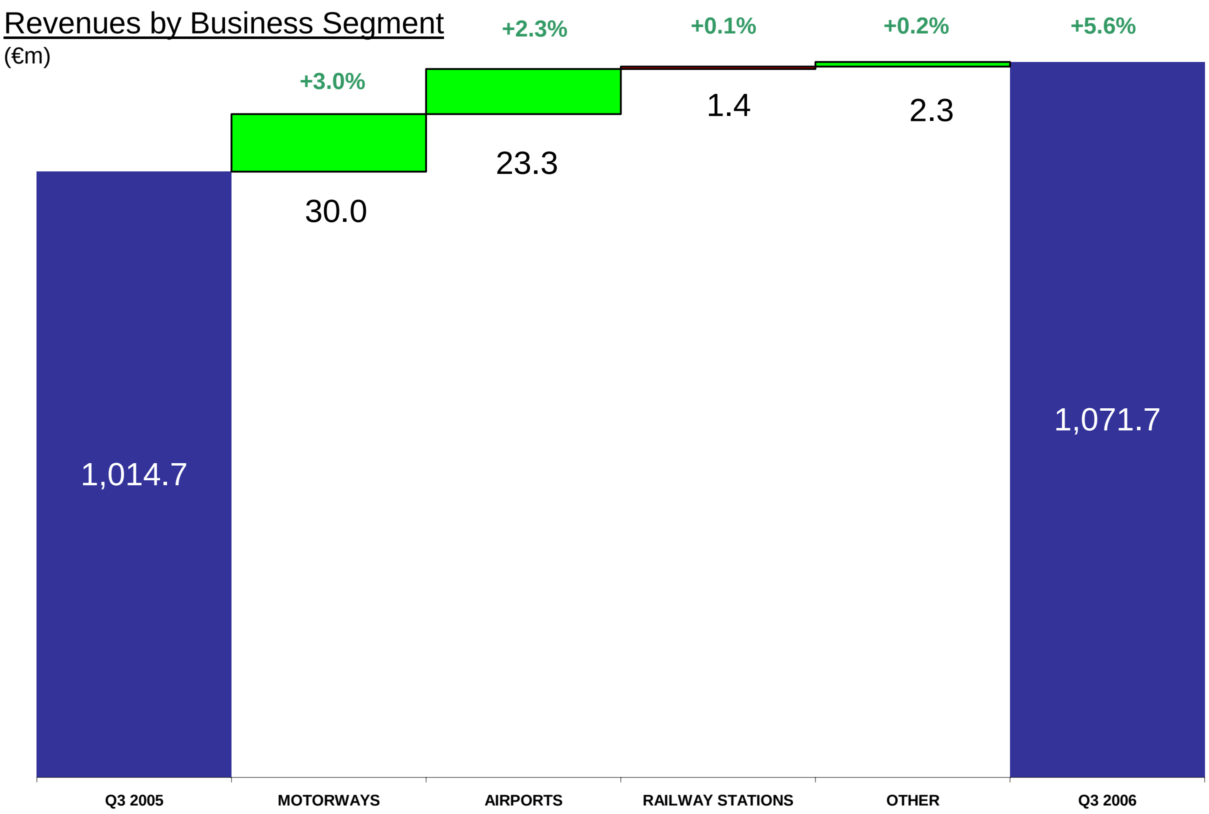
The following charts give the breakdown of revenue by geographical area respectively in Q3 2006 and Q3 2005.



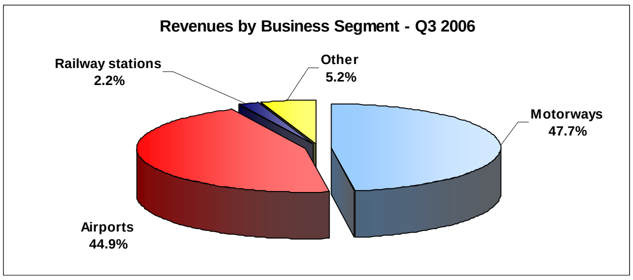


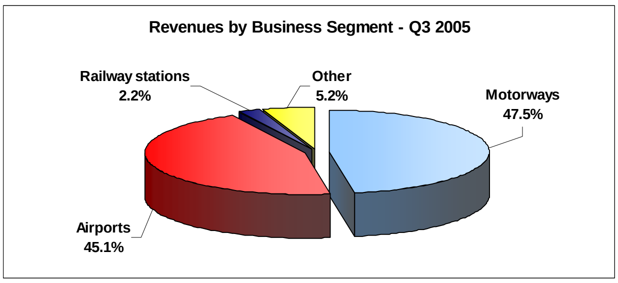
Business segment performance analysis showed that the growth of revenue in Q3 2006 over Q3 2005, was due as to 53% to the motorway segment and 41% to airports.

Motorway segment growth was due both to food & beverage sales and retail. Retail sales benefited from strong growth in sales of complementary products in Italy (lottery tickets and games mainly).



The following charts give the breakdown of revenue by business segment respectively in Q3 2006 and Q3 2005.





Ebitda

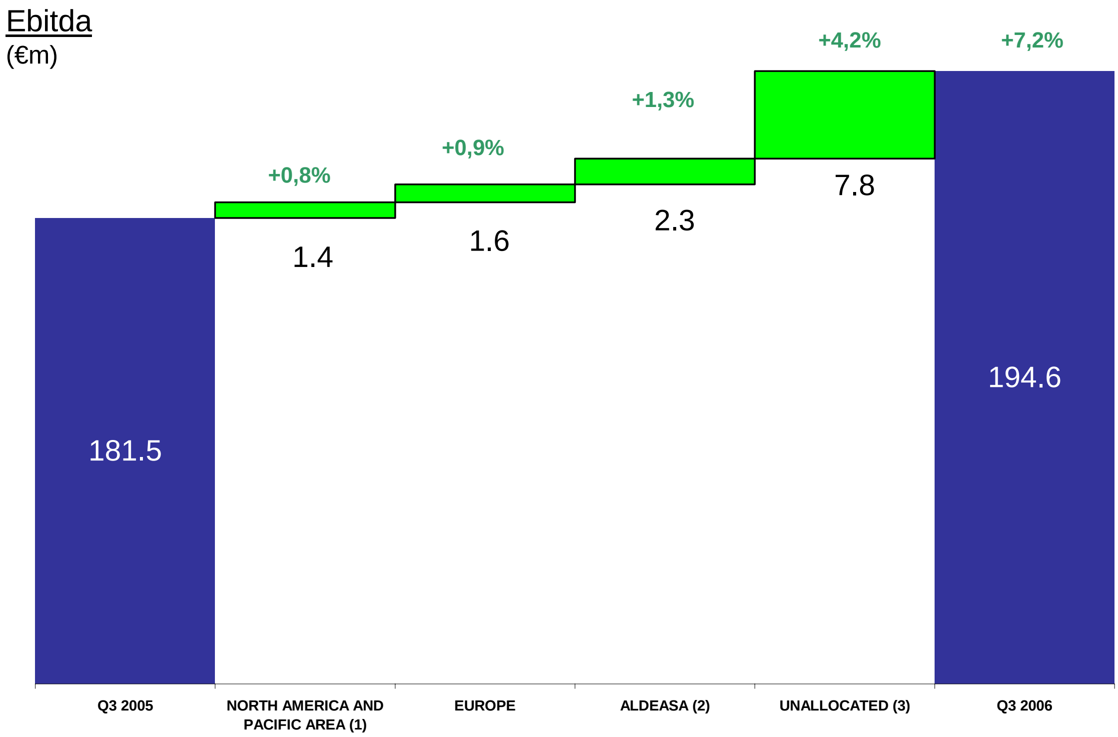
In Q3 2006 Ebitda reached €194.6m, up by 7.2% (or 9.2% at constant exchange rates) compared to €181.5m for Q3 2005. This advance was due as to €9.3m to the capital gain arising from the disposal of most of the property of Aldeasa S.A., shown in Other income.

Without this non-recurring item Ebitda fell from 17.9% of revenue in Q3 2005 to 17.3% in Q3 2006. This ratio's decline is due to Retail & Duty Free's increased share of total revenue and relates mainly to the following:

– Changes in the sales mix to more Retail products at the expense of food & beverage sales in Europe especially the strong growth of lottery tickets and games in Italy;

– Aldeasa's faster revenue growth than that of the rest of the Group.

The Retail & Duty Free business is structurally characterised by a lower Ebitda margin than food & beverage. This difference tends to disappear at Ebit margin level, given the smaller proportion of capital expenditure (and hence of depreciation) compared to food & beverage.



(1) This area is that of Autogrill Group, Inc. and thus also includes restaurant business in Schiphol Airport The Netherlands).
(2) Proportionately consolidated as to 50%, the amount considered.
(3) Includes increased corporate costs of €2m and non-recurrent income of €9.8m.

(m€)	Q3 2006	Q3 2005	Change At current exch. rate	Change At constant exch. rate
North America and Pacific Area (1)	78.8	77.4	1.9%	4.6%
% on revenue	16.9%	16.8%		
Europe	99.4	97.8	1.5%	1.6%
% on revenue	20.0%	21.5%		
Aldeasa (2)	13.8	11.5	20.1%	20.1%
% on revenue	12.9%	11.8%		
Unallocated (3)	2.6	(5.2)	n.s.	n.s.
Consolidated revenues	**194.6**	**181.5**	**7.2%**	**9.2%**
% on revenue	18.2%	17.9%		

(1) This area is that of Autogrill Group, Inc. and thus also includes restaurant business in Schiphol Airport The Netherlands).
(2) Proportionately consolidated as to 50%, the amount considered.
(3) Q3 includes corporate costs of €7.2m and non-recurrent income of €9.8m.

Ebit

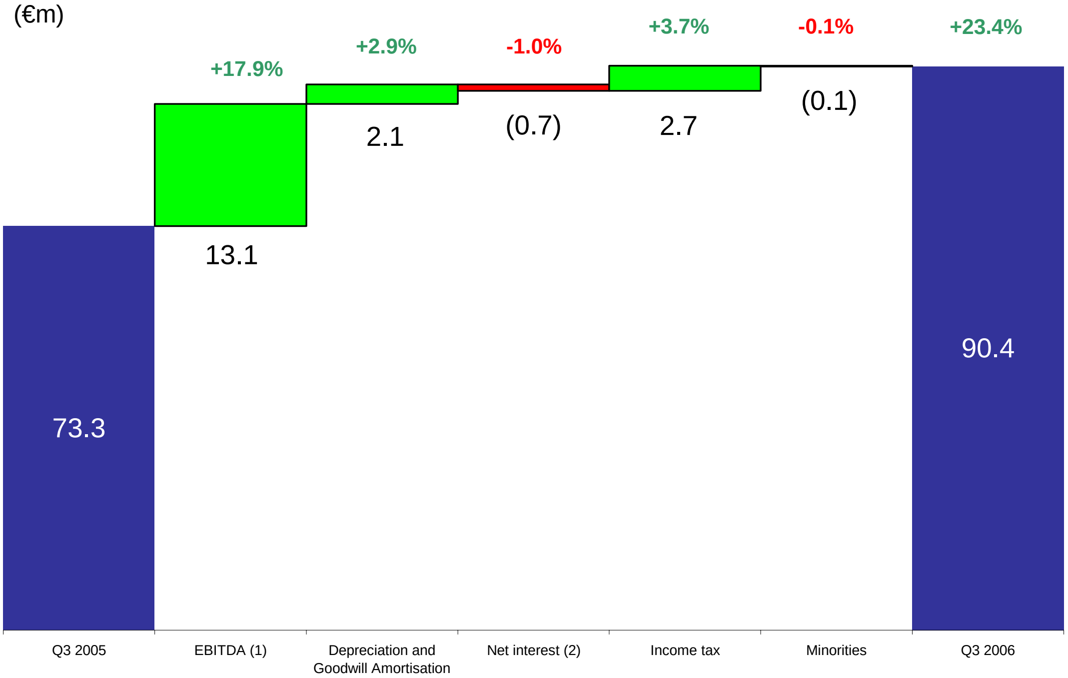
In Q3 Autogrill achieved operating profit of €154.1m, an increase of 10.9% over the €138.9m of Q3 2005. The Ebit margin increased from 13.7% to 14.4%. The dilution of Ebitda margin due to Retail & Duty Free is absorbed at Ebit margin level due to lower capital expenditure and thus depreciation as compared to food & beverage.

Net Profit

Net profit attributable to the Group for Q3 2006 was €90.4m, an increase of 23.4% (or 25.2% at constant exchange rates) over Q3 2005's figure of €73.3m. As well as the increase in profit from operations, this improved net result was due to the mentioned capital gain on disposal of property owned by Aldeasa S.A. and lower tax.

The Q2 result benefited especially from the deficit arising from the absorption of Aldeasa S.A. by Retail Airport Finance S.L. (the joint venture of Autogrill and Altadis), which was concluded in August, but in accounting and tax terms effective from 1 January 2006. Net of the effects of property disposals and the retroactive application of the absorption of Aldeasa S.A., net profit would have been up by 4.4% (6.1% at constant exchange rates) at €76.5m.

Net profit
(€m)



(1) Includes non-recurrent net income of €9.8m.
(2) Also includes increase in value of associates (€0.2m).

PRINCIPAL MACRO-AREAS OF BUSINESS

The following are the main profit and loss figures by macro-area:

	North America and Pacific Area [1]				Europe			
			Change				Change	
(€m)	Q3 2006	Q3 2005	total	At constant exch. rate	Q3 2006	Q3 2005	total	At constant exch. rate
Revenue	466.6	461.4	1.1%	4.8%	497.5	455.6	9.2%	9.3%
Ebitda	78.8	77.4	1.9%	4.6%	99.4	97.8	1.5%	1.6%
% on revenue	*16.9%*	*16.8%*			*20.0%*	*21.5%*		
Depreciation and Amortisation	20.4	23.1	-11.8%	-7.8%	18.2	17.7	3.1%	3.2%
Capital Expenditure	19.5	27.9	-30.1%	-26.6%	24.6	19.9	23.5%	23.6%

	Aldeasa [2]				Group Total [3]			
			Change				Change	
(€m)	Q3 2006	Q3 2005	total	At constant exch. rate	Q3 2006	Q3 2005	total	At constant exch. rate
Revenue	107.6	97.7	10.1%	10.1%	1,071.7	1,014.7	5.6%	7.8%
Ebitda	13.8	11.5	20.1%	20.1%	194.6	181.5	7.2%	9.2%
% on revenue	*12.9%*	*11.8%*			*18.2%*	*17.9%*		
Depreciation and Amortisation	1.9	1.6	19.0%	19.0%	40.5	42.6	-4.9%	-2.6%
Capital Expenditure	4.2	0.7	n.s.	n.s.	48.3	48.5	-0.3%	2.6%

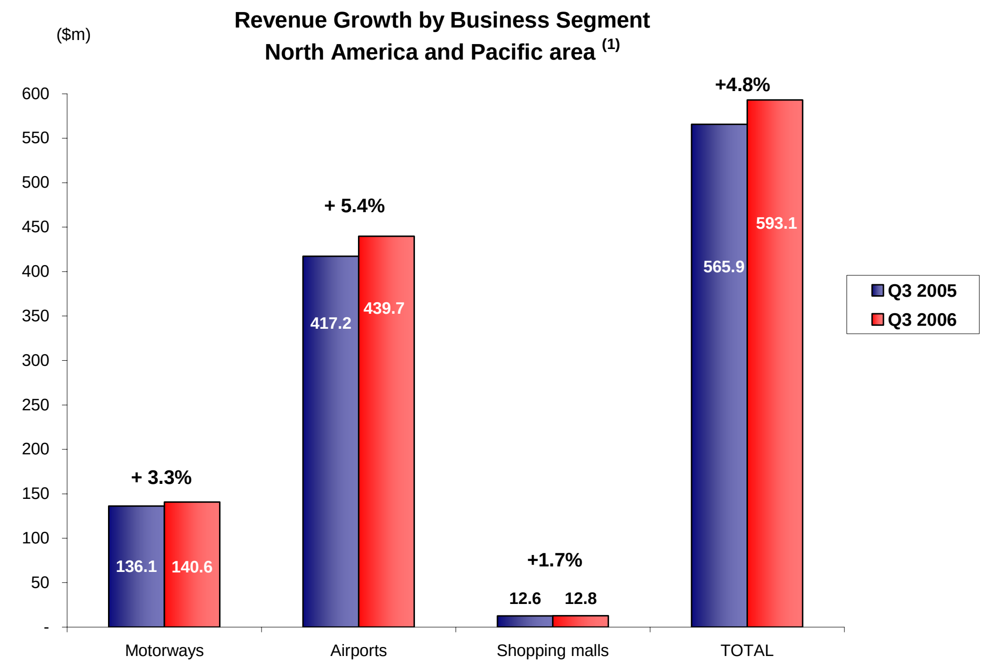
[1] This area is that of Autogrill Group, Inc. and thus also includes restaurant business in Schiphol Airport The Netherlands).
[2] Proportionately consolidated as to 50%, the amount considered.
[3] Q3 2006 includes unallocated net income of €2.6m. Q3 2005 includes unallocated costs and depreciation respectively of €5.2m and €0.2m.

➢ NORTH AMERICA AND PACIFIC AREA

To eliminate US$/€ exchange-rate effects and facilitate understanding of the underlying economic trends ,the following data are given in millions of US$.

Revenues

In Q3 2006 Autogrill Group, Inc. and its subsidiaries recorded revenue of $593.1m, an increase of 4.8% over Q3 2005.



(1) This area is that of Autogrill Group, Inc. and thus also includes restaurant business in Schiphol Airport The Netherlands).

In particular, business segment performance was as follows:

- *Motorways* – Sales of $140.6m in Q3 2006, an increase of 3.3% over the Q3 2005 figure of $136.1m related to increased revenue in both Retail and Food & Beverage on a continuing business basis[1] despite the increase in gasoline prices over the summer months of 2005. Sales also benefited from the opening of new outlets in Pennsylvania and Illinois;
- *Airports* – Despite a fall in air traffic of 2.6% according to A.T.A. due to a contingent reduction in the number of flights as a reaction to increased energy costs, this business segment had revenue of $439.7m in Q3 2006, up by 5.4% over the Q3 2005 figure of $417.2m. This result was achieved thanks to our brand-centred strategy, the introduction of new concepts and the extension of opening hours;
- *Shopping Malls* – Revenue was $12.8m in Q3 2006, up by 1.7% from the Q3 2005 figure of $12.6m.

Ebitda

Ebitda increased by 4.6% in Q3 2006, reaching $100.0m as against the Q3 2005 figure of $95.6m. The Ebitda margin was 16.9%, unchanged from the Q3 2005 ratio of 16.8%.

Capital Expenditure

In Q3 2006 Capital Expenditure was $24.5m, down by 26.6% from the Q3 2005 figure, the Ebitda margin being 4.1% in Q3 2006 (as against the Q3 2005 ratio of 5.9%); this sharp reduction was mainly due to concession contract timing differences as compared to Q3 2005.

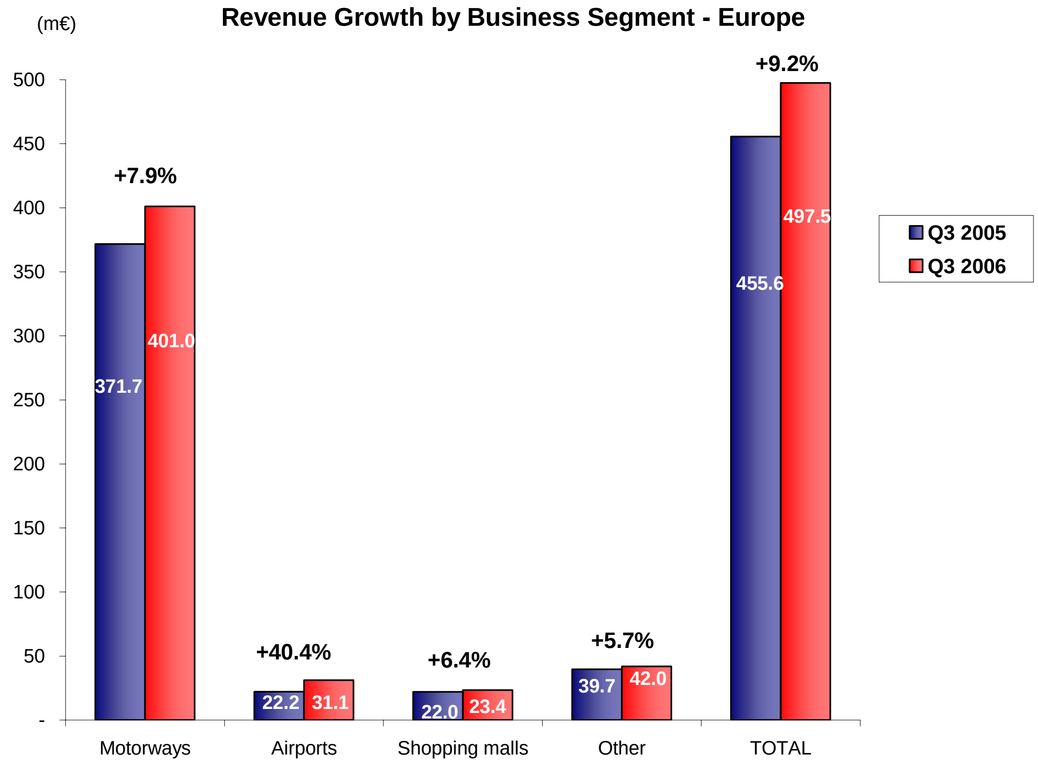
The resources were directed mainly at the airport segment (Minneapolis, Phoenix and Seattle Airports) , but there was also significant capital expenditure in the motorway segment, in particular on the New York Thruway and the Ohio Turnpike.

EUROPE

Revenue

In Q3 2006 Autogrill in Europe achieved revenue of €497.5m, up by 9.2% over the Q3 2005 figure of €455.6m. This result was achieved thanks to good performances in all the countries of the area except Switzerland, where renovation work on the principal store, Pratteln, held back sales. Motorways increased revenue by 7.9%, to €401m as against €371.7m in Q3 2005, the most striking increases being 11.2% in Italy and 6.3% in Spain. The airport segment benefited from the expansion of the network and the good performance of existing stores; its revenue was €31.1m, up by 40.4% over the Q3 2005 figure of €22.2m, with an especially good performance in Spain (up by 16.9%) following the opening of outlets in Toledo and the renovation of Madrid Atocha premises.

[1] Excluding revenue from new openings or stores closed in the current or previous year.



(m€)	Italy Q3 2006	Italy Q3 2005	Italy Change	France Q3 2006	France Q3 2005	France Change	Switzerland Q3 2006	Switzerland Q3 2005	Switzerland Change	At constant exch. rate
Revenue	330.2	295.5	11.7%	72.6	71.8	1.0%	25.2	25.9	-2.6%	-1.1%
Ebitda	64.6	63.7	1.3%	16.5	16.6	-0.6%	3.5	3.5	-0.8%	0.6%
% on Revenue	19.5%	21.7%		22.8%	23.1%		13.7%	13.4%		
Depreciation and Amortisation	9.0	8.9	0.5%	4.2	4.2	2.0%	1.4	1.5	-2.0%	-0.6%
Capital Expenditure	13.5	12.8	5.3%	4.2	3.8	10.9%	0.6	0.5	37.7%	38.4%

(m€)	Spain Q3 2006	Spain Q3 2005	Spain Change	Others Q3 2006	Others Q3 2005	Others Change	Europe - Total (1) Q3 2006	Europe - Total (1) Q3 2005	Europe - Total (1) Change	At constant exch. rate
Revenue	33.3	30.5	9.2%	36.4	31.9	13.8%	497.5	455.6	9.2%	9.3%
Ebitda	7.6	7.4	3.8%	7.2	6.7	8.2%	99.4	97.8	1.5%	1.6%
% on Revenue	23.0%	24.2%		19.9%	20.9%		20.0%	21.5%		
Depreciation and Amortisation	1.5	1.3	24.8%	2.1	1.8	7.7%	18.2	17.7	3.1%	3.2%
Capital Expenditure	3.7	1.8	108.1%	2.6	1.0	n.s.	24.6	19.9	23.5%	23.6%

(1) Q3 2006 includes reversal of infra-Group sales for €0.2m, on the contrary Q3 2005 includes unallocated costs for €0,1m.

Ebitda

In Q3 2006 Ebitda was €99.4m, an increase of 1.5% over the Q3 2005 figure of €97.8m, though with a lower Ebitda margin – 20.0% as against 21.5% - due to faster growth in Retail (mainly lottery tickets and books in Italy) than in food & beverage.

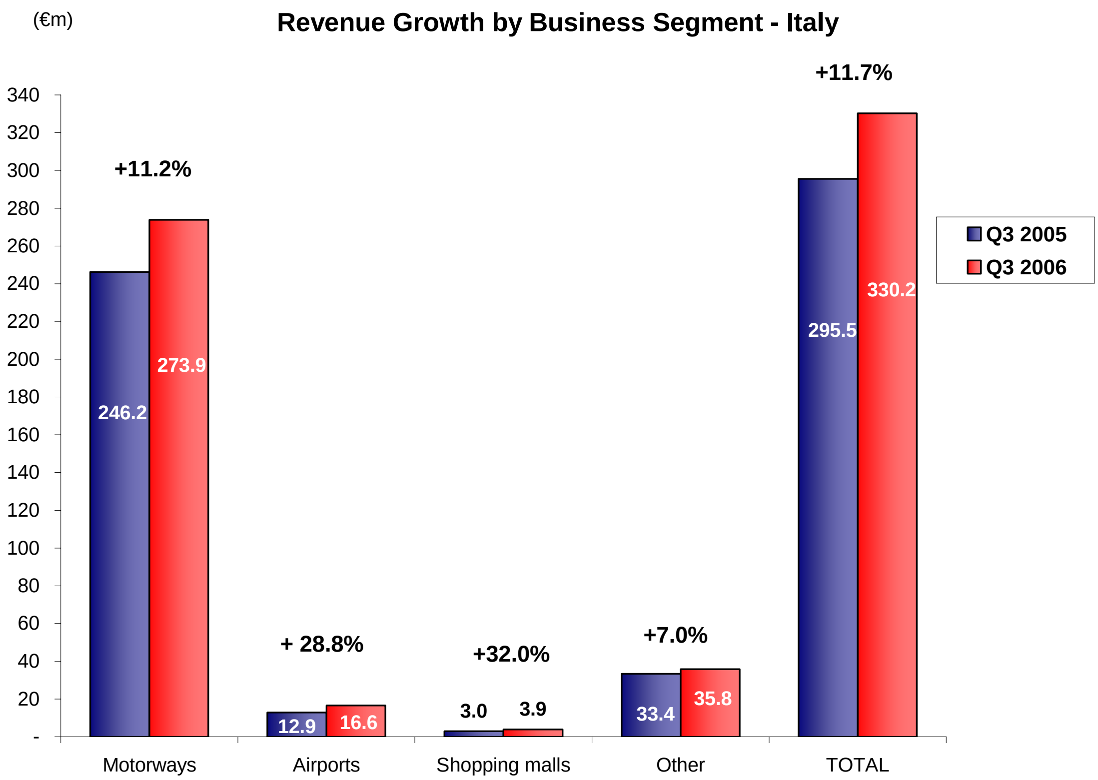
Capital Expenditure

In Q3 2006 capital expenditure amounted to €24.6m, as against the Q3 2005 figure of €19.9m. Capital expenditure in Q3 2006 chiefly concerned development in the new airport locations and modernisation in the motorway segment in Italy, whereas in 2005 spending was concentrated on a large renovation at Pratteln in Switzerland and a series of new openings in Italian shopping centres.

Italy

Revenue

In Q3 2006 Autogrill achieved revenue of €330.2m in Italy, an increase of 11.7% over the Q3 2005 figure.



The business segments in Italy performed as follows:

- *Motorways* – Revenue reached €273.9m in Q3 2006, and increase of 11.2% over the Q3 2005 figure of €246.2m as against an increase in traffic in the quarter of 1,5% according to our estimates (AISCAT estimates that traffic increased 1.1% in July 2006 alone). Not including new acquisitions and concessions the rate of growth was 8.5%.
  Food & beverage (52.9% of sales) grew by 7.2%, especially good results coming from the Ciao concept, while Retail (43.3% of sales) grew by 16%, thanks to a sharp increase in sales of lottery tickets, books and cellphone accessories;
- *Airports* – Revenue was €16.6m in Q3 2006, an increase of 28.8% over the Q3 2005 figure of €12.9m, as against an increase of passenger traffic in the airports where the Group operates of 8% in July-August 2006 according to Assaeroporti. There was good growth at existing locations of 11.9%, to which the openings in Bergamo, Brescia, Bari and Florence, as well as retail outlets in Naples and Turin, were added;

- *Railway Stations* – Sales of €3.9m in Q3 2006, an increase of 32% over the Q3 2005 figure of €3m thanks mainly to renovated outlets in Rome's Termini Station and new openings in Palermo and Messina;
- *Other Segments* (*shopping centres, towns and trade fairs)* – Revenue was €35.8m in Q3 2006, an increase of 7.0% over the Q3 2005 figure of €33.4m, thanks inter alia to a new opening in Rome's Trade Fair and despite the further rationalisation of our town centre stores.

Ebitda

In Q3 2006 Ebitda was €64.6m, an increase of 1.3% over the Q3 2005 figure of €63.7m though the Ebitda margin fell from 21.7% to 19.5% chiefly due to the changed sales mix weighted more towards Retail, as well as price increases in certain production factors not passed on in customer prices.

Capital Expenditure

In Q3 2006 capital expenditure amounted to €13.5m as against the Q3 2005 figure of €12,8m. The main area of increased expenditure was motorways, chiefly in relation to more recently acquired concessions, while spending in town and shopping centres tapered off following the many new openings carried out in 2005. The main projects that were finished were: Rome Trade Fair, Rho Sud, Pero Nord, Vormano Est, Salerno San Leonardo and Bari Airport.

France

Revenue

In France revenue was €72.6m in Q3 2006, an increase of 1% over the Q3 2005 figure of €71.8m.

The business segments in France performed as follows:

- *Motorways* – Revenue was €56.9m in Q3 2006, an increase of 1% over the Q3 2005 figure of €56.4m, with traffic remaining steady at 2005 levels;
- *Airports* – The performance of Q3 2006 was a great improvement over Q3 2005: revenue up by 11.7%, from €2.2m to €2.4m), benefiting from the completion of the outlets in Marseille airport and the opening of a new store in Toulouse;
- *Railway Stations* – Revenue was €13.2m in Q3 2006, down from the Q3 2005 figure of €13.3m, due to numerous renovation sites in the main railway stations (Paris Gare de l'Est and Paris Saint Lazare in particular).

Ebitda

In Q3 2006 Ebitda fell slightly to €16.5m as compared to the Q3 2005 figure of €16.6m, the Ebitda margin being 22.8%, down from the Q3 2005 margin of 23.1% mainly due to increased labour costs.

Switzerland

To eliminate CHF/€ exchange-rate effects and facilitate understanding of the underlying economic trends, the following data are given in millions of Swiss francs (CHFm).

Revenue

Revenue of CHF39.9m was achieved in Q3 2006, a reduction from the Q3 2005 figure of CHF40.3m. The business segments performed as follows:

- *Motorways*- Revenue of CHF20m in Q3 2006, a reduction of 5% from the Q3 2005 figure of CHF21m, due to renovation work on the main motorway store (Pratteln);
- *Airports*– An increase in revenue of 6.4%, from CHF8.5m, the Q3 2005 figure, to CHF9m in Q3 2006 thanks to a recovery in passenger traffic in Zurich airport and to the marketing initiatives undertaken;
- *Railway Stations* – Revenue was CHF3.4m in Q3 2006, a slight fall of 0.7% from the Q3 2005 figure of CHF3.5m mainly due to the Olten and Geneva stores;
- *Others (shopping centres and towns)* – Sales in Q3 2006 were up by 0.9% over the Q3 2005 figure thanks to good performances from the shopping centre segment.

Ebitda

In Q3 2006 Ebitda was stable at CHF5.4m, while the Ebitda margin rose from 13.4% to 13.7%.

Spain (not including Aldeasa S.A. and subsidiaries)

Revenue

In Spain (not including Aldeasa S.A. and subsidiaries) the Group's Q3 2006 sales were worth €33.3m, a sharp increase over the Q3 2005 figure of €30.5m (up by 9.2%). The business segments performed as follows:

- *Motorways* - Sales in Q3 2006 of €28.7m as against the Q3 2005 figure of €27m (up by 6.3%), thanks good summer traffic and sales growth in locations renovated during 2005;
- *Airports* – Sales of €0.9m in Q3 2006 as against the Q3 2005 figure of €0.3m following the opening of new restaurants in Madrid Barajas and Palma de Mallorca airports. The trend in Santander was also very gratifying on account of the continuing growth of low cost flights;
- *Railway Stations* – Revenue of €3.5m in Q3 2006, an increase of 16.9% over the Q3 2005 figure of €3m chiefly thanks to the opening of Toledo station, the renovation of outlets at Atocha Station in Madrid, completed in 2005, and the growth of traffic following completion of the new high-speed lines.

On 18 September 2006 a Ciao restaurant has been opened in the Business Centre in Madrid where Telefónica has transferred its main office; a Food Court will be added at a later date. The contract, signed in June, has a life of 10 years and the foresee cumulative revenue is about €160m.

Ebitda

Ebitda was €7.6m in Q3 2006, an increase over the Q3 2005 figure of €7.4m, though the Ebitda margin contracted from the Q3 2005 figure of 24.2% to 23% in Q3 2006, mainly due to the start-up phase of the Business Centre in Madrid.

➢ ALDEASA S.A. AND SUBSIDIARIES

The figures presented below to illustrate the performance of Aldeasa refer to 100% of the company and its subsidiaries. Our interest in Aldeasa – a 50% joint venture – is consolidated using the proportionate method and has been included in our scope of consolidation since 1 May 2005.
The Ebitda figure given below does not include a capital gain of €18.6m on disposal of property during Q3 2006.

Revenue

Aldeasa S.A. and its subsidiaries reported revenue of €215.2m in Q3 2006, a sharp 10.1% increase over the Q3 2005 figure of €195.4m despite the August 2006 introduction of restrictions on the carriage of liquids in hand luggage. The business segments performed as follows:

– *Airports* – Sales of €208.6m in Q3 2006, a 10.2% increase over the Q3 2005 figure due to a favourable trend in the Spanish airports (up by 5.8% over Q3 2005) and the notable advance of international business, thanks to the excellent results of the airports in Chile, Jordan and Mexico, and the opening of new outlets in Kuwait City and Madrid Barajas;
– *Other (palaces and museums)* – Sales of €6.6m in Q3 2006, as against the Q3 2005 figure of €6.1m (an increase of 7.9%), largely due to the outlets in Barcelona and Seville.

Ebitda

Ebitda was €27.6m in Q3 2006, a 20.1% increase over the Q3 2005 figure of €23.0m and the Ebitda margin also improved from the Q3 2005 ratio of 11.8% to 12.9% in Q3 2006, due to higher turnover.

Capital Expenditure

Q3 2006 capex was €8.4m, an increase over Q3 2005 due to investment in the new Madrid Barajas terminal and in logistics.

	Aldeasa		
(€m)	**Q3 2006**	**Q3 2005**	**Change**
Revenue	215.2	195.4	10.1%
Ebitda	27.6	23.0	20.1%
% on Revenue	*12.9%*	*11.8%*	
Depreciation and Amortisation	3.8	3.2	19.0%
Capital Expenditure	8.4	1.4	n.s.

On 1 August 2006 Aldeasa S.A. was incorporated into Retail Airport Finance (RAF) S.L., which then took the company name Aldeasa S.A.
The accounting and tax effects of the merger apply as from 1 January 2006.
Aldeasa S.A. is now directly held by Autogrill España S.A. (in turn 100% owned by the Autogrill Group) and Altadis S.A. in equal shares of 99.3% of company capital.

Shareholders' agreements between Autogrill Group and Altadis were updated to reflect this new shareholding, while the original content of the partnership remained.
On 18 August 2006 Aldeasa S.A. fully repaid the loan made by Autogrill S.p.A. to finance the IPO; Aldeasa is currently financed via a medium-term loan granted by house banks.

2.2. ACQUISITIONS AND BUSINESS DEVELOPMENT

ACQUISITIONS

- ***Airport Terminal Restaurants Division of Cara Operations Limited***

On 2 October 2006 Host International of Canada (100% Autogrill) completed the acquisition of the Airport Terminal Restaurants (ATR) Division from Cara Operations Limited, the main integrated food & beverage supplier in Canada. ATR, which reported sales of $CAN74m (€41m[1]) in 2005 and Ebitda of $CAN9m (€6m[2]), will be fully consolidated by the Group as from Q4 2006. The division has about 1,000 people and runs over 90 restaurant and retail outlets in nine Canadian airports (Calgary, Edmonton, Kamloops, Montreal, Ottawa, Saskatoon, Toronto, Vancouver and Winnipeg) with the richest brand portfolio in the country. The transaction had been duly authorised by Canada's Antitrust authority and was closed at an enterprise value of circa $CAN62m (€43.6m equiv.), giving a multiple of between 6 and 7 times Ebitda.

The results of the ATR Diivision will contribute to Autogrill's consolidated results starting in Q4 2006.

- ***Carestel***

On 20 October 2006 Autogrill purchased 65.2% of the share capital of the group owned by Carestel N.V. ("Carestel"), the leading Belgian restaurant concession company, which is listed on the Brussels *Bourse* (CARB BB) after obtaining the authorisation of the Conseil de la Concurrence.

Autogrill acquired 5,793,085 shares (out of a total of 8,882,601) for €5.00 per share (total value €28.9m) from Assart N.V., Megafood Participations S.à.r.l. and GIMV N.V.

As part of this transaction the wholly-owned subsidiary of Autogrill S.p.A., Autogrill Finance S.A., acting through its Belgian branch, took over the entire unlisted Carestel N.V. bond issue in an amount of €11m maturing 2009.

This acquisition was financed out of our own resources.

As soon as the prospectus is approved by the CBFA Autogrill will launch a public tender offer to purchase for cash the remaining shares in the market, at €5.00 each, and all options and warrants at an equivalent price. According to the result of the offer, Autogrill expects to effect a squeeze-out and subsequently delist the company.

The enterprise value at the above price is €46.9m, which – on Autogrill's own valuation – corresponds to a multiple of between 7 and 7½ times the Ebitda forecast for 2006.

Carestel recorded 2005 sales of €72.9m and Ebitda of €5.3m. It comprises two operating units, Restair S.A. and Carestel Motorway Services S.A., which run respectively the airport business (65% of turnover), and the motorway business (35% of turnover) and employs around 1,100 people. It operates in 6 European airports and 35 motorway locations in Belgium and Luxembourg, under its proprietary brand Carestel and with licensed brands such as Pizza Hut and Quick.

[1] Average rate for 2005: €1 = CAN$1.5064
[2] Exchange rate on 2 Oct. 2006: €1 = CAN$1.4226

The Carestel Group will be fully consolidated as from Q4 2006.

BUSINESS DEVELOPMENT

In Q3 2006 the Group continued its positive track record of concession renewals and new concessions won, further consolidating its existing portfolio. The most important transactions included:

- Rome's new Trade Fair: new concession for part of the food & beverage provision, contract life 9 years and potential cumulative turnover of €30m;
- Oakland International Airport (US): new food & beverage and retail concession, contract life 12 years and expected cumulative turnover of $675m;
- Pennsylvania Turnpike (US – the main artery linking the East Coast and the Mid West): concession renewed with the development of new food & beverage and retail locations, specifically the renovation and exclusive management of 15 travel plazas in which HMSHost Corp., which reports to Autogrill Group Inc., already operated and 3 new travel plazas: the contract life is 30 years and expected cumulative turnover $3.5bn;
- Nashville International Airport (Tennessee) – food and beverage – contract life 13 years and expected cumulative turnover of $182m;
- Miami International Airport – 10 retail concepts - contract life 8 years and expected cumulative turnover of $97m;
- Fort Myers Airport (Florida) – concession of existing food & beverage concepts extended plus the opening of two new concepts – contract life 11 years and expected cumulative turnover of $345m;
- Bari international airport – 3 food & beverage outlets – and Brindisi airport – all the food & beverage and duty-free stores, including 3 restaurants and a duty free & travel retail concept, the first to be run by Autogrill in Italy; contract life 4 -5 years and expected cumulative turnover of €15m.

Please see section 2.5 below for a description of the further important developments of the Group's business subsequent to 30 September 2006.

2.3. CAPITAL EXPENDITURE

In Q3 2006 capital expenditure amounted to €48.3m virtually unchanged from the Q3 2005 figure of €48.5m. The reduction was primarily due to airport concession renewals falling due in other periods and the peak of openings in shopping centres in Italy, which occurred in 2005.

About 65% of our capital expenditure was used for development and renovation projects. The most important development projects included Seattle, Minneapolis and Washington Dulles airports in the US and the motorway business segment in Italy, in particular the southern section of the A14 motorway known as the Adriatica.

The lower percentage of capex dedicated to development and renovation projects in Q3 2006 as compared with Q3 2005 was due to timing differences in respect of concession renewals.

The increase in expenditure on ICT was mainly due to projects designed to manage retail & duty free.

(€m)	Q3 2006		Q3 2005	
Business Segment				
Motorways	18.4	38.1%	11.2	23.2%
Airports (1)	12.7	26.1%	29.3	60.4%
Railway Stations	0.7	1.5%	0.5	1.0%
Other	7.2	15.1%	5.8	12.0%
Unallocated	9.3	19.2%	1.7	3.4%
Total	**48.3**	**100.0%**	**48.5**	**100.0%**

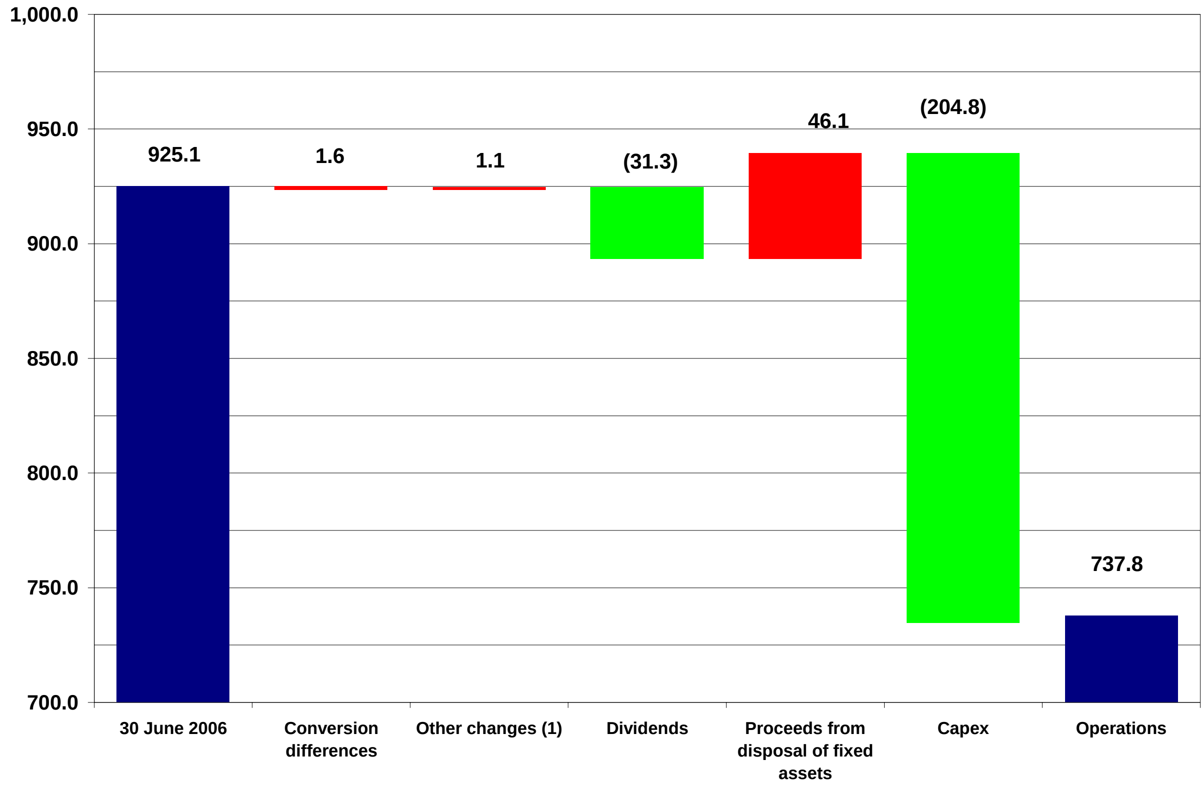
(1) Q3 2006 and Q3 2005 include €4.2m and €0.7m, respectively, in connection with capex by Aldeasa S.A. and its subsidiaries.

(€m)	Q3 2006		Q3 2005	
Purpose				
Development / Renovation (1)	31.8	65.6%	41.3	85.1%
Maintenance	11.2	23.3%	6.0	12.4%
ICT	5.3	11.1%	1.2	2.5%
Total	**48.3**	**100.0%**	**48.5**	**100.0%**

(1) Q3 2006 and Q3 2005 include €4.2m and €0.7m, respectively, in connection with capex by Aldeasa S.A. and its subsidiaries.

2.4. FINANCIAL POSITION AND CASH-FLOW[1]

As at 30 September 2006 net debt was €737.8m, a net reduction of €187.3m from the outstanding as at 30 June 2006 (€925.1m). The reduction was mainly due to peak seasonal cash-flow from ordinary operations. Cash absorption for investment activities was contained by the proceeds on disposal of property by Aldeasa S.A. and in Switzerland for a total of €31.3m (amount attributable to Autogrill).

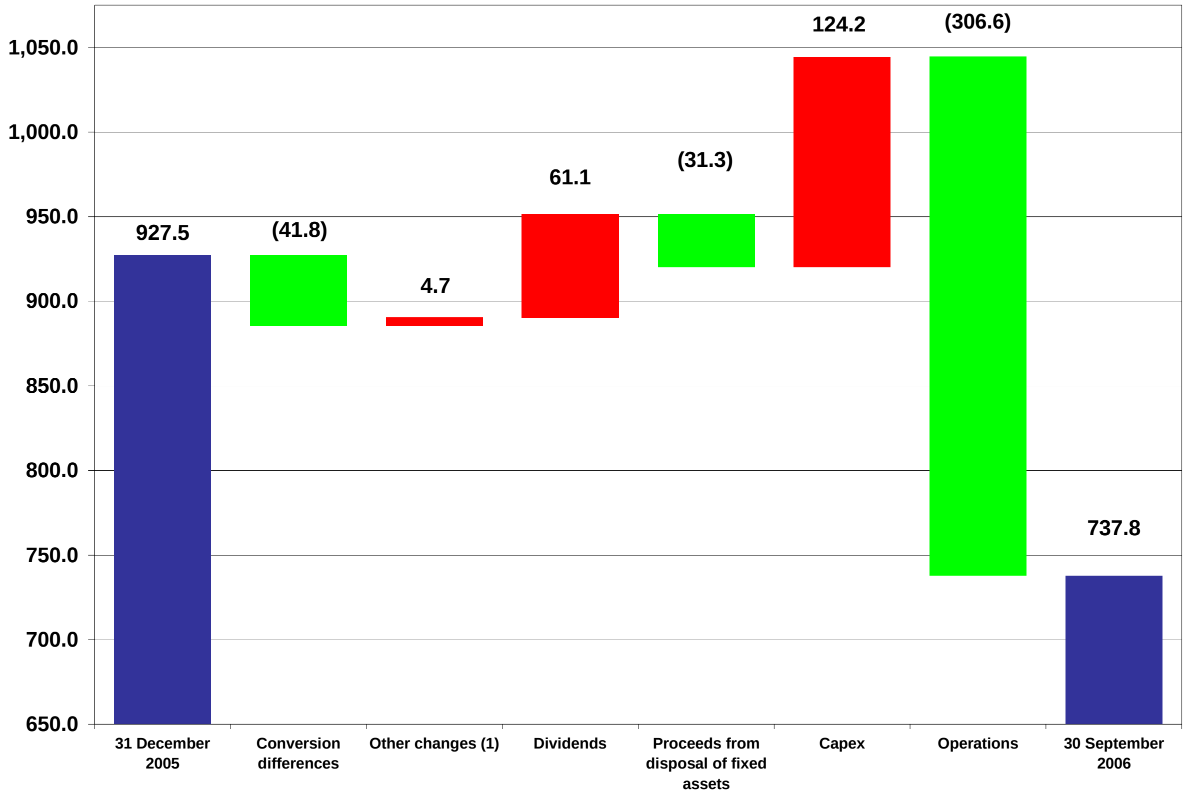


(1) Comprises mainly dividend paid to minorities and net change in non-current assets not included in the net financial position.

Breakdown of Cash-flow and Net Debt Q3 2006/Q3 2005

€m	Q3 2006	Q3 2005	Change
Cash-flow generated (absorbed) by Operations	204.8	197.9	6.9
Net Capital Expenditure	(46.1)	(45.1)	(1.0)
Proceeds from disposal of fixed assets	31.3		31.3
Acquisition of subsidiaries, associates and joint ventures	-	(14.3)	14.3
Group net debt at period-end	(737.8)	(959.0)	221.2

The significant generation of cash in Q3 2006 and the total repayment of the loan made to Aldeasa S.A. *(*formerly Retail Airport Fiance S.L.) reduced to nil the usage of the revolving lines of credit. Given the need to fund the acquisition of Carestel Group S.A. and the division of Cara Operations Limited, it has been decided to invest the resultant liquidity in monetary instruments instead of prepaying the two medium term loans obtained in 2005 and 2004.



(1) Comprises mainly dividend paid to minorities and net change in non-current assets not included in the net financial position.

Net debt reduced by €189.7m from end-2005[1]. Cash-flow from operations was €306.6m and covered capital expenditure (€124.2m) and the dividend payable for 2005 (€61.1m). The conversion effect relating to debt denominated in currencies other than the euro (mainly the US$) was €41.8m positive.

Breakdown of Cash-flow and Net Debt First Nine Months 2006/ First Nine Months 2005

€m	First nine months 2006	First nine months 2005	Change
Cash-flow generated (absorbed) by Operations	306.6	282.6	24.0
Net Capital Expenditure	(124.2)	(121.9)	(2.3)
Proceeds from disposal of fixed assets	31.3	0	31.3
Acquisition of subsidiaries, associates and joint ventures	(4.1)	(353.3)	353.3
Group net debt at period-end	(737.8)	(959.0)	221.2

[1] 2005 balance sheet figures have undergone a change: items in transit were reclassified from current liabilities to due to banks; see section 4.1 of the Notes to the Accounts.

CONDENSED CONSOLIDATED BALANCE SHEET

(€m)	30.09.2006	31.12.2005	CHANGE Total	CHANGE At constant exch. rate
Intangible assets	1,105.5	1,136.9	(31.4)	3.7
Property, plant and equipment	758.2	795.5	(37.3)	(12.2)
Financial fixed assets	17.1	22.8	(5.7)	(5.0)
A) Total fixed assets	**1,880.8**	**1,955.2**	**(74.4)**	**(13.5)**
Inventory	144.1	133.0	11.1	13.7
Accounts receivable	66.6	51.8	14.8	15.1
Other receivables	88.2	99.1	(10.9)	(8.3)
Accounts payable	(410.4)	(428.9)	18.5	12.3
Other payables	(361.8)	(260.5)	(101.3)	(108.3)
B) Working capital	**(473.3)**	**(405.5)**	**(67.8)**	**(75.5)**
C) Capital invested, net of current liabilities	**1,407.5**	**1,549.7**	**(142.2)**	**(89.0)**
D) Other non-financial non-current assets and liabilities	**(117.5)**	**(139.6)**	**22.1**	**23.3**
E) Net capital invested	**1,290.0**	**1,410.1**	**(120.1)**	**(65.7)**
Shareholders' equity attributable to the Group	522.0	451.8	70.2	81.6
Shareholders' equity attributable to minorities	30.2	30.8	(0.6)	0.6
F) Shareholders' equity	**552.2**	**482.6**	**69.6**	**82.2**
G) Bonds issued	**39.2**	**38.7**	**0.5**	**0.5**
Medium/long term financial liabilities	779.9	1,002.4	(222.5)	(179.3)
Medium/long term financial assets	-	(130.5)	130.5	130.5
H) Medium/long term financial indebtedness	**779.9**	**871.9**	**(92.0)**	**(48.8)**
Short-term financial liabilities	208.3	176.8	31.5	35.5
Cash and short-term financial assets	(289.6)	(159.9)	(129.7)	(135.1)
I) Net short-term financial position	**(81.3)**	**16.9**	**(98.2)**	**(99.6)**
Net financial position (G+H+I)	**737.8**	**927.5**	**(189.7)**	**(147.9)**
L) Total, as in E)	**1,290.0**	**1,410.1**	**(120.1)**	**(65.7)**

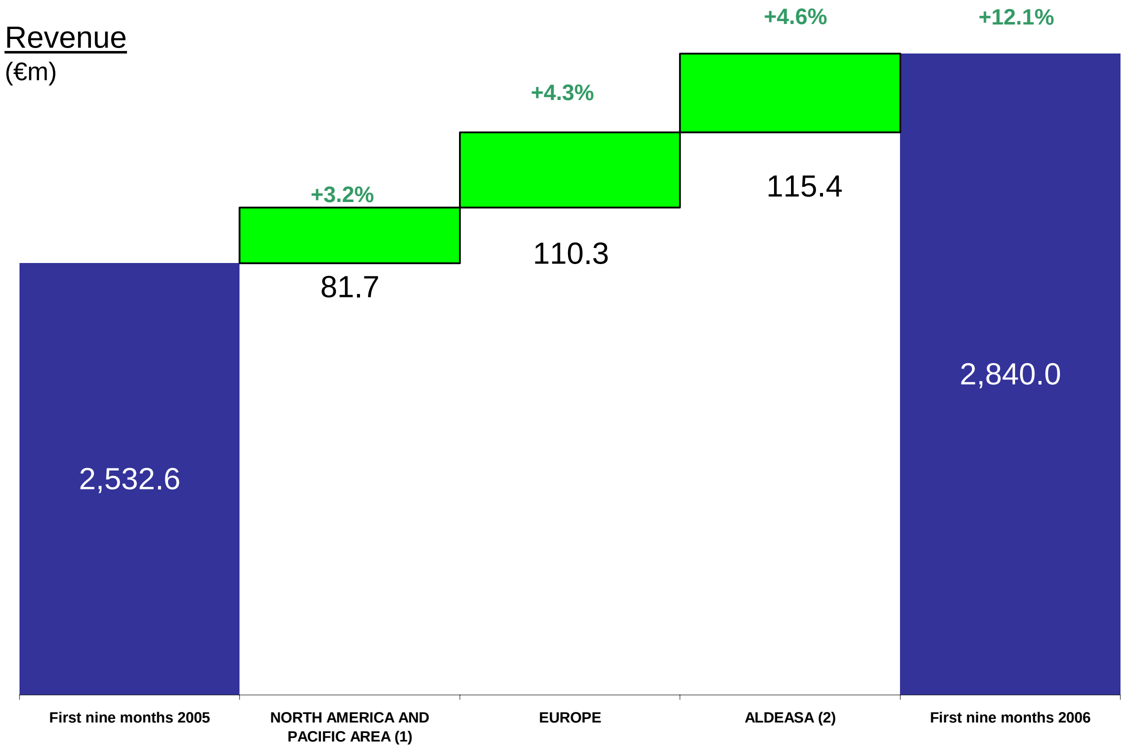
Figures for the first 9 months 2006

CONDENSED CONSOLIDATED INCOME STATEMENT

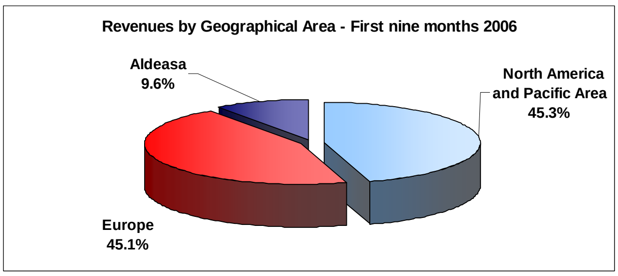
(€m)	First nine months 2006		First nine months 2005		Change		2005
					At current exch. rate	At constant exch. Rate	
Operating Revenue	2,840.0	100.0%	2,532.6	100.0%	12.1%	11.4%	3,528.9
Other operating income	77.5	2.7%	66.2	2.6%	16.9%	17.0%	96.9
Total Income	**2,917.5**	**102.7%**	**2,598.8**	**102.6%**	**12.3%**	**11.6%**	**3,625.8**
Cost of raw materials, items for use and merchandise	(996.2)	-35.1%	(858.4)	-33.9%	16.1%	15.5%	(1,211.3)
Payroll	(788.7)	-27.8%	(719.1)	-28.4%	9.7%	8.9%	(1,017.0)
Rents, concessions and royalties	(421.2)	-14.8%	(363.1)	-14.3%	16.0%	15.1%	(523.3)
Other operating costs	(312.7)	-11.0%	(285.0)	-11.3%	9.7%	9.0%	(398.9)
EBITDA	**398.7**	**14.0%**	**373.2**	**14.7%**	**6.8%**	**6.1%**	**475.3**
Depreciation	(123.2)	-4.3%	(122.1)	-4.8%	0.9%	0.2%	(180.4)
Operating Profit (EBIT)	**275.5**	**9.7%**	**251.1**	**9.9%**	**9.7%**	**9.1%**	**294.9**
Financial income (expense)	(35.9)	-1.3%	(32.7)	-1.3%	9.8%	8.8%	(46.2)
Value adjustments on financial assets	0.4	0.0%	1.1	0.0%	-62.0%	-62.4%	1.3
Profit before tax	**240.0**	**8.4%**	**219.5**	**8.7%**	**9.3%**	**8.7%**	**250.0**
Tax	(91.0)	-3.2%	(93.8)	-3.7%	-3.0%	-3.5%	(110.5)
NET PROFIT	**149.0**	**5.2%**	**125.7**	**5.0%**	**18.5%**	**17.8%**	**139.5**
- attributable to the Group	140.0	4.9%	118.3	4.7%	18.3%	17.7%	130.1
- attributable to minorities	9.0	0.3%	7.4	0.3%	21.9%	20.7%	9.4

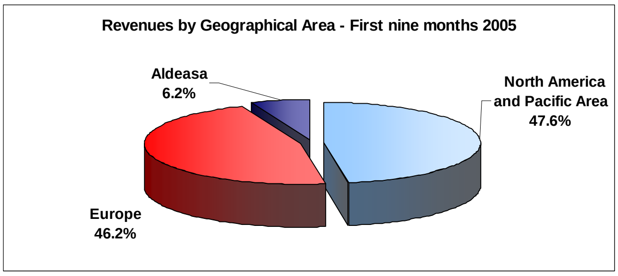
Consolidated Revenue

In the first 9 months of 2006 Autogrill recorded consolidated revenue of €2,840m, an increase of 12.1% (11.4% at constant exchange rates) over the first 9 months 2005 (€2,532.6m).



[(1)] This area comprises all the operations of Autogrill Group Inc. including food & beverage business in Schiphol Airport (The Netherlands).
[(2)] In respect of the proportion attributable to the Group (50%).

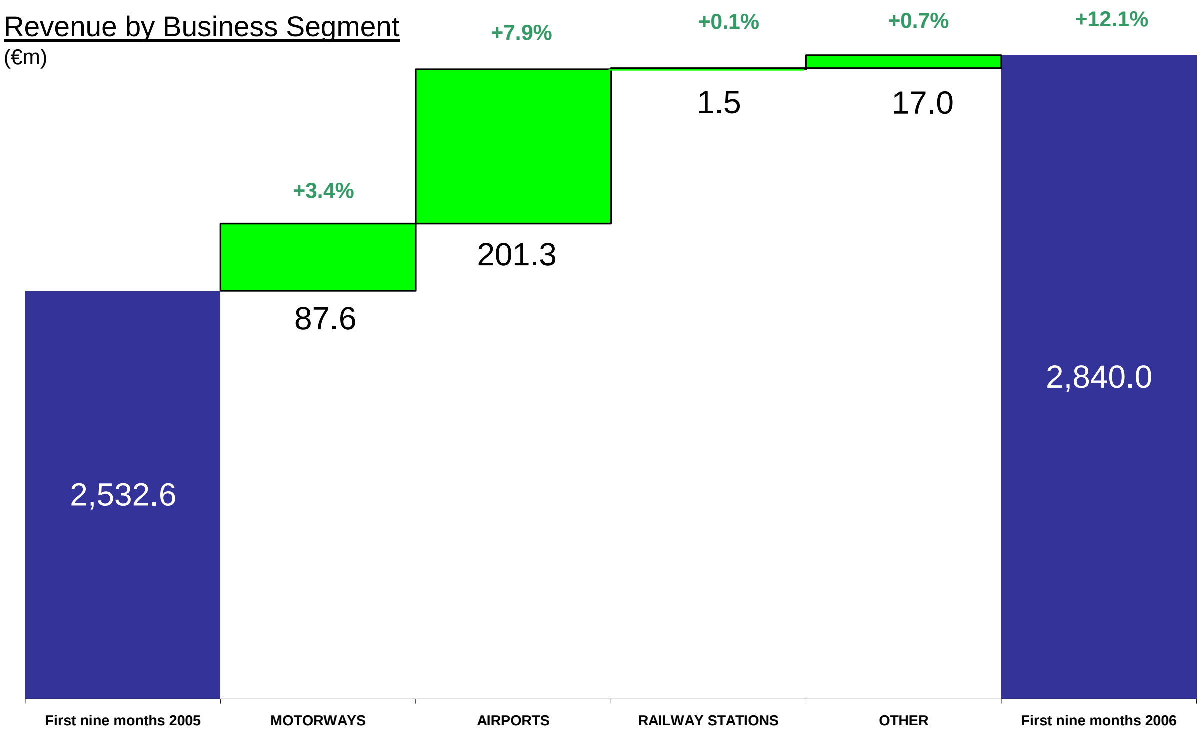


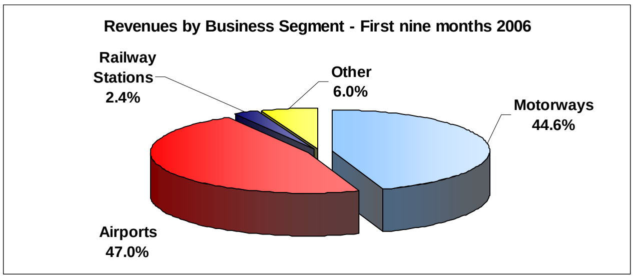


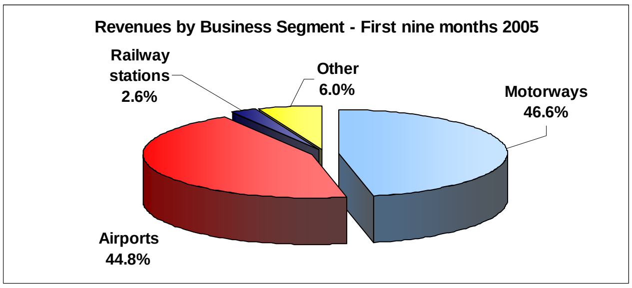
The US subsidiary Autogrill Group, Inc.'s sales including subsidiaries advanced by 5.3% in US$ (6.8% in € at current exchange rates) to $1,602.5m as against $1,522.3m in the first 9 months 2005. This increase in revenue is all the more remarkable if seen against the background of a negative trend in air traffic during the half year (down by 1.4% according to A.T.A.).

In Europe revenue grew by 9.4% to €1,279.9m as against €1,169.6m in the first 9 months 2005. The motorway segment's revenue grew by 38.3% to €1,001.1m as against €927.3m in the first 9 months 2005. The airport segment's revenue grew by 8% to €78.4m as against €56.7m in the first 9 months 2005. Railway stations reported an increase in revenue of 2.6% to €67.3m as against €65.6m in the first 9 months 2005.

Aldeasa's contribution including subsidiaries (consolidated proportionately as to 50% since 1 May 2005) increased from €157.2m to €272.6m. On a comparable period basis, the Aldeasa Group reported revenue of €545.2m reflecting an 11.7% increase in sales over the figure for the first 9 months 2005 (€488m) which comprised a 7% increase in Spanish airports and 40% in international airports.







Among the business segments, airports contributed about two-thirds of the growth of revenue in the first 9 months 2006 due to the growth of the segment itself in both North America and Europe and the longer period of inclusion in the scope of consolidation of Aldeasa.

Motorway segment growth was due to good sales performance in both food & beverage and retail. The latter was boosted in Italy by sales of complementary products, chiefly games and lottery tickets.

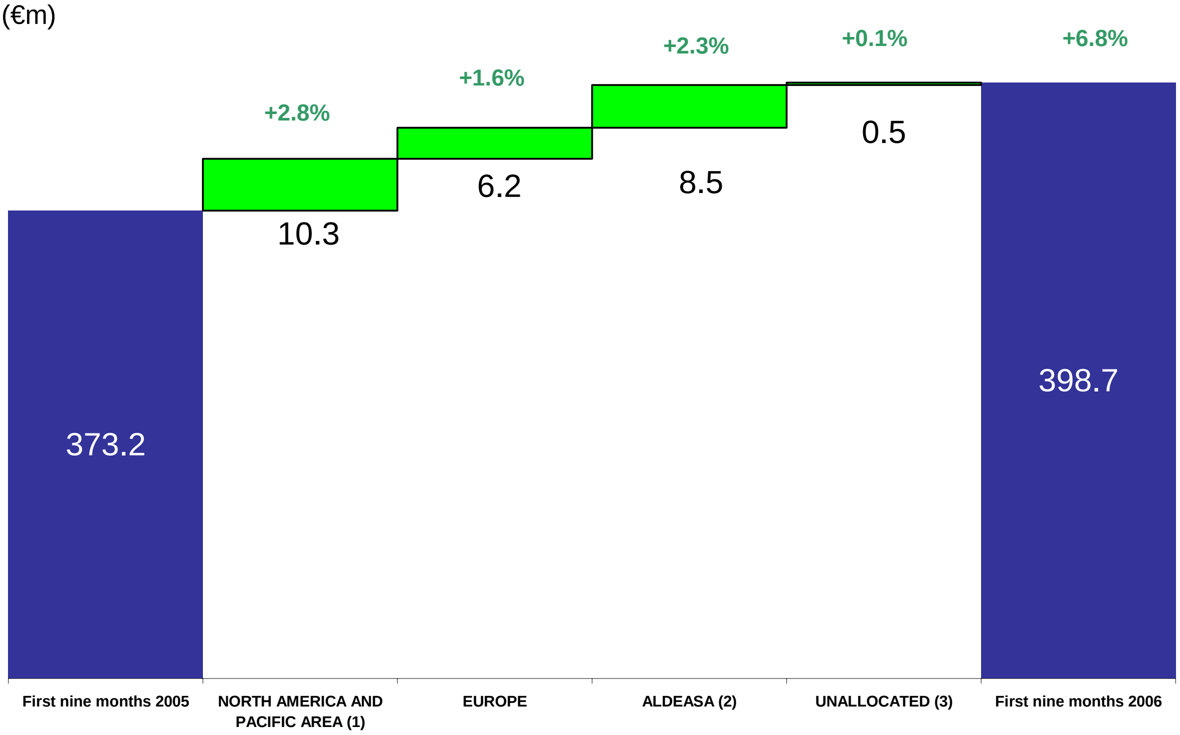
Railway stations and other segments (shopping centres, towns and trade fairs) recorded increases in the value of sales, though somewhat lower than other business segments.

Ebitda

In the first 9 months 2006 Ebitda reached €398.7m, an increase of 6.8% (or 6.1% at constant exchange rates) from €373.2m in the first 9 months 2005. Aldeasa's contribution was €27.9m as against €19.4m in the first 9 months 2005, as well as capital gains of €9.3m on disposal of a significant portion if its property portfolio.

In the first 9 months 2005 Ebitda benefited from net non-recurring income of €7.3m, relating to the part sub-let of two commercial premises in the centre of Milano, which did not recur in the first 9 months 2006.

Ebitda
(€m)



(1) This area is that of Autogrill Group, Inc. and thus also includes restaurant business in Schiphol Airport (The Netherlands).
(2) Proportionately consolidated as to 50%, the amount considered.
(3) Q3 includes corporate costs of €2m and increased non-recurrent income of €2.5m.

The Ebitda margin declined from the first 9 months 2005 ratio of 14.7% to the first 9 months 2006 figure of 14.0%. Retail's greater share of total turnover following the acquisition of Aldeasa and consolidation of Aldeasa for the whole nine months, as opposed to just 5 months in 2005, contributed to an increase in the amount of Ebitda but diluted the Ebitda margin.

➢ Summary of Results by Principal Macro-Area

(€m)	North America and Pacific Area [1]				Europe			
	First nine months 2006	First nine months 2005	Change total	Change At constant exch. rate	First nine months 2006	First nine months 2005	Change total	Change At constant exch. rate
Revenue	1,287.5	1,205.8	6.8%	5.3%	1,279.9	1,169.6	9.4%	9.5%
Ebitda	183.1	172.8	6.0%	4.8%	195.0	188.8	3.3%	3.3%
% on revenue	*14.3%*	*14.3%*			*15.2%*	*16.1%*		
Depreciation and Amortisation	64.3	65.3	-1.5%	-2.9%	53.6	52.8	1.6%	1.7%
Capital Expenditure	58.3	77.0	-24.2%	-20.3%	59.4	51.2	15.8%	16.0%

(€m)	Aldeasa [2]				Group Total [3]			
	First nine months 2006	First nine months 2005	Change total	Change At constant exch. rate	First nine months 2006	First nine months 2005	Change total	Change At constant exch. rate
Revenue	272.6	157.2	73.4%	73.4%	2,840.0	2,532.6	12.1%	11.4%
Ebitda	27.9	19.4	43.9%	43.9%	398.7	373.2	6.8%	6.1%
% on revenue	*10.2%*	*11.5%*			*14.0%*	*14.7%*		
Depreciation and Amortisation	5.2	2.6	101.1%	101.1%	123.2	122.1	0.9%	0.2%
Capital Expenditure	12.1	1.5	n.s.	n.s.	129.8	129.7	0.1%	3.2%

(1) This area is that of Autogrill Group, Inc. and thus also includes restaurant business in Schiphol Airport The Netherlands).

(2) Proportionately consolidated as to 50%, the amount considered.

(3) First nine months 2006 includes unallocated net costs and depreciation respectively of €7.3m and €0.1m. First nine months 2005 includes unallocated net costs and depreciation respectively of €7.8m and €1.4m.

➢ Breakdown by Country of the EUROPE Macro-Area

(m€)	Italy			France			Switzerland			
	First nine months 2006	First nine months 2005	Change	First nine months 2006	First nine months 2005	Change	First nine months 2006	First nine months 2005	Change	At constant exch. rate
Revenue	872.6	777.8	12.2%	170.4	169.1	0.8%	73.7	74.3	-0.7%	0.4%
Ebitda	143.0	136.5	4.7%	23.4	24.5	-4.4%	8.2	7.6	7.7%	8.9%
% on Revenue	16.4%	17.6%		13.7%	14.5%		11.1%	10.2%		
Depreciation and Amortisation	26.5	27.1	-2.5%	12.5	12.2	2.8%	4.4	4.5	-0.4%	0.7%
Capital Expenditure	32.8	33.2	-1.3%	8.7	7.2	21.0%	1.2	3.8	-67.1%	-66.4%

(m€)	Spain			Others			Europe - Total [1]			
	First nine months 2006	First nine months 2005	Change	First nine months 2006	First nine months 2005	Change	First nine months 2006	First nine months 2005	Change	At constant exch. rate
Revenue	74.0	68.1	8.6%	89.5	80.6	10.9%	1,279.9	1,169.6	9.4%	9.5%
Ebitda	10.3	10.6	-2.7%	10.1	9.9	2.0%	195.0	188.8	3.3%	3.3%
% on Revenue	13.9%	15.6%		11.3%	12.3%		15.2%	16.1%		
Depreciation and Amortisation	4.6	3.8	23.2%	5.6	5.2	6.5%	53.6	52.8	1.6%	1.7%
Capital Expenditure	5.6	4.6	22.2%	11.1	2.4	n.s.	59.4	51.2	15.8%	16.0%

(1) It includes the reverse-off of intercompany sales of €0.3m in the first 9 months 2006, in addition to unallocated costs of €0.3m in the first 9 months 2005.

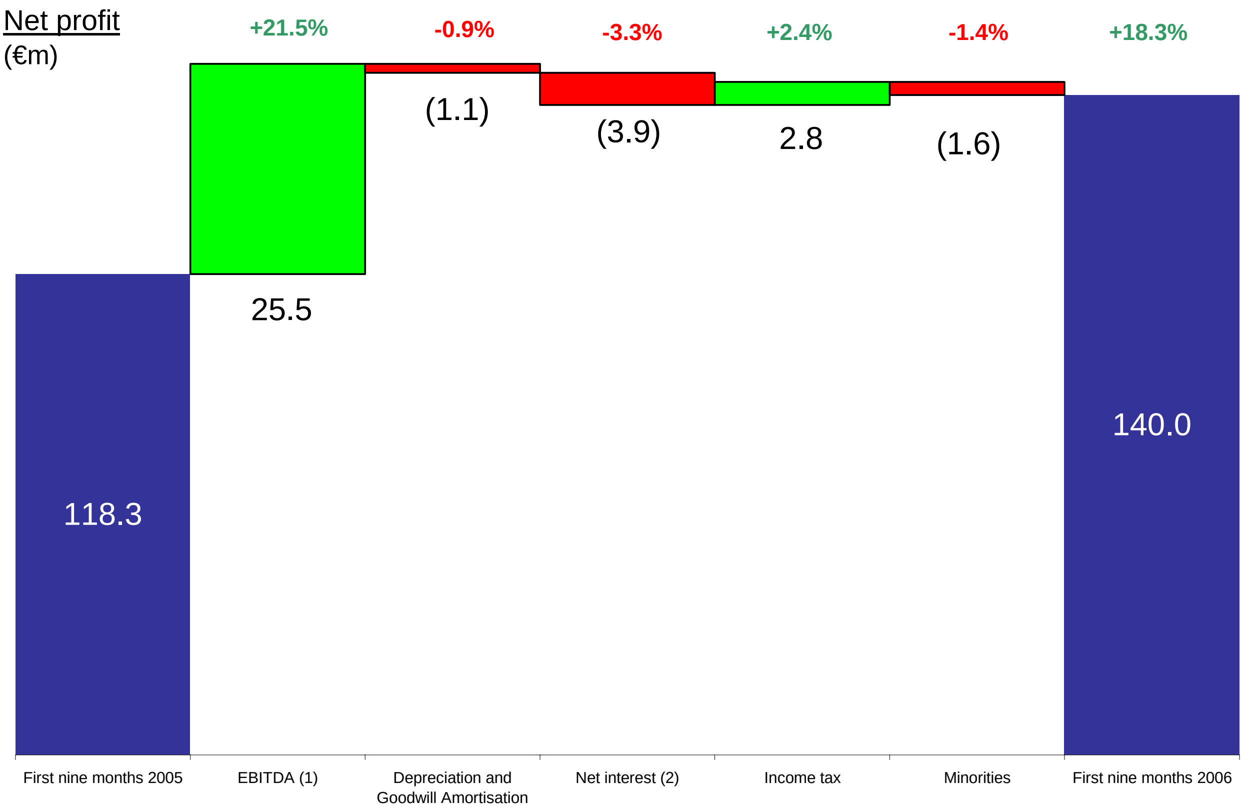
Ebit

In the first 9 months 2006 consolidated EBIT was €275.5m an increase of 9.7% over the first 9 months 2005 figure of €251.1m. The ratio of EBIT to total turnover fell slightly from 9.9% to 9.7%.

Net Profit

In the first 9 months 2006 net profit attributable to the Group was €140.0m, an increase of 18.3% (or 17.7% at constant exchange rates) over the first 9 months 2005 figure of €118.3m. Besides greater profit generated by operations, the advance of net profit reflects the already mentioned capital gain on Aldeasa from disposals of property and lower tax.

Net of the effects of the disposal of Aldeasa S.A. property, net profit would be €128.9m an increase of 9% over the first 9 months 2005 (8.4% at constant exchange rates).



(1) Includes total non-recurring income of €2.5m (€9.8m in the first 9 months 2006 and (€7.3m in the first 9 months 2005).
(2) Includes a reduction in the value of associates of €0.7m.

Capital Expenditure

In the first 9 months 2006 capital expenditure amounted to €129.8m – much the same as the first 9 months 2005 figure.

About 75% of capex was devoted to development and renovation projects. The most important of these included development in Seattle, Minneapolis and Washington Dulles airports in the US and the New York Thruway and Ohio Turnpike, as well as numerous undertakings along the motorways of Italy, in particular the southern section of the A14 'Adriatica' motorway.

(€m)	First nine months 2006		First nine months 2005	
Business Segment				
Motorways	43.2	33.3%	33.6	25.9%
Airports [(1)]	57.9	44.6%	73.9	57.0%
Railway Stations	1.3	1.0%	1.0	0.7%
Other	11.9	9.2%	16.8	12.9%
Unallocated	15.5	11.9%	4.4	3.5%
Total	**129.8**	**100.0%**	**129.7**	**100.0%**

(1) The first nine months 2006 and the first nine months 2005 include €12.1m and €1.5m, respectively, in connection with capex by Aldeasa S.A. and its subsidiaries.

(€m)	First nine months 2006		First nine months 2005	
Purpose				
Development / Renovation [(1)]	98.1	75.5%	112.6	86.8%
Maintenance	22.1	17.1%	13.6	10.5%
ICT	9.6	7.4%	3.5	2.7%
Total	**129.8**	**100.0%**	**129.7**	**100.0%**

(1) The first nine months 2006 and the first nine months 2005 include €12.1m and €1.5m, respectively, in connection with capex by Aldeasa S.A. and its subsidiaries.

2.5 SUBSEQUENT EVENTS

After the end of Q3 2006, besides the acquisition described under 2.2 above, Autogrill renewed the concession in respect of eight restaurants in Terminals 1 and 2 of Milan Malpensa International Airport, which are added to the three stores awarded in 2005, estimated turnover for the seven-year life of the contract: €77m. Again in the airport segment, Autogrill inaugurated the stores in the Karol Wojtyla Airport in Bari, Italy.

In the motorway segment, the Group began operations in the Czech Republic where a store has been opened in the immediate vicinity of Brno.

In Italy's trade fair and shopping centre segment, outlets in Rome and Verona trade fairs have been inaugurated. The Antitrust authority also authorised the acquisition of a two-year subcontract for all the restaurants at the Olimpico Stadium in Turin for football matches played by the Juventus and Torino teams.

2.6 OUTLOOK

At the end of week 43 (progressive data as at the last week of October), consolidated revenue recorded an increase of 11.3% (or 10.9% at constant exchange rates) over the same period of 2005.

The Group therefore forecasts – assuming an average €/$ exchange rate 1:1.25 – revenue of over €3,800m for the entire year.

Ebitda is expected to top €500m as against €475.3m in 2005 and the Ebitda margin is forecast to exceed 13%, despite the greater share of retail as a percentage of total turnover.

Consolidated Ebit should exceed €310m as against €294.9m in 2005.

Net profit attributable to the Group for 2006 should top €150m, as against €130.1m in 2005, on the back inter alia of the ongoing disposal of part of Aldeasa S.A.'s property portfolio.

Capital expenditure for the year should be around €190m, mainly concentrated on development and renovation of new and existing locations.

Operating cash-flow and the proceeds from disposal of Aldeasa S.A.'s property should make it possible to reduce 2006 net debt from the end-2005 figure of €927.5m to around €850m, net of capex, acquisition costs of €90m and €61.1m paid as dividend.

2.7 OTHER INFORMATION

2.7.1 CORPORATE GOVERNANCE

The Parent Company's system of corporate governance centres on the Board's role of directing and controlling operations. It is made up of a series of codes, principles and procedures that are continuously being checked and revised as soon as necessary in light of changes in legislation and international best practice, as well as operational requirements.
The following are the main initiatives undertaken by the Company in the course of the reference period.

Board of Statutory Auditors

The current Board of Statutory Auditors was appointed by the Shareholders' Meeting held on 27 April 2006, by means of a list vote pursuant to Article 19 of the Articles of Association and will remain in office until approval of the Accounts as at 31 December 2008. Its members are as follows: Luigi Biscozzi (Chairman), Gianluca Ponzellini and Ettore Maria Tosi (Auditors); Giorgio Silva and Graziano Gianmichele Visentin (Alternates).
As required by the new rules introduced by Law 262/2005 (Savings Protection Act) the Chairman was chosen from among the auditors elected by the minority shareholders.

Procedure for the Communication of Privileged Information to the Market

As required by by Law 62/2005 (the "2004 Community Law") the Company has adopted a Procedure for the communication of privileged information to the market.
This procedure aims to regulate the internal management and external communication of privileged information, viz. information relating to Autogrill S.p.A., any of its subsidiaries, the Autogrill S.p.A. stock, or other financial instruments issued by Autogrill S.p.A., not yet in the public domain, which, if made public, could materially affect the price of the share.
Privileged information must, as soon as it attains a sufficient level of certainty, immediately be communicated to the market, in order to ensure that all investors have equal access to information.
Up to that time, anyone coming into possession of privileged information must abstain from divulging or communicating it to others and must also refrain from using it to undertake transactions involving the Company's financial instruments, in which case the crimes of abuse of privileged information and market manipulation could be committted.

Register of Persons with Access to Privileged Information

The Company has also set up – in compliance with the rules introduced by Community Law 2004 – a register containing the names of all the individuals and entities that by reason of their work or professional practice or the functions carried out for Autogrill or its subsidiaries have or may have regular or occasional access to privileged information.
On being included in the register each individual or entity is required to sign a confidentiality agreement, in which they declare that they are aware of their obligations and of the penal and administrative sanctions with which abuse of privileged information and market manipulation are punished.
The Group's Corporate Affairs Director is charged with maintaining and updating this register.

Internal Dealing Procedure

In compliance with Community Law 2004, the Company has approved a new internal dealing procedure, which replaces the Internal Dealing Code approved in 2002.
Under the new procedure, a limit has been put on the number of relevant persons (currently only the Directors, the Statutory Auditors of Autogrill S.p.A. and their close family members) who are required to notify the market of their dealings in the share or other financial instruments issued by the Company. Additionally, the threshold amount for trades to be notified has been lowered to €5,000. Relevant persons have been given the option of notifying the market direct or through the Parent Company.

Organisational and Business Model pursuant to Legislative Decree 231/2001 ("231 Model") and the Supervisory Body

As resolved by the Board on 27 June 2006, the Parent Company has updated its 231 Model in line with the rules introduced by Community Law 2004 on market abuse.

At the same meeting the Board appointed the Group Corporate Affairs Director member of the Supervisory Body in place of the Chairman of the Board of Statutory Auditors.
This body therefore now comprises one member of the Internal Controls Committee, Alfredo Malguzzi, the Internal Auditing Director, Silvio De Girolamo, and the Group Corporate Affairs Director, Diego Salvador.

2.7.2 TREASURY SHARES

As at today's date, neither the Parent nor the other consolidated companies hold treasury shares directly or indirectly or through an intermediary.

3. CONSOLIDATED ACCOUNTS

3.1 CONSOLIDATED BALANCE SHEET

Note	(in thousand of Euro - €k)	30.09.2006	31.12.2005	Change
I	Cash and cash equivalents	269,780	144,162	125,618
II	Other financial assets	19,761	15,658	4,103
	Tax credits	2,466	7,132	(4,666)
III	Other credits	85,735	91,927	(6,192)
	Accounts receivable	66,601	51,846	14,755
IV	Inventory	144,141	132,960	11,181
	Total current assets	**588,484**	**443,685**	**144,799**
V	Property, plant and equipment	748,016	795,498	(47,482)
VI	Goodwill	1,051,006	1,080,872	(29,866)
VII	Other intangible assets	54,454	56,015	(1,561)
	Equity Investments	4,150	4,293	(143)
VIII	Other financial assets	13,003	18,563	(5,560)
IX	Loans	-	130,537	(130,537)
X	Deferred tax assets	141,077	121,828	19,249
XI	Other credits	10,766	11,640	(874)
	Total non-current assets	**2,022,472**	**2,219,246**	**(196,774)**
	Assets held for sales	**10,206**	**-**	**10,206**
	TOTAL ASSETS	**2,621,162**	**2,662,931**	**(41,769)**
	Accounts payable	410,402	428,985	(18,583)
	Tax liabilities	71,851	12,553	59,298
XII	Other liabilities	290,006	247,886	42,120
XIII	Due to banks	190,703	149,359	41,344
XIV	Other financial liabilities	17,560	27,331	(9,771)
	Total current liabilities	**980,522**	**866,114**	**114,408**
XV	Other liabilities	33,022	10,835	22,187
XVI	Borrowings (net of current portion)	488,633	690,012	(201,379)
XVII	Bonds	330,466	351,089	(20,623)
	Deferred tax liabilities	65,893	65,863	30
XVIII	TFR and other employee benefits	111,928	108,288	3,640
XIX	Provisions	58,499	88,089	(29,590)
	Total non-current liabilities	**1,088,441**	**1,314,176**	**(225,735)**
	TOTAL LIABILITIES	**2,068,963**	**2,180,290**	**(111,327)**
	SHAREHOLDERS' EQUITY	**552,199**	**482,641**	**69,558**
XX	- attributable to the Group	521,978	451,760	70,218
	- attributable to minorities	30,221	30,881	(660)
	TOTALE LIABILITIES AND SHAREHOLDERS' EQUITY	**2,621,162**	**2,662,931**	**(41,769)**

3.2 CONSOLIDATED INCOME STATEMENT

Note	(in thousand of Euro - €k)	Q3 2006	Q3 2005	Change	First nine months 2006	First nine months 2005	Change
XXI	Revenues	1,094,865	1,038,024	56,841	2,897,238	2,587,723	309,515
XXII	Other Operating Income	34,296	20,864	13,432	74,898	63,270	11,628
	Total Income	**1,129,161**	**1,058,888**	**70,273**	**2,972,136**	**2,650,993**	**321,143**
XXIII	Cost of raw material, items for use and merchandise	397,915	370,502	27,413	1,050,895	910,527	140,368
XXIV	Payroll and benefits	272,815	259,395	13,420	788,673	719,122	69,551
XXV	Rents, concessions and royalties	156,586	145,061	11,525	421,218	363,095	58,123
XXVI	Other operating costs	107,268	102,434	4,834	312,685	285,051	27,634
XXVII	Depreciation	40,451	42,555	(2,104)	123,176	122,100	1,076
	Operating Profit	**154,126**	**138,941**	**15,185**	**275,489**	**251,098**	**24,391**
XXVIII	Gains (losses) on financial transactions	2,162	4,841	(2,679)	7,141	11,908	(4,767)
XXIX	Finance cost	(14,133)	(15,949)	1,816	(43,076)	(44,624)	1,548
	Value adjustments on financial assets	272	81	191	411	1,083	(672)
	Profit before tax	**142,427**	**127,914**	**14,513**	**239,965**	**219,465**	**20,500**
XXX	Tax	(47,797)	(50,524)	2,727	(90,999)	(93,793)	2,794
	NET PROFIT	**94,630**	**77,390**	**17,240**	**148,966**	**125,672**	**23,294**
	- attributable to the Group	90,426	73,305	17,121	139,936	118,274	21,662
	- attributable to minorities	4,204	4,085	119	9,030	7,398	1,632
	Earnings per share (in Euro cents)						
	not diluted	35.5	28.8		55.0	46.5	
	diluted	35.2	28.5		54.5	46.0	

3.3 CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

in thousand of Euro - (€k)	Share Capital	Legal Reserve	Reserve from valuation of derivative hedging instruments	Conversion reserve	Other reserves and undivided profits	Profit for the period	Net equity of the Group	Net Equity of third parties
31.12.2005	**132,288**	**6,245**	**(4,035)**	**2,129**	**185,041**	**130,092**	**451,760**	**30,881**
Allocation of profit for 2005								
- To Reserves	-	4,510	-	-	64,526	(69,036)	-	-
- Dividends	-	-	-	-	-	(61,056)	(61,056)	(9,675)
Conversion difference and other movements	-	-	-	(11,390)	-	-	(11,390)	-
Change in the fair value of the derivative hedging instruments	-	-	4,126	-	(1,510)	-	2,616	-
Change in the fair value of the option to convert Autogrill Finance convertible bonds in Autogrill shares 1999-2014	-	-	-	-	97	-	97	-
Profit for the period	-	-	-	-	-	139,951	139,951	9,015
30.09.2006	**132,288**	**10,755**	**91**	**(9,261)**	**248,154**	**139,951**	**521,978**	**30,221**

in thousand of Euro - (€k)	Share Capital	Legal Reserve	Reserve from valuation of derivative hedging instruments	Conversion reserve	Other reserves and undivided profits	Profit for the period	Net equity of the Group	Net Equity of third parties
31.12.2004	**132,288**	**2,387**	**-**	**(21,504)**	**144,087**	**93,244**	**350,502**	**22,302**
Effect of the application of IAS 32 and 39 as of 1.1.	-	-	(15,130)	-	6,481	-	(8,649)	-
Allocation of profit for 2004								
- To Reserves	-	3,858	-	-	38,506	(42,364)	-	-
- Dividends	-	-	-	-	-	(50,880)	(50,880)	-
Conversion difference and other movements	-	-	-	19,307	-	-	19,307	1,472
Change in the fair value of the derivative hedging instruments	-	-	4,528	-	(1,490)	-	3,038	-
Change in the fair value of the option to convert Autogrill Finance convertible bonds in Autogrill shares 1999-2014	-	-	-	-	93	-	93	-
Profit for the period	-	-	-	-	-	118,274	118,274	7,398
30.09.2005	**132,288**	**6,245**	**(10,602)**	**(2,197)**	**187,677**	**118,274**	**431,685**	**31,172**

Consolidated Gains (Losses) taken directly to Equity

in thousand of Euro - (€k)	2006	2005
Opening balance of the IAS 32-39 valuation reserve as at 1/1/2005	-	(8,649)
Gains (losses) recognised directly in the hedging instrument valuation reserve [(1)]	2,616	3,038
Gains (losses) regnised directly to the fair value reserve of the option to convert the Autogrill Finance S.A. convertible bonds 1999-2014 into Autogrill SpA shares[(2)]	97	93
Gains (losses) recognised directly in the conversion reserve	(11,390)	19,307
Gains (losses) recognised directly in Shareholders' Funds attr. To the Group	**(8,677)**	**13,789**

[(1)] Net of the tax effect recognised in "Other reserves and retained profit"
[(2)] Recognised under "Other reserves and retained profit"

3.4 CONSOLIDATED CASH-FLOW STATEMENT

(€m)	First nine months 2006	First nine months 2005
Cash and cash equivalents - opening balance	**75.7**	**235.4**
Profit before tax and net financial cost for the period (including minorities)	275.9	252.2
Depreciation and losses on fixed assets net of revaluation	123.2	122.1
Value adjustments and (gains)/losses on disposal of financial assets	(0.4)	(1.1)
(Gains)/losses on disposal of fixed assets	(10.6)	(1.1)
Change in working capital [(1)]	4.8	(18.1)
Net change in non-current non-financial assets and liabilities	(0.3)	2.3
Cash flow from operation	**392.6**	**356.3**
Tax paid	(45.6)	(29.8)
Interest paid	(40.4)	(43.9)
Net cash flow from operations	**306.6**	**282.6**
Expenditure on property, plant and equipment and intagible fixed assets	(129.8)	(129.7)
Proceeds from disposal of fixed assets	36.9	7.8
Acquisition of consolidated equity investments	(4)	(353.3)
Net change in non-current financial assets	9.6	(2.7)
Cash flow from investment activities	**(87.4)**	**(477.9)**
Medium/long-term financings procured	105.1	550.0
Repayments of instalments of medium/long-term financings	(275.6)	(43.0)
Repayments of short-term loans net of new borrowing	34.9	(326.1)
Payment of dividends	(61.1)	(50.9)
Other flows [(2)]	130.3	(4.6)
Cash flow from borrowings	**(66.4)**	**125.5**
Cash flow for the period	**152.8**	**(69.8)**
Exchange differences on liquid assets	(4.8)	18.6
Cash and cash equivalents - closing balance	**223.7**	**184.2**

[(1)] Includes the conversion difference on profit items

[(2)] In 2006 refers mainly to repayment of the minorities' portion of the loan granted by Autogrill S.p.A. to Aldeasa SA (formerly Retail Airport Finance); also includes dividend paid to minorities.

Reconciliation of cash and cash equivalents

(€m)	First nine months 2006	First nine months 2005
Cash and cash equivalents - opening balance	**75.7**	**235.4**
Cash and cash equivalents	144.2	256.5
Current account debit balances	(68.5)	(21.1)
Cash and cash equivalents - closing balance	**223.7**	**184.2**
Cash and cash equivalents	269.8	224.9
Current account debit balances	(46.1)	(40.7)

4. NOTES TO THE ACCOUNTS

4.1 MAIN ACCOUNTING PRINCIPLES AND CONSOLIDATION CRITERIA

General Policies

The consolidated accounts at 30 September 2006 were prepared in accordance with CONSOB's regulation 11971 dated 14 May 1999 as amended by its resolution 14,990 dated 14 April 2005 and subsequent amendments and additions.

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

This Quarterly Report at 30 September 2006 was prepared in accordance with IAS 34 and the accounting policies and consolidation criteria are the same as those used for the 2005 Consolidated Accounts which may be consulted for a full illustration of each policy.

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

This Quarterly Report was prepared prospectively assuming business continuity using the euro as the unit of account. The figures given in the tables are in thousands of €, except for the Cash-Flow Statement which is in millions of €.

Structure, Format and Content of the Accounts

The accounting schedules required under IAS 1 and IAS 7 and used in this Quarterly Report at 30 September 2006, which have remained unchanged in respect of those used starting with the Quarterly Report as at 30 September 2005, are the following:

- Balance Sheet: with assets and liabilities distinguished between current and non-current;
- Income Statement: with classification of costs by type;
- Changes in Consolidated Net Equità;
- Cash-Flow Statement: with determination of cash-flow from operations using the indirect method.

The individual Accounts of each company within the scope of consolidation are prepared in the currency of the main area of their business (functional currency). For the purposes of the Consolidated Accounts the assets and liabilities of foreign subsidiaries having a functional currency other than the euro are converted at the exchange rates ruling at the balance sheet date. Income and expense are converted at average exchange rates for the period. Exchange differences are recognised in the equity item Conversion Reserve. Goodwill and remeasurement at fair value on acquisition of a foreign company are recognised in the appropriate currency and converted at the year-end exchange rate.

Exchange Rates used to convert non-euro Subsidiaries' Accounts into euros

	2006				2005					
	Current at 30 June	Current at 30 September	Average Q3	Average First nine months	Current at 30 June	Current at 30 September	Current at 31 Dicember	Average Q3	Average First nine months	Average 2005
US Dollar	1.2713	1.2660	1.2744	1.2446	1.2092	1.2042	1.1797	1.2198	1.2625	1.2441
Candian Dollar	1.4132	1.4136	1.4284	1.4094	1.4900	1.4063	1.3725	1.4667	1.5462	1.5093
Swiss Franc	1.5672	1.5881	1.5767	1.5663	1.5499	1.5561	1.5551	1.5534	1.5486	1.5483

As compared to the annual accounts as at 31 December 2005, the item "Income tax credits" (formerly "Tax credits") now contains only credits in respect of current tax on income for the period and not the other tax credits (disclosed under the item "Other credits" in current assets), as prescribed by IFRS. The corresponding comparable amount of €6,354k as at 31 December 2005, was accordingly reclassified. The item "Tax liabilities", was similarly renamed "Income tax liabilities" and reclassified in the amount of €27,401k, transferred to the item "Other liabilities".

Additionally, in order to better represent Accounts data and cash-flow, the following have also been reclassified as compared to the annual accounts as at 31 December 2005:

- the amounts of €24,962k and €2,415k respectively from "Due to suppliers" and "Other liabilities" to "Due to banks";
- the tax liability of €27,758k due to our controlling entity Edizione Holding S.p.A., relating to the tax consolidation which Autogrill S.p.A. and its Italian subsidiaries have joined, from the item "Accounts payable" to the item "Other liabilities".

Finally, again in order to better represent Accounts data, rents and hires have been reclassified from the item "Rents, concession costs and royalties for use of brands" to the item "Other operating costs". The amounts involved for the first 9 months 2005 and Q3 2005, duly reclassified, were €5,861k and €1,729k.

Scope of Consolidation

The scope of consolidation includes companies subject to control as per IAS 27 (i.e., the Parent Company has the power to determine the financial and operational policies of the company in such a way as to obtain benefits from its business), joint-ventures (i.e., entities subject to joint control as per IAS 31) and associates (i.e., those entities subject to significant influence as per IAS 28, which are consolidated using the equity method). Companies included in consolidation are listed in Section 4.13 below.

Specifically, the Consolidated Accounts include the accounts at 30 September 2005 of Autogrill S.p.A. and all those companies in which the Parent Company has, directly or indirectly, the majority of the voting rights, or exerts dominant influence. The latter group includes Soborest S.A., Sorebo S.A., Soberest S.A., Volcarest S.A. and S.R.S.R.A. S.A., which are controlled on the basis of a 50% stake and an agreement that gives the Group the power to manage the business.

There are two joint ventures: Aldeasa S.A. and subsidiaries and Steigenberger Gastronomie GmbH: both were consolidated using the proportionate method.

Autogrill Overseas Inc. and its subsidiaries close their financial year on the Friday nearest to 31 December; the year is divided into 13 periods each of 4 weeks, grouped into quarters of 12 weeks, except for the last which is of 16 weeks. The accounts used for consolidation therefore refer to the period 31 December 2005 - 8 September 2006 and the comparable period is 1 January - 9 September 2005.

Autogrill Nederland BV and its subsidiaries divide the year into 13 periods each of 4 weeks (the week closes on a Wednesday) except that adjustments are made to ensure that the year-end falls on 31

December. Their respective accounting situations used for the first 9 months 2006 consolidation therefore refer to the period 1 January – 6 September 2006 and the comparable period is 1 January – 7 September 2005.

As compared to 30 September 2005 scope of consolidation has changed as follows:

- Consolidation of Autogrill D.o.o., HMSHost Ireland Ltd. and HMSHost Sweden A.B., which manage respectively our outlets on the Slovenian motorway network, in Cork and Stockholm airports. Autogrill D.o.o. and HMSHost Sweden A.B. were formed respectively in May 2004 and September 2005 but – as noted in Note VIII Equity Investments in the 2005 Report and Accounts – they were not consolidated in 2005 as being of low significance, since they only began operations in December 2005. HMSHost Ireland Ltd. was formed in H1 2006 but began operations only in August 2006;
- Acquisition of 100% of the capital of Emme Emme Cadorna S.a.s., which was concluded on 22 February 2006, and Bar del Porto s.n.c., the effect on Autogrill consolidated accounts being in any case marginal. Both companies run a restaurant business located respectively in a station of the Milan Metro (subway) and the port of Piombino.

4.2 NOTES TO THE BALANCE SHEET

Current Assets

I. Cash and other liquid assets

(€k)	30.09.2006	31.12.2005	Change
Deposits with banks and post offices	216,726	100,584	116,142
Cash and valuables on hand	53,054	43,578	9,476
Total	**269,780**	**144,162**	**125,618**

Cash and valuables included both the normal cash amounts held at each outlet and amounts being credited.
Deposits with banks and post offices mainly consisted of time deposits bearing interest at rates very close to LIBOR or EURIBOR. The increase over 31 December 2005 was due to full repayment on 18 August 2006 of the loan granted by Autogrill S.p.A. to Aldeasa S.A. (formerly Retail Airport Finance S.L.).

II. Other Financial Assets

(€k)	30.09.2006	31.12.2005	Change
Fair value of exchange rate hedging instruments	7,185	5,268	1,917
Due to associates	6,645	8,902	(2,257)
Fair value of interest rate hedging instruments	2,811	961	1,850
Other financial credits with other counterparties	2,578	-	2,578
Other financial claims	542	527	15
Total	**19,761**	**15,658**	**4,103**

Market value of exchange rate hedging instruments included the fair value of the notional amounts of exchange rate hedges outstanding at 30 September 2006. The increase recorded in the period was connected with a change in the underlying exposure, which is denominated in US$.

Due to associates refers mainly to North American associates, to which the reduction was due.

Fair value of interest rate swaps referred to the value of IRSs outstanding at 30 September 2006 in the notional amount of €50m, which qualify for hedge accounting. The sharp rise over the 31 December 2005 figure was mainly due to interest rate rises during H1.

Other loans recognised a credit of a US subsidiary of Autogrill towards its joint-venture partners; the difference as compared to 31 December 2005 is due to reclassification in current assets of the portion repayable within 12 months.

III. Other Credits

(€k)	30.09.2006	31.12.2005	Change
Suppliers	28,941	31,517	(2,576)
Credit card receipts	11,538	7,845	3,693
Tax authorities and public administration	10,990	7,132	3,858
Lease and concession rents	9,106	14,453	(5,347)
Other accrued income and deferred liabilities	8,077	8,559	(482)
Sub-licensees	2,954	4,157	(1,203)
Advances to landlords for capital expenditure	2,163	3,257	(1,094)
Staff	1,160	3,086	(1,926)
Other assets	10,806	11,921	(1,115)
Total	**85,735**	**91,927**	**(6,192)**

The change in other credits was mainly due to:

- A reduction of *Suppliers* following payment of bonuses (which is concentrated in the early months of the year);
- An increase in credit card receipts, due related to the seasonality of takings;
- A reduction – normal as compared with the year-end – of receivables in respect of lease and concession rents paid in advance or one-off on entry into new agreements;
- A reduction in *Due to personnel* in connection chiefly with tax rebates made in Q1.

IV. Inventory

(€k)	30.09.2006	31.12.2005	Change
Food and beverage and retail	140,621	129,270	11,351
Merchandise and various articles	3,520	3,690	(170)
Total	**144,141**	**132,960**	**11,181**

Inventory is disclosed net of the provision for losses on inventory amounting to €4.016k (€3,519k at 31 December 2005), which was set aside to account for the obsolescence valuation of slow-rotating stocks.

Non-current Assets

V. Property, Plant and Machinery

(€k)	30.09.2006 Historic Cost	30.09.2006 Accumulated Depreciation	30.09.2006 Net carrying value	31.12.2005 Historic Cost	31.12.2005 Accumulated Depreciation	31.12.2005 Net carrying value
Land and commercial and industrial buildings	136,991	(53,925)	83,066	163,809	(53,419)	110,390
Leasehold improvements	852,287	(613,373)	238,914	881,331	(617,295)	264,036
Plant and machinery	191,730	(132,336)	59,394	180,734	(125,410)	55,324
Industrial and commercial equipment	579,406	(442,691)	136,715	569,961	(436,565)	133,396
Assets to be transferred free of charge	432,452	(289,619)	142,833	407,966	(274,154)	133,812
Construction in progress and down-payments	77,962	-	77,962	87,008	-	87,008
Other	52,454	(43,322)	9,132	53,884	(42,352)	11,532
Total	**2,323,282**	**(1,575,266)**	**748,016**	**2,344,693**	**(1,549,195)**	**795,498**

Please see Section 2.3 of the Report on Operations for a breakdown of capital expenditure undertaken in the period; there is a table showing in detail the changes in each item.

Leasehold Improvements refer to costs sustained to construct or adapt buildings and businesses whether leased or subject to concession. The item includes in particular expenses related to the equipping of concepts in airports, along motorways and in shopping malls in the US, as well as many European outlets.

Construction in progress refers, as to €50,457k to initiatives under way in the US (€66,325k at end-2005), and, as to €27,505k, to initiatives under way in Europe (€20,683k at end-2005), chiefly in the motorway and airport business segments.

The Parent Company had useful assets belonging to others worth €1,481k and runs leased businesses with assets worth €14,581k.

The following table shows the contractual value of finance leases, disclosed using the financial method.

(€k)	30.09.2006 Historic Cost	30.09.2006 Accumulated Depreciation	30.09.2006 Net carrying value	31.12.2005 Historic Cost	31.12.2005 Accumulated Depreciation	31.12.2005 Net carrying value
Land and industrial buildings	5,423	(3,427)	1,996	4,703	(1,948)	2,755
Plant and machinery	688	(146)	542	688	(42)	646
Assets to be transferred free of charge	15,123	(8,016)	7,108	15,123	(7,295)	7,828
Total	**21,234**	**(11,589)**	**9,645**	**20,514**	**(9,285)**	**11,229**

The financial debt relating to these transactions was €9,614k and is disclosed under the items Other current financial liabilities in the amount of €1,798k (€2,518k at end-2005) and Other non-current financial liabilities in the amount of €7,816k (€8,610k at end-2005). Future rentals payable are €10,824k.

VI. Goodwill

This item was reduced from €1,080,872k to €1,051,006k due to conversion differences of €33,956k (North America and Switzerland) and the recognition of new goodwill of €4,090k as follows:

- €3,114k relating to the purchase of two Italian catering firms – Emme Emme Cadorna S.a.s. and Bar del Porto S.n.c. – in H1 2006;
- €682k relating to the purchase of 30,007 own shares by Aldeasa S.A., which increased R.A.F. S.L.'s holding to 99.77%;
- €155k relating to the payment of a further price quota for the purchase of the interest in Steigenberger Gastronomie GmbH, which is subject to concession renewals under the agreement;
- €139k relating to the purchase of an additional shareholding in So.bo.rest S.A. (France).

Total goodwill breaks down by geographical area as follows:

(€k)	30.09.2006	31.12.2005	Change
North America	437,129	469,052	(31,923)
Italy	78,051	74,937	3,114
Rest of Europe:			
- Switzerland	93,405	95,438	(2,033)
- Spain	344,183	343,501	682
- France	60,955	60,816	139
- Netherlands	22,161	22,161	-
- Belgium	12,684	12,684	-
- Germany	2,438	2,283	155
Total	**1,051,006**	**1,080,872**	**(29,866)**

VII. Other Intangible Assets

(€k)	30.09.2006	31.12.2005	Change
Concessions, licences, brands and similar assets	24,032	25,531	(1,499)
Construction in progress and down-payments	6,863	6,585	278
Other	23,559	23,899	(340)
Total	**54,454**	**56,015**	**(1,561)**

There were no significant changes in this item.

(€k)	31.12.2005			Changes in gross value						Amortisations/Write-downs					30.09.2006		
Intanglible fixed assets	Gross Value	Amort.	Net Value	Changes in scope	Exchange Difference	Additions	Decreases	Other movememts	Total	Changes in scope	Exchange Difference	Additions	Decreases	Total	Gross Value	Amort.	Net Value
Intellectual property rights	204	(204)	-	-	-	-	-	-	-	-	-	-	-	-	204	(204)	-
Concessions, licences, trademarks, etc.	61,095	(35,564)	25,531	-	(292)	2,293	(197)	242	2,046	-	283	(4,025)	197	(3,545)	63,141	(39,109)	24,032
Goodwill	1,080,872		1,080,872	-	(49,676)	4,090	-	-	(45,586)	-	15,720	-	-	15,720	1,035,286	15,720	1,051,006
Fixed assets under construction	6,585	-	6,585	-	-	2,613	(32)	(2,303)	278	-	-	-	-	-	6,863	-	6,863
Other	46,561	(22,662)	23,899	451	(6)	520	(21)	262	1,206	(33)	4	(1,537)	20	(1,546)	47,767	(24,208)	23,559
Total	**1,195,317**	**(58,430)**	**1,136,887**	**451**	**(49,974)**	**9,516**	**(250)**	**(1,799)**	**(42,056)**	**(33)**	**16,007**	**(5,562)**	**217**	**10,629**	**1,153,261**	**(47,801)**	**1,105,460**

(k€)	31.12.2005			Changes in gross value						Depreciation/Write-downs					30.09.2006		
Property, plant and equipment	Gross Value	Amort.	Net Value	Changes in scope	Exchange Difference	Additions	Decreases	Other movememts	Total	Changes in scope	Exchange Difference	Additions	Decreases	Total	Gross Value	Amort.	Net Value
Civil and industrial land and buildings	163,809	(53,419)	110,390	-	(908)	2,416	(23,897)	(4,429)	(26,818)	-	493	(2,710)	1,711	(506)	136,991	(53,925)	83,066
Leasehold improvements	881,331	(617,295)	264,036	496	(42,379)	10,941	(22,384)	24,282	(29,044)	-	30,155	(47,940)	21,707	3,922	852,287	(613,373)	238,914
Plant and machinery	180,734	(125,410)	55,324	184	(1,675)	9,983	(2,904)	5,408	10,996	-	1,034	(10,184)	2,224	(6,926)	191,730	(132,336)	59,394
Industrial and commercial equipments	569,961	(436,565)	133,396	208	(17,595)	18,396	(16,148)	24,584	9,445	-	14,923	(36,527)	15,478	(6,126)	579,406	(442,691)	136,715
Assets returnable free of charge	407,966	(274,154)	133,812	-	(149)	6,930	(2,433)	20,138	24,486	-	45	(17,357)	1,847	(15,465)	432,452	(289,619)	142,833
Other assets	53,884	(42,352)	11,532	50	(441)	1,777	(2,080)	(736)	(1,430)	(10)	365	(2,896)	1,571	(970)	52,454	(43,322)	9,132
Fixed assets under construction	87,008	-	87,008	-	(4,370)	73,928	(950)	(77,654)	(9,046)	-	-	-	-	-	77,962	-	77,962
Total	**2,344,693**	**(1,549,195)**	**795,498**	**938**	**(67,517)**	**124,371**	**(70,796)**	**(8,407)**	**(21,411)**	**(10)**	**47,015**	**(117,614)**	**44,538**	**(26,071)**	**2,323,282**	**(1,575,266)**	**748,016**

The balance of the item Other changes refers to reclassification to Assets held for sale, of property to be sold during Q4 2006 and in 2007.

VIII. Other Financial Assets

(€k)	30.09.2006	31.12.2005	Change
Third parties bearing funds	5,659	5,659	-
Guarantee deposits	2,073	2,869	(796)
Receivables with associates	348	357	(9)
Discountable securities	290	642	(352)
Other financial credits with other counterpa	4,633	9,036	(4,403)
Total	**13,003**	**18,563**	**(5,560)**

The reduction of the item Other loans, which mostly comprises loans that a US subsidiary has made to its joint-venture partners, was chiefly due to the transfer of the portion to be repaid in the short term, to current assets.

IX. Loans

This item was zeroed – in respect of €130,537k outstanding at 31 December 2005 – following full repayment on 18 August 2006 of the arm's-length loan granted by Autogrill S.p.A. to Retail Airport Finance S.A.

X. Deferred Tax Assets

Deferred tax assets were disclosed net of off-settable deferred tax liabilities and amounted to €114,077k, an increase of €19,249k over 31 December 2005.

They mainly refer:

- as to €62,423k (€55,542k at 31 December 2005): to Autogrill Overseas, Inc, generated mostly due to the different depreciation period of leasehold improvements and taxed provisions in respect of concession rents. The change comprises a positive conversion effect of €4,031k;
- as to €23,416k (€27,369k at 31 December 2005): to the Parent Company, mainly due to deferred deduction of write-downs of equity investments made in 2002-2003;
- as to €21,996k: to the tax asset recognised following use of purchase accounting in respect of the Aldeasa Group.

XI. Other Credits

Other credits (non-current) were €10,766k, virtually unchanged from end-2005, and refer to receivables with suppliers (bonuses of €1,954k to be received) and concession rents paid in advance (€8,812k).

Current Liabilities

XII. Other Liabilities

(€k)	30.09.2006	31.12.2005	Change
Due to staff	117,126	108,003	9,123
Indirect tax	32,453	17,052	15,401
Suppliers for capital expenditure	21,854	27,891	(6,037)
Various foreign social security organisations	19,057	17,769	1,288
INPS and other Italian pension providers	16,690	15,798	892
Deferred expense and accrued liabilities	8,800	11,237	(2,437)
Withholding tax	5,795	10,349	(4,554)
Other liability items	68,231	39,787	28,444
Total	**290,006**	**247,886**	**42,120**

The increase in *Due to staff* referred almost entirely to the Parent Company and is largely due to the 13th month of salary paid in December. The change comprises €4,502k due to fluctuations in the US$/€ exchange rate.

The increase in *Indirect tax* was mainly due to the increase in indirect tax on the sales of our US subsidiaries, following increases in sales volumes.

Due to suppliers in respect of capital expenditure was reduced due to exchange differences (€1,234k) and payments.

Deferred expense and accrued liabilities mainly refer to insurance premiums and rentals in respect of the next following year.

Other liabilities included the net IRES (corporate tax) liability transferred to our controlling entity Edizione Holding S.p.A. under the tax consolidation scheme, in the amount of €45,075k (€27,758k in 2005). The change from 31 December 2005 refers to IRES on the first 9 months' taxable income.

XIII. Due to Banks

(€k)	30.09.2006	31.12.2005	Change
Unsecured bank borrowings	144,556	80,747	63,809
Overdraft on current accounts	46,147	68,481	(22,334)
Secured bank borrowings	-	131	(131)
Total	**190,703**	**149,359**	**41,344**

These loans are used under short-term credit lines. The increase over 2005 was due chiefly to the transfer of short-term portions of long-term borrowings to current liabilities.

The reduction in overdraft borrowing was due to lower requirements.

XIV. Other Financial Liabilities

(€k)	30.09.2006	31.12.2005	Change
Fair value of exchange-rate hedging instruments	5,860	6,393	(533)
Accrued liabilities for loan interest	2,474	8,337	(5,863)
Fair value of interest rate hedging instruments	2,301	5,116	(2,815)
Due to other lessors	1,798	2,518	(720)
Due to other lenders	163	1,649	(1,486)
Other accrued financial liabilities	4,964	3,318	1,646
Total	**17,560**	**27,331**	**(9,771)**

Fair value of interest-rate hedging instruments comprises the fair value of IRSs outstanding at 30 September 2005 with a notional value of $310m which qualify for hedge accounting. The reduction from 31 December 2005 is chiefly due to interest-rate movements in the period.

Deferred interest expense mainly refers to the interest payable on the half-year coupon of HMSHost Corp's private placement bonds payable in January and July.

Fair value of exchange-rate hedging instruments comprises the fair value of the notional amounts of exchange-rate hedges outstanding at 30 September 2005.

Other financial deferred expense and accrued liabilities included mainly interest accrued on exchange-rate hedges.

Non-current Liabilities

XV. Other Liabilities

This item rose from €10,835k to €33,022k principally due to reclassification of Aldeasa S.A.'s liabilities towards AENA which, while awaiting the conclusion of current negotiations, had been recognised as *Provisions* at the time the acquisition of Aldeasa was accounted for. The final agreement signed in Q2 2006 contains terms that broadly confirm the estimates made as part of the purchase accounting by the Autogrill Group.
The original amount of €30,000k was reduced to €24,755k due to uses in the amount of €3,803k (Q3 2006) and €606k (first 9 months 2006) and will be gradually eliminated during the remaining life of the agreement, which expires on 31 December 2012.
This item also contains liabilities to personnel, in particular the long-term incentive plans of Autogrill Overseas, Inc.

XVI. Borrowings (net of current portion)

(€k)	30.09.2006	31.12.2005	Change
Unsecured medium-term borrowings	480,105	679,928	(199,823)
Secured medium-term borrowings	-	1,169	(1,169)
Total bank debt	480,105	681,097	(200,992)
Debt under leases	7,816	8,610	(794)
Other debt	712	305	407
Total	**488,633**	**690,012**	**(201,379)**

Long-term bank debt at 30 September 2006 was made up as follows:

- loan of €200m with a bullet repayment on maturity (September 2015);

- drawings with maturities exceeding 12 months amounting to €175m of the total of €291.7m, being amortising tranches of a syndicated loan signed in March 2004. In September 2006 the first six-monthly repayments were made being one-sixth of the loan's original amount of €350m;
- the consolidated portion (50%) of a €330m loan maturing July 2010 entered into by Aldeasa S.A. in August 2006.

At 30 September 2005 the Group's bank lines of credit maturing beyond one year were about 60% utilised. Bank borrowings pay floating-rate interest. The average life of bank debt, including unutilised lines, is about 4 years.

The main multi-year loan agreements require regular monitoring of certain financial ratios (debt coverage, interest coverage and, for the syndicated loan signed in 2004, leverage, i.e. net debt to equity). At 30 September 2006, as in all previous observation periods, these covenants were fully satisfied and there was no reason to believe that they might not be so satisfied in the future.

XVII. Bonds

(€k)	30.09.2006	31.12.2005	Change
Bonds	292,259	313,638	(21,379)
Convertible bonds	39,218	38,718	500
Issuing fees	(1,011)	(1,267)	256
Total	**330,466**	**351,089**	**(20,623)**

Bonds are private placements issued on 19 January 2003 by HMSHost Corp. for a total of $370m. The issue was guaranteed by Autogrill S.p.A. and is in 3 tranches of $44m, $60m and $266m maturing respectively in 2010, 2011, and 2013. The tranches pay fixed-rate interest half-yearly.
Like the multi-year bank borrowings, this private placement includes covenants requiring regular monitoring of financial ratios (debt coverage, interest coverage and leverage, i.e. net debt to equity). At 30 September 2006, as in all previous observation periods, these covenants were fully satisfied and there was no reason to believe that they might not be so satisfied in the future.

The change in this item was wholly due to conversion effect.

Convertible bonds include the residual amount of a convertible bond (Lyon) issued by Autogrill Finance S.A. on 15 June 1999 for €471,055k, after prepayment of 90% of the bond on 15 June 2004.

The bonds outstanding have a face value of €47.680k including interest payable in periods subsequent to the one ended in the amount of €6,750k. The bond is zero-coupon; when issued it paid the nominal amount less the OID which was a notional 2% p.a. payable half-yearly.

The Parent issued guarantees in favour of the bond holders.

The change in this item was due to the periodical capitalisation of implicit interest (€597k increase) and to a change in the fair value of the option to convert to Autogrill S.p.A. shares (€97k reduction).

XVIII. TFR and Other Employee Benefits

The item amount of €111,928k (€108,288k at end-2005) refers, as to €94,373k, to the severance pay fund for Italian employees ("TFR") and, as to €17,555k, to foreign subsidiaries' employee benefits; of this amount €13,951k refer to health insurance schemes, deferred remuneration and supplementary pension benefits put in place by the US subsidiary.

The type of guarantee underlying these benefits varies according to the specific legal, tax and economic situation in each country in which the Group operates and benefits are usually based on the employee's salary and years of service.

XIX. Provisions

(€k)	Balance at 31.12.2005	Other Changes	Allocations	Uses	Balance at 30.09.2006
Tax risks	4,938	(258)	197	(610)	4,267
Disputes with other third parties	3,957	-	608	(664)	3,901
Various risks	67,240	(31,311)	7,887	(5,322)	38,494
Refurbishment costs	9,679	-	-	(117)	9,562
Onerous contracts	2,275	-	-	-	2,275
Total	**88,089**	**(31,569)**	**8,692**	**(6,713)**	**58,499**

As explained in Note XV above, and as shown in the Other Changes column of the above table, the item was reduced by €24,755k due to the final settlement reached between Aldeasa S.A. and AENA – and the consequent reclassification under liabilities –of the liability relating to prior period rentals due recognised under purchase accounting at the time of the acquisition of Aldeasa S.A.

In the first 9 months of 2006 there were no events, other than those mentioned, that changed the amounts or nature of Provisions significantly as compared with 31 December 2005.

The increases of the first 9 months of 2006 refer chiefly to normal allocations to the Self-insurance provision, included in the Sundry Risks provision, relating to our US subsidiary and set aside to cover uninsured third-party liability.

Other changes, apart from the mentioned reclassification (€24,755k), were due to conversion differences.

XX. Shareholders' Equity

Changes in shareholders' equity items are shown in the appropriate table, and included:

- payment of the dividend out of 2005 profits in the amount of €61,056k;
- consolidated net profit increased to €139,951k. Information as to earnings per share (undiluted and diluted) is given for two comparable quarters below the Income Statement;
- reduction of €11,390k due to conversion differences of Accounts in foreign currency;
- net increase of €2,616k relating to the change in the hedging instrument valuation reserve (increase of €4,126k), net of the related €1,510k tax effect;
- increase of €97k relating to the fair value change in the Autogrill S.p.A. share conversion option under the Autogrill Finance S.A. convertible bonds.

4.3 NOTES TO THE INCOME STATEMENT

Please see the Report on Operations for a more detailed commentary on the changes in the main items.

Please also note that the comparable period – the first 9 months of 2005 - included Aldeasa S.A. and subsidiaries' results for two months only, since it entered consolidation on 1 May 2005.

XXII. Revenue

(k€)	Q3 2006	Q3 2005	Change	First nine months 2006	First nine months 2005	Change
Food and Beverage	730,112	702,794	27,318	1,944,589	1,812,070	132,519
Retail	343,070	316,644	26,426	896,710	730,002	166,708
Sales to other entities and affiliates	15,351	12,836	2,515	39,276	30,563	8,713
Hotels	6,332	5,750	582	16,663	15,088	1,575
Total	**1,094,865**	**1,038,024**	**56,841**	**2,897,238**	**2,587,723**	**309,515**

The item change comprises the effect of non-consolidation for a period of four months in 2005 (€98,773m).

Retail revenue includes €57,200k (€55,156k in 2005) of fuel sales mainly in Swiss and Italian service stations. In the condensed table commented on in the Report on Operations under Results this revenue is reclassified as Other income, net of purchase cost.

XXII. Other Operating Income

(k€)	Q3 2006	Q3 2005	Change	First nine months 2006	First nine months 2005	Change
Suppliers' contributions to promotions	12,325	11,538	787	33,436	28,166	5,270
Rents under business leases	3,455	2,989	466	9,500	7,470	2,030
Affiliation fees	1,342	1,403	(61)	3,680	3,841	(161)
Capital gains on disposals of property, plant and	10,314	431	9,883	11,925	2,232	9,693
Other income items	6,860	4,503	2,357	16,357	21,561	(5,204)
Total	**34,296**	**20,864**	**13,432**	**74,898**	**63,270**	**11,628**

Capital gains on disposal of property, plant and equipment refers mainly to the disposal of most of the property portfolio of the Aldeasa Group (€9,334k), being non-recurrent income of which the effect is detailed under 4.11 below.

Other income mainly includes commission on commission-generating business and exceptional gains.

The impact of the different consolidation period of Aldeasa S.A. and subsidiaries on the overall item change was €3,141k.

XXIII. Cost of Raw Material, Items for Use and Merchandise

(k€)	Q3 2006	Q3 2005	Change	First nine months 2006	First nine months 2005	Change
Catering and retail purchases	403,383	371,101	32,282	1,064,667	949,680	114,987
Changes in inventory	(5,468)	(599)	(4,869)	(13,772)	(39,153)	25,381
Total	**397,915**	**370,502**	**27,413**	**1,050,895**	**910,527**	**140,368**

The impact of the different consolidation period of Aldeasa S.A. and subsidiaries on the overall item total was and €51,108k.

XXV. Payroll and Benefits

(k€)	Q3 2006	Q3 2005	Change	First nine months 2006	First nine months 2005	Change
Salaries	217,008	207,974	9,034	624,824	570,594	54,230
Social security	38,288	35,179	3,109	112,275	101,296	10,979
TFR and similar employee benefits	5,163	4,508	655	15,611	14,472	1,139
Other costs	12,356	11,734	622	35,963	32,760	3,203
Total	**272,815**	**259,395**	**13,420**	**788,673**	**719,122**	**69,551**

The impact of the different consolidation period of Aldeasa S.A. and subsidiaries on the overall item total was €12,110k.

In the first 9 months 2006 the average headcount (full time equivalent) reached 40,645 people (37,127 in 2005).

XXV. Rents, Concessions and Royalties

(k€)	Q3 2006	Q3 2005	Change	First nine months 2006	First nine months 2005	Change
Rents and concessions	142,062	130,727	11,335	381,620	326,752	54,868
Royalties for use of brands	14,524	14,334	190	39,598	36,343	3,255
Total	**156,586**	**145,061**	**11,525**	**421,218**	**363,095**	**58,123**

The item change comprises the effect of non-consolidation for a period of four months in 2005 (€24.329k).

XXVI. Other Operating Costs

(k€)	Q3 2006	Q3 2005	Change	First nine months 2006	First nine months 2005	Change
Water and energy utilities	19,566	16,735	2,831	55,215	47,335	7,880
Maintenance costs	13,537	13,597	(60)	39,595	37,740	1,855
Consultancy and professional services	7,795	6,591	1,204	25,995	20,639	5,356
Cleaning and disinfestation services	9,914	9,264	650	27,030	25,158	1,872
Travel costs	5,682	4,671	1,011	16,787	13,478	3,309
Commission on payments by credit card	4,943	4,651	292	13,820	11,626	2,194
Advertising and market research	3,771	3,336	435	11,941	11,111	830
Logistics costs	4,762	4,504	258	12,738	11,340	1,398
Postal and telephone charges	3,193	3,244	(51)	9,386	8,618	768
Equipment hire and lease charges	2,352	1,729	623	7,166	5,861	1,305
Surveillance	1,640	1,450	190	4,910	3,570	1,340
Insurance	1,496	1,335	161	3,926	3,605	321
Bank charges for services	1,085	1,133	(48)	3,310	3,063	247
Secure transportation	1,074	1,058	16	3,199	2,912	287
Other services	9,045	9,970	(925)	26,974	26,118	856
Other costs for materials	7,066	6,611	455	19,615	17,835	1,780
Cost of material and external services	**96,921**	**89,879**	**7,042**	**281,607**	**250,009**	**31,598**
Write-downs of receivables	**(80)**	**(1,064)**	**984**	**848**	**623**	**225**
Tax provision	71	1,324	(1,253)	197	1,491	(1,294)
Disputes provision	237	65	172	608	1,054	(446)
Other risks provision	2,960	3,721	(761)	7,887	9,733	(1,846)
Total allocations to provisions	**3,268**	**5,110**	**(1,842)**	**8,692**	**12,278**	**(3,586)**
Indirect taxes and duties	**4,102**	**4,977**	**(875)**	**12,740**	**13,928**	**(1,188)**
Cash differences	835	694	141	2,008	1,857	151
Losses on disposals	176	844	(668)	1,339	1,098	241
Other costs	2,046	1,994	52	5,451	5,258	193
Other operating costs	**3,057**	**3,532**	**(475)**	**8,798**	**8,213**	**585**
Total	**107,268**	**102,434**	**4,834**	**312,685**	**285,051**	**27,634**

The impact of the different consolidation period of Aldeasa S.A. and subsidiaries on the overall item total was €7,842k.

Other services includes various service charges such as health controls, PR, general services, recruitment and training of staff.

Other costs for materials refer to purchases of non-capitalised equipment and various items in use such as uniforms, stationery and publicity material.

The main changes are connected with the energy and water tariff increases both in Europe and in North America and increased consultancy costs which – in an amount of about €2m – refer to advice received in respect of acquisition projects that were not completed.

XXVII. Depreciation

(k€)	Q3 2006	Q3 2005	Change	First nine months 2006	First nine months 2005	Change
Intangible fixed assets	1,987	1,655	332	5,562	6,142	(580)
Property, plant and equipment	32,563	36,067	(3,504)	100,356	101,884	(1,528)
Property, plant and equipment to be transferred free of charge	5,901	4,833	1,068	17,258	14,074	3,184
Total	**40,451**	**42,555**	**(2,104)**	**123,176**	**122,100**	**1,076**

The impact of the different consolidation period of Aldeasa S.A. and subsidiaries on the overall item total was €2,299k.

XXIX. Gains on Financial Transactions

Breakdown as follows:

(k€)	Q3 2006	Q3 2005	Change	First nine months 2006	First nine months 2005	Change
Interest differentials on exchange-rate hedges	-	1,301	(1,301)	-	3,571	(3,571)
Interest differentials on interest-rate hedges	94	-	94	-	-	-
Bank interest receivable	1,098	909	189	2,151	2,384	(233)
Fair value of derivative instruments	-	384	(384)	-	2,236	(2,236)
Positive exchange differences	501	866	(365)	424	479	(55)
Other finance income	469	1,381	(912)	4,566	3,238	1,328
Total	**2,162**	**4,841**	**(2,679)**	**7,141**	**11,908**	**(4,767)**

XXX. Financial Costs

Breakdown as follows:

(k€)	Q3 2006	Q3 2005	Change	First nine months 2006	First nine months 2005	Change
Interest payable on bank borrowings	7,475	7,154	321	21,893	17,567	4,326
Interest payable on bonds	4,133	4,312	(179)	12,695	12,516	179
Interest differentials on interest-rate hedges	-	3,067	(3,067)	717	11,302	(10,585)
Interest differentials on exchange-rate hedges	1,421	-	1,421	3,852	-	3,852
Commission and fees	296	494	(198)	935	1,563	(628)
Discount of long-term financial liabilities	636	922	(286)	2,212	1,508	704
Other finance costs	172	-	172	772	168	604
Total	**14,133**	**15,949**	**(1,816)**	**43,076**	**44,624**	**(1,548)**

XXXI. Tax

The item amount of €90,999k (€93,793k in the first 9 months 2005) refers, as to €113,803k, to current taxation (€83,976k in 2005) and, as to €22,804k, to deferred tax assets (liabilities of €9,817k in 2005). Of these amounts €13,091k (€12,132k in 2005) was IRAP, which is levied on our Italian business and taxes the sum of operating profit and the cost of labour.

In the first 9 months 2006 the effective tax rate paid by the Group excluding IRAP was 32.5%.

The following is a reconciliation of the balance sheet tax cost to theoretical tax.

The latter was arrived at by applying the applicable theoretical rate to pre-tax results in each jurisdiction, and by setting aside the greater tax liability on future transfers of profit by subsidiaries.

RECONCILIATION OF THEORETICAL TAX TO BALANCE-SHEET TAX AMOUNT

(€k)	
Theoretical income tax	**88,787**
Reduced tax due to direct taxation of minority partners in fully consolidated US joint ventures	(2,635)
Tax benefit from Aldeasa merger	(9,282)
Other permanent differences	1,038
Tax recognised in the Accounts excl. IRAP	**77,908**
IRAP	13,091
Tax recognised in the Accounts	**90,999**

4.4 FINANCIAL POSITION

The following is a breakdown of the position as at 30 September 2006 and 31 December 2005.

Note	(€k)	30.09.2006	31.12.2005	Change
I	A. Cash	53,054	43,578	9,476
I	B. Cash equivalents	216,726	100,584	116,142
	C. Liquid assets (A) + (B)	**269,780**	**144,162**	**125,618**
II	**D. Current Financial credits**	**19,761**	**15,658**	**4,103**
XIII	E. Due to banks - current	190,703	149,359	41,344
XIV	F. Current portion of the non-current indebtedness	12,596	24,013	(11,417)
XIV	G. Other current financial liabilities	4,964	3,318	1,646
	H. Current financial indebtedness (E)+ (F)+ (G)	**208,263**	**176,690**	**31,573**
	I. Current financial indebtness, Net (H) - (D) - (C)	**(81,278)**	**16,870**	**(98,148)**
IX	**J. Non-current financial credits**	**-**	**130,537**	**(130,537)**
XVI	K. Due to banks - non-current	480,105	681,097	(200,992)
XVII	L. Bond issued	330,466	351,089	(20,623)
XVI	M. Other non-current liabilities	8,528	8,915	(387)
	N. Non-current financial Indebtedness (K) + (L) + (M)	**819,099**	**1,041,101**	**(222,002)**
	O. Non-current financial Indebtedness, Net (N) - (J)	**819,099**	**910,564**	**(91,465)**
	P. Net financial Indebtedness (I) + (O)	**737,821**	**927,434**	**(189,613)**

Please see the notes to each item above for commentary.
At 30 September 2006 and 31 December 2005 there were no loans to or borrowings from related parties.

4.5 MANAGEMENT OF INTEREST- AND EXCHANGE-RATE FLUCTUATIONS

Please see our 2005 Annual Report for a detailed description of the Group's financial policy and derivative contracts outstanding. These matters had not undergone significant changes at 30 September 2006.

4.6 BUSINESS SEGMENT INFORMATION

The Group segments its business in two ways: geographical area and business segment (channel), i.e., the physical context in which the business is conducted (motorway service areas, airports and railway stations are the principal segments).

The primary segment is geographical area, which reflects both management and reporting lines.

The Report on Operations provides commentary on the performance of each segment according to the organisational structure. The only – not significant – discrepancy between this segmentation and the geographical segments presented below is the business carried on by Autogrill Overseas, Inc. (US) in Amsterdam Schiphol Airport (The Netherlands) through its Dutch subsidiary: in the Report on Operations Schiphol is presented as North America and the Pacific Rim, while in the following tables it is included in Other European countries.

In the following tables the data relating to Aldeasa S.A. and subsidiaries, which have been consolidated proportionately as to 50% since May 2005, are presented separately given the fact that its business is different - exclusively retail – and that our interest is of a different kind, i.e. joint control, as compared to the other subsidiaries included in each geographical area.

Geographical Area (€k)	Q3 2006 Italy	US & Canada	Rest of Europe	Aldeasa	Not Attributable	Elisions	Consolidated result
Revenues	345,943	444,458	196,813	107,648	3	-	1,094,865
Other income	16,133	909	4,726	11,749	779	-	34,296
Inter-segment revenue	1,013	245	297	-	254	(1,809)	-
Total revenue and other income	**363,089**	**445,612**	**201,836**	**119,397**	**1,036**	**(1,809)**	**1,129,161**
Depreciation and impairment losses on property, plant and equipment and intangible fixed assets	(9,004)	(19,311)	(10,276)	(1,848)	(12)	-	(40,451)
Operating profit	**55,565**	**54,504**	**30,604**	**21,376**	**(7,923)**	**-**	**154,126**
Capex	**13,451**	**19,490**	**11,094**	**4,234**	**-**	**-**	**48,269**

Geographical Area (€k)	Q3 2005 Italy	US & Canada	Rest of Europe	Aldeasa	Not Attributable	Elisions	Consolidated result
Revenues	310,310	439,522	190,463	97,729	-	-	1,038,024
Other income	15,372	383	3,218	2,054	(163)	-	20,864
Inter-segment revenue	487	-	(558)	-	262	(191)	-
Total revenue and other income	**326,169**	**439,905**	**193,123**	**99,783**	**99**	**(191)**	**1,058,888**
Depreciation and impairment losses on property, plant and equipment and intangible fixed assets	(9,212)	(22,100)	(9,706)	(1,086)	(451)	-	(42,555)
Operating profit	**57,902**	**49,295**	**28,820**	**9,011**	**(6,087)**	**-**	**138,941**
Capex	**12,776**	**27,885**	**7,171**	**669**	**-**	**-**	**48,501**

Geographical Area (€k)	First nine months 2006 Italy	US & Canada	Rest of Europe	Aldeasa	Not Attributable	Elisions	Consolidated result
Revenues	910,389	1,232,498	481,701	272,647	3	-	2,897,238
Other income	41,222	3,133	11,473	16,916	2,154	-	74,898
Inter-segment revenue	2,821	592	917	-	716	(5,046)	-
Total revenue and other income	**954,432**	**1,236,223**	**494,091**	**289,563**	**2,873**	**(5,046)**	**2,972,136**
Depreciation and impairment losses on property, plant and equipment and intangible fixed assets	(26,512)	(61,170)	(30,280)	(5,187)	(27)	-	(123,176)
Operating profit	**116,551**	**111,319**	**32,898**	**32,155**	**(17,434)**	**-**	**275,489**
Capex	**32,770**	**58,339**	**26,547**	**12,141**	**-**	**-**	**129,797**

Geographical Area (€k)	First nine months 2005 Italy	US & Canada	Rest of Europe	Aldeasa	Not Attributable	Elisions	Consolidated result
Revenues	812,362	1,153,856	464,279	157,226	-	-	2,587,723
Other income	42,163	383	9,089	3,423	8,212	-	63,270
Inter-segment revenue	1,102	-	-	-	791	(1,893)	-
Total revenue and other income	**855,627**	**1,154,239**	**473,368**	**160,649**	**9,003**	**(1,893)**	**2,650,993**
Depreciation and impairment losses on property, plant and equipment and intangible fixed assets	(27,464)	(62,178)	(28,710)	(2,580)	(1,168)	-	(122,100)
Operating profit	**112,013**	**100,118**	**31,976**	**15,320**	**(8,329)**	**-**	**251,098**
Capex	**33,195**	**76,975**	**18,022**	**1,469**	**-**	**-**	**129,661**

Business Segment	Q3 2006						
(€k)	Motorways	Airports	Railway Staions	Shopping Malls	Other	Not attributable	Consolidated results
Total revenues and other income	553,775	483,027	23,612	34,549	22,435	11,763	1,129,161
Operating Profit	88,632	64,901	1,731	3,408	439	(4,985)	154,126
Capex	18,426	10,344	5,615	1,571	5,663	6,650	48,269

Business Segment	Q3 2005						
(€k)	Motorways	Airports	Railway Staions	Shopping Malls	Other	Not attributable	Consolidated results
Total revenues and other income	523,271	459,561	22,076	32,566	19,738	1,676	1,058,888
Operating Profit	88,116	50,505	1,103	3,010	450	(4,243)	138,941
Capex	11,246	29,249	478	1,925	3,941	1,662	48,501

Business Segment	First nine months 2006						
(€k)	Motorways	Airports	Railway Staions	Shopping Malls	Other	Not attributable	Consolidated results
Total revenues and other income	1,369,566	1,343,474	67,868	97,200	77,874	16,154	2,972,136
Operating Profit	139,298	135,511	2,076	5,896	4,697	(11,989)	275,489
Capex	43,205	56,865	6,208	3,451	8,266	11,802	129,797

Business Segment	First nine months 2005						
(€k)	Motorways	Airports	Railway Staions	Shopping Malls	Other	Not attributable	Consolidated results
Total revenues and other income	1,281,277	1,138,137	66,289	89,410	65,719	10,161	2,650,993
Operating Profit	132,590	116,196	1,386	4,675	2,911	(6,660)	251,098
Capex	33,561	73,884	965	7,058	9,750	4,443	129,661

4.7 Seasonality of the Business

The Group's business volume is closely related to the flow of travellers.

The following table gives 2005 quarterly figures for each of the principal performance indicators: this shows that our business volume is concentrated in H2 and especially Q3, which has much a higher level of activity than the average for the year, due to summer holiday traffic flows.

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

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

Seasonality is also evident in cash-flow, and in addition H1 and particularly Q1 see most of the payments of rents (balance due for previous year and down-payments for the current year).

4.8 GUARANTEES GIVEN, COMMITMENTS AND CONTINGENT LIABILITIES

GUARANTEES

At 30 September 2006 the Group's guarantees given were guarantees and other personal surety issued by the Parent (€78,581k) and Autogrill Overseas Inc. (€3,502k) in favour of landlords and trading counterparties; in addition Aldeasa gave guarantees to airport landlords in the amount of €49m.

COMMITMENTS

These were the following as at 30 September 2006:

- €2,272k which the Parent has to pay for the purchase of two commercial properties on the Grande Raccordo Anulare (ring-road), Rome;
- €1,481k being the value of other entities' assets used by the Parent;
- €14,581k being the value of assets of businesses leased by the Parent;
- €2,325k being the value of sale-or-return motorway toll cards held at Parent Company outlets.

CONTINGENT LIABILITIES

- To maintain continuity of information, please remind the favourable judgment passed by a Brussels court in the matter of a claim for damages, which the Belgian subsidiary resisted, made by the party that sold the subsidiary its catering business in shopping centres in Belgium and Luxembourg. The subsidiaries' legal advisors were of the view that an appeal by the claimant was no more than a remote possibility; therefore Autogrill made no specific provision against the claimant's claim of €10m. However, contrary to expectations, an appeal was lodged, but the court confirmed the original judgment eliminating any liability on the Belgian subsidiary.

  This matter is now to be considered closed.
- In 2004 Michigan's Department of Treasury sent Michigan Host, Inc (a company wholly owned by the Group) a Notice of Intent to Assess state taxes on sales of cigarettes in periods prior to 1 March 2002, the date on which the business ceased. The total value indicated in the notices including fines ($1.1m) and interest ($3.0m), amounts to $9.6m. The Group promptly presented a request for an informal hearing as allowed by the proceeding. At this time an auditor (the person appointed to conduct the proceeding on behalf of the tax authority) has been nominated, but the date of the hearing has not been notified. The procedure is that after the informal hearing the auditor writes a recommendation to the tax authority, which then decides whether to accept it or not, wholly or in part, and notifies the taxpayer accordingly giving reasons. If the authority assesses tax payable, the taxpayer receives notice of assessment, which can be appealed. The Group believes that it can argue successfully for the correctness of its behaviour and therefore considers it improbable that the case should go against it; accordingly Autogrill have made no specific provision in this matter.
- In October 2004, the previous majority shareholders of RECECO S.L. began an arbitration proceeding seeking to resile from the sale and purchase agreement. On 6 February 2006 the court of arbitration issued its ruling in which *inter alia* it states that the sale and purchase agreement is valid and orders that – once the amount of the guarantee to be given by the sellers has been determined – the transfer of the shares being the remaining 15% of the company capital of RECECO SL be carried out, and simultaneously that the amount of €6.5m be paid and that a bank

guarantee be issued in favour of Autogrill Partecipationes S.L. for the amount of the guarantee that has been fixed. There are therefore no risks of contingent liabilities. On the contrary, carrying into effect the arbitrator's ruling would require the seller to give guarantees for an amount estimated by the Directors to be €24.1m.

4.9 OPERATING LEASES

The Group's current operating leases are described in detail in the 2005 Consolidated Accounts. They refer to the various kinds of contract under which the Group entities catty on their business, and they have not been changed.
The table below gives details by due-date of the future minimum rental commitments, as at 30 September 2006, under all the operating leases.

(€k)

Year of expiration	Operating Leasing	Subleasing [1]
2006	248,917	12,638
2007	239,095	11,611
2008	213,816	9,716
2009	180,635	6,714
2010	145,151	4,660
> 2010	620,678	8,847
Total	**1,648,291**	**54,185**

[1] Related to subtenants arrangments of the American subsidiary, according to the contract with the landlord.

4.10 FURTHER INFORMATION

TRANSACTIONS CARRIED OUT WITH THE CONTROLLING ENTITY IN THE PERIOD AND BALANCES AT 30 SEPTEMBER 2006

Edizione Holding S.p.A.			
(amounts in thousand of Euro)	30/9/06	30/6/06	Δ
Income Statement:			
Revenue from sales of goods and services	-	-	-
Cost of services received	49	29	20
Balance Sheet:			
Accounts receivable	-	-	-
Other assets	-	-	-
Accounts payable	39	55	(16)
Other liabilities	45,075	27,758	17,317

As is evident from this table, the amounts involved in transactions with the controlling entity are of marginal significance in terms of our Income Statement and Balance Sheet with the exception of *Other (current) liabilities* which were 3.6% of total consolidated other (current) liabilities as at 30 September 2006 (11.1% at 31 December 2005).

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

Accounts payable refers to the mentioned insurance programme and to compensation to one of its Directors for his Directorship as a member of our Board, the change from end-2005 being the accrued liability for the period and the payment for 2005.

Other liabilities refers to the net liability in respect of IRES (corporate tax) on 2006 taxable income transferred to the controlling entity when Autogrill joined the fiscal consolidation programme. The amount includes the amount set aside in respect of tax for the first nine months 2006 (€34,660k). Under tax group rules €17,343k have been paid to Edizione Holding as a liability in settlement of 2005 IRES and the first advance payment for 2006.

TRANSACTIONS WITH EDIZIONE HOLDING S.P.A. GROUP COMPANIES

€k	Benetton Group S.p.A.			Union Services S.a.r.l.			Bencom S.r.L.			Fabrica S.p.A.			Verde Sport S.p.A.		
	30/9/06	31/12/05	Δ	30/9/06	31/12/05	Δ	30/9/06	31/12/05	Δ	30/9/06	31/12/05	Δ	30/9/06	31/12/05	Δ
Income Statements:															
Revenue from sales of goods and services	-	2	(2)	-	-	-	-	-	-	-	-	-	46	66	(20)
Other income	-	1	(1)	3	-	3	286	2,968	(2,682)	-	-	-	1	1	(0)
Purchases	-	-	-	57	81	(24)	-	-	-	-	-	-	-	-	-
Cost of services received	-	-	-	36	38	(2)	-	-	-	15	28	(13)	41	60	(19)
Cost of use of others' property	36	28	8	-	-	-	-	-	-	-	-	-	-	-	-
Balance Sheet:															
Accounts payable	21	5	15	16	5	11	1	-	1	78	49	29	14	-	14
Accounts receivable	-	3	(3)	-	-	-	1,085	1,194	(109)	-	-	-	10	27	(17)

As is evident from this table, the amounts involved in transactions with Edizione Holding SpA Group Companies are of marginal significance in terms of our Income Statement and Balance Sheet with the exception of Bencom Srl accounts payable, which were 1.6% of the consolidated figure at 30 September 2006 (2.3% at 31 December 2005), and of the other income received in 2005 from this entity (3.2%).

In detail:

Benetton Group SpA: *Cost of use of others' property* refers to hire of meeting-rooms.

Union Services S.a.r.l.: this company manages cost-sharing among Group companies in respect of the 'Group Service' promotion. *Purchases* refers to promotion services supplied to Autogrill S.p.A. Other income refers to recovery of the portion of Union Services S.a.r.l. under an insurance scheme.

Bencom S.r.l.: The sub-lease of part of the property in Via Dante, Milan continues. *Other income* refers to rentals and additional cost accrued at 30 September 2006. The *account payable* refers to the lease rental and additional costs accrued at 30 September 2006.

Verde Sport SpA: *Revenue from sales of goods and services* and *Accounts receivable* refer to sales of food and beverage products under the commercial affiliation contract for the conduct of a Spizzico restaurant at La Ghirada - Città dello Sport.

Cost of services received refers to promotion services supplied to Autogrill SpA.

All *Accounts payable* and *receivable* are current in their entirety.

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

Given the volume and continuity of transactions between the Autogrill Group and companies belonging to the Autostrade Group and Grandi Stazioni SpA, as well as the ownership link between them and Edizione Holding S.p.A., it is appropriate for maximum transparency, to supply information on these transactions.

First 9 months 2006 Transactions and Balances at 30 September 2006 (with Autogrill S.p.A. only)

(€k)	Autostrade Group			Grandi Stazioni S.p.A.		
	30/09/06	31/12/05	Δ	30/09/06	31/12/05	Δ
Income Statements:						
Revenue from sales of goods and services	21	18	3			
Other income	372	866	(494)			
Purchases	-	-	-			
Cost of services received	2,238	2,707	(469)			
Cost of use of others' property	31,611	36,338	(4,727)	938	1,176	(238)
Balance Sheet:						
Accounts payable	16,225	22,569	(6,344)		324	(324)
Accounts receivable	798	1,427	(629)			

Autostrade Group: *Other income* refers to commission on distribution of *Viacards* [motorway toll cards] and the contribution to promotions carried out in the period.

Costs refer to concession rents and related additional costs.

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

AUTOSTRADE GROUP AND GRANDI STAZIONI S.P.A. TRANSACTION AMOUNTS AS A RATIO OF AUTOGRILL GROUP INCOME STATEMENT AND BALANCE SHEET ITEMS

Percentage on Autogrill Group figures	Autostrade Group		Grandi Stazioni S.p.A.	
	30/09/06	31/12/05	30/09/06	31/12/05
Income Statements:				
Revenue from sales of goods and services	0.0%	0.0%		
Other income	0.5%	0.9%		
Cost of services received	0.9%	0.8%		
Cost of use of others' property	7.5%	7.1%	0.2%	0.2%
Balance Sheet:				
Accounts payable	4.0%	5.3%	0.0%	0.1%
Accounts receivable	1.2%	2.8%		

Autostrade Group and Grandi Stazioni S.p.A. cash-flow vis-à-vis Autogrill Group in the first 9 months 2006 was noteworthy solely in respect of the change in *Accounts payable* by the Autostrade Group, which fell by €6,344k from end-2005; this accounted for about 34% of the change in working capital as presented in the first 9 months 2006 Consolidated Cash-Flow Statement.

4.11 NON-RECURRING EVENTS AND TRANSACTIONS

In Q3 2006 Aldeasa S.A. sold part of its property portfolio for €57.3m, which gave a capital gain of €18.6m. Net profit also benefited from the partial tax advantage of the deficit on merging recognised following the merger of Aldeasa S.A. into Retail Airport Finance S.L. (the joint venture between the Autogrill Group and Altadis S.A.) which was finalised in August.

Since the merger was back-dated to 1 January 2006, Q3 2006 tax benefited exceptionally.

The following tables show the effects – in terms of € amounts and percentage of the relevant income statement, balance sheet or cash-flow item – of this recognition, in respect of the 50% attributable to the Group.

INCOME STATEMENT

(in thousand of Euro - €k)	Q3 2006	Non recurring items	Q3 2006, net of non recurring items	%	First nine months	Non recurring items	Nine months 2006, net of non reccuring items	%
Revenues	1,094,865		1,094,865		2,897,238		2,897,238	
Other Operating Income	34,296	9,334	24,962	27.2%	74,898	9,334	65,564	12.5%
Total Income	**1,129,161**	**9,334**	**1,119,827**	**0.8%**	**2,972,136**	**9,334**	**2,962,802**	**0.3%**
Operating profit	**154,126**	**9,334**	**144,792**	**6.1%**	**275,489**	**9,334**	**266,155**	**3.4%**
Profit before tax	**142,427**	**9,334**	**133,093**	**6.6%**	**239,965**	**9,334**	**230,631**	**3.9%**
Tax	(47,797)	4,603	(52,400)	-9.6%	(90,999)	1,736	(92,735)	-1.9%
NET PROFIT	**94,630**	**13,937**	**80,693**	14.7%	**148,966**	**11,070**	**137,896**	**7.4%**
- attributable to the Group	90,426	13,937	76,489	15.4%	139,936	11,070	128,866	7.9%
- attributable to minoirties	4,204		4,204		9,030		9,030	

BALANCE SHEET

(in thousand of Euro - €k)	30.09.2006	Non recurring items	30.09.2006, net of non recurring items	%
Total current assets	588,484		588,484	
Total non-current assets	2,022,472	(19,323)	2,041,795	-1.0%
Assets held for sales	10,206		10,206	
TOTAL ASSETS	**2,621,162**	**(19,323)**	**2,640,485**	**-0.7%**
Total current liabilities	980,522		980,522	
Total non-current liabilities	1,088,441	(30,393)	1,118,834	-2.8%
TOTAL LIABILITIES	**2,068,963**	**(30,393)**	**2,099,356**	**-1.5%**
SHAREHOLDERS' EQUITY	**552,199**	**11,070**	**541,129**	**2.0%**
- attributable to the Group	521,963	11,070	510,893	**2.1%**
- attributable to minorities	30,236		30,236	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,621,162**	**(19,323)**	**2,640,485**	**-0.7%**

CASH-FLOW STATEMENT

€m	Nine months 2006	Non recurring items	Nine months 2006, net of non reccurring items
Cash and cash equivalents - opening balance	**75.7**		**75.7**
Cash flow from operation	**392.6**		**392.6**
Net cash flow from operations	**306.6**		**306.6**
Expenditure on property, plant and equipment and intagible fixed ass	(129.8)		(129.8)
Proceeds from disposal of fixed assets	36.9	28.6	8.3
Net change in non-current financial assets	5.5		5.5
Cash flow from investment activities	**(87.4)**	**28.6**	**(116.0)**
Medium/long-term financings procured	105.1		105.1
Repayments of instalments of medium/long-term financings	(275.6)	(28.6)	(247.0)
Repayments of short-term loans net of new borrowing	34.9		34.9
Payment of dividends	(61.1)		(61.1)
Other flows (2)	130.3		130.3
Cash flow from borrowings	**(66.4)**	**(28.6)**	**(37.8)**
Cash flow for the period	**152.8**		**152.8**
Cash and cash equivalents - closing balance	**223.7**		**223.7**

4.12 POSITIONS AND TRANSACTIONS ARISING OUT OF UNTYPICAL OR UNUSUAL BUSINESS

There was no untypical or unusual business transacted in the first nine months of 2006 or full-year 2005, as defined by CONSOB'S notice DEM/6037577 and notice DEM/6064293 dated 28 July 2006.

APPENDIX:

4.13 LIST OF CONSOLIDATED COMPANIES AND OTHER EQUITY INVESTMENTS

Fully Consolidated Companies:

Company name	Head Office	Currency	Share Capital	%	Holding company
Parent Company					
Autogrill SpA	Novara	€	132,288,000	57.093	Edizione Holding SpA
Subsidiaries					
Autogrill International Srl	Novara	€	4,951,213	100.000	Autogrill SpA
Aviogrill Srl	Bologna	€	10,000	51.000	Autogrill SpA
Nuova Estral Srl	Novara	€	10,000	100.000	Autogrill SpA
Emme Emme Cadorna di Nuova Estral Srl Sas	Milano	€	10,440	100.000	Nuova Estral Srl
Bar del Porto di Nuova Estral Srl Snc	Piombino	€	61,975	100.000	Nuova Estral Srl
Nuova Sidap Srl	Novara	€	10,000	100.000	Autogrill SpA
Autogrill Austria AG	Gottlesbrunn	€	7,500,000	100.000	Autogrill International Srl
HMSHost Europe GmbH	Munchen	€	205,000	100.000	Autogrill SpA
HMSHost Ireland Ltd	Dublin	€	1	100.000	HMSHost Europe GmbH
HMSHost Sweden AB	Stockholm	SEK	2,500,000	100.000	HMSHost Europe GmbH
Autogrill Espana SA	Madrid	€	1,800,000	100.000	Autogrill International Srl
Autogrill Participaciones SL	Madrid	€	6,503,006	100.000	Autogrill Espana SA
Restauracion de Centros Comerciales SA (RECECO)	Madrid	€	108,182.18	85.000	Autogrill Participaciones SL
Autogrill Finance SA	Luxembourg	€	250,000	99.996 0.004	Autogrill SpA Autogrill Europe Nord-Ouest SA
Autogrill D.o.o.	Lubjana	SIT	73,920,000	100.000	Autogrill SpA
Autogrill Hellas EPE	Avlona Attikis	€	1,696,350	99.99 0.01	Autogrill International Srl Autogrill SpA
Autogrill Overseas Inc	Wilmington	€	33,774,260	100.000	Autogrill International Srl
Autogrill Europe Nord-Ouest SA	Luxembourg	€	41,300,000	99.999 0.001	Autogrill International Srl Autogrill Finance SA
Autogrill Belgie NV	Antwerpen	€	26,250,000	99.999 0.001	Autogrill Europe Nord-Ouest SA Ac Restaurants & Hotels SA
Ac Restaurants & Hotels Beheer NV	Antwerpen	€	3,016,000	99.999 0.001	Autogrill Belgie NV Ac Restaurants & Hotels SA
Ac Restaurants & Hotels SA	Grevenmacher	€	500,000	99.995 0.005	Autogrill Belgie NV Ac Restaurants & Hotels Beheer NV
Autogrill Nederland BV	Breukelen	€	41,371,500	100.000	Autogrill Europe Nord-Ouest SA
Maison Ledeboer BV	Zaandam	€	69,882	100.000	Autogrill Nederland BV
Ac Holding NV	Breukelen	€	136,150	100.000	Maison Ledeboer BV
The American Lunchroom Co BV	Zaandam	€	18,151	100.000	Ac Holding NV
Ac Apeldoorn BV	Apeldoorn	€	45,378	100.000	The American Lunchroom Co BV
Ac Bodegraven BV	Bodegraven	€	18,151	100.000	The American Lunchroom Co BV
Ac Heerlen BV	Heerlen	€	23,142	100.000	The American Lunchroom Co BV
Ac Hendrik Ido Ambacht BV	Hendrik Ido Ambacht	€	2,596,284	100.000	The American Lunchroom Co BV
Ac Holten BV	Holten	€	34,033	100.000	The American Lunchroom Co BV
Ac Leiderdorp BV	Leiderdorp	€	18,151	100.000	The American Lunchroom Co BV
Ac Meerkerk BV	Meerkerk	€	18,151	100.000	The American Lunchroom Co BV
Ac Nederweert BV	Weert	€	34,033	100.000	The American Lunchroom Co BV
Ac Nieuwegein BV	Nieuwegein	€	18,151	100.000	The American Lunchroom Co BV
Ac Oosterhout BV	Oosterhout	€	18,151	100.000	The American Lunchroom Co BV
Ac Restaurants & Hotels BV	Breukelen	€	90,756	100.000	The American Lunchroom Co BV

Company name	Head Office	Currency	Share Capital	%	Holding company
Ac Sevenum BV	Sevenum	€	18,151	100.000	The American Lunchroom Co BV
Ac Vastgoed BV	Zaandam	€	18,151	100.000	The American Lunchroom Co BV
Ac Vastgoed I BV	Zaandam	€	18,151	100.000	The American Lunchroom Co BV
Ac Veenendaal BV	Veenendaal	€	18,151	100.000	The American Lunchroom Co BV
Ac Zevenaar BV	Zevenaar	€	57,176	100.000	The American Lunchroom Co BV
Holding de Participations Autogrill SAS	Marseille	€	119,740,888	99.999 0.001	Autogrill Europe Nord-Ouest SA Autogrill SpA
Autogrill Aeroports SAS	Marseille	€	1,368,000	99.999	Holding de Participations Autogrill Sas
Autogrill Coté France SAS	Marseille		31,579,526.40	99.999	Holding de Participations Autogrill Sas
Société Berrichonne de Restauration SAA (Soberest SAA)	Marseille	€	288,000	49.995	Autogrill Coté France Sas
Société Bordelaise de Restauration SAS (Soborest SAS)	St. Savin	€	788,000	100.000	Autogrill Coté France Sas
Société de la Porte de Champagne SA (SPC)	Auberives	€	153,600	51.900	Autogrill Coté France Sas
Société de Restauration Autoroutière Dromoise SA (SRAD)	Marseille	€	1,136,000	49.994 49.998	Autogrill Coté France Sas SRSRA SA
Société de Restauration de Bourgogne SAS (Sorebo SAS)	Marseille	€	144,000	50.000	Autogrill Coté France Sas
Société de Restauration de Troyes-Champagne SA (SRTC)	Marseille	€	1,440,000	70.000	Autogrill Coté France Sas
Société Régionale de Saint Rambert d'Albon SA (SRSRA)	St Rambert d'Albon	€	515,360	50.000	Autogrill Coté France Sas
Volcarest SAS	Champs	€	1,050,144	50.000	Autogrill Coté France Sas
Societè de Gestion de Restauration Routieère SG2R SAS	Marseille	€	879,440	99.996	Autogrill Coté France Sas
SCI Vert Pre Saint Thiebaut	Nancy	€	457.35	96.670 3.330	SG2R Sas Autogrill Coté France Sas
SNC TJ2D	Chaudeney Sur Moselle	€	1,000	99.000 1.000	SG2R Sas Autogrill Coté France Sas
Autogrill Restauration Services SAS	Marseille	€	15,394,500	99.999	Holding de Participations Autogrill Sas
Autogrill Gares Province Sarl	Marseille	€	274,480	100.000	Autogrill Restauration Services Sas
Autogrill Gares Metropoles Sarl	Marseille	€	17,396,850	100.000	Autogrill Restauration Services Sas
Autogrill Schweiz AG	Olten	CHF	10,000,000	100.000	Autogrill International Srl
Autogrill Pieterlen AG	Pieterlen	CHF	2,000,000	100.000	Autogrill Schweiz AG
Autogrill Pratteln AG	Pratteln	CHF	3,000,000	95.000	Autogrill Schweiz AG
Autogrill Basel Airport Sas (in liquidazione)	St. Louis	CHF	40,000	100.000	Autogrill Schweiz AG
Restoroute de Bavois SA	Bavois	CHF	2,000,000	70.000	Autogrill Schweiz AG
Restoroute de la Gruyère SA	Avry devant Pont	CHF	1,500,000	54.300	Autogrill Schweiz AG
Vorstatt Egerkingen AG	Egerkingen	CHF	2,000,000	100.000	Autogrill Schweiz AG
Autogrill Czech Sro	Praga	PSC	2,000,000	100.000	Autogrill International Srl
Autogrill Group Inc	Bethesda	USD	225,000,000	100.000	Autogrill Overseas Inc
HMSHost Corp	Bethesda	USD	=	100.000	Autogrill Group Inc
HMSHost Europe Corp	Wilmington	USD	=	100.000	Autogrill Group Inc
HMSHost International Inc	Wilmington	USD	=	100.000	Autogrill Group Inc
HMS Host Tollroads Inc	Bethesda	USD	125,000,000	100.000	HMSHost Corp
Host International Inc	Bethesda	USD	125,000,000	100.000	HMSHost Corp
Sunshine Parkway Restaurants Inc	Bethesda	USD	125,000,000	50.000 50.000	HMSHost Corp Gladieux Corp

Company name	Head Office	Currency	Share Capital	%	Holding company
Cincinnati Terminal Services Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
Cleveland Airport Services Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
HMS-Airport Terminal Services Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
HMS-Airport Terminal Services	Bethesda	USD	125,000,000	100.000	HMS-Airport Terminal Services Inc
HMS B&L Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
HMS Holdings Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
HMS Host Family Restaurants Inc	Bethesda	USD	125,000,000	100.000	HMS Holdings Inc
HMS Host Family Restaurants LLC	Bethesda	USD	125,000,000	100.000	HMS Host Family Inc
Gladieux Corporation	Bethesda	USD	125,000,000	100.000	HMS Holdings Inc
Host (Malaysia) Sdn Bhd	Kuala Lumpur	MYR	100,000	100.000	Host International Inc
Host Gifts Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
Host International of Canada Ltd	Vancouver	CAD	4,600,000	100.000	Host International Inc
Host International of Canada (RD) Ltd	Toronto	CAD	1	100.000	Host International of Canada Ltd
SMSI Travel Centres Inc	Toronto	CAD	1	100.000	Host International of Canada Ltd
Host International of Kansas Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
Host International of Maryland Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
HMS Host USA Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
Host International (Poland) Sp zo o, in liquidazione	Warsaw	PLN	6,557,600	100.000	HMS Host USA Inc
Host of Holland BV	Haarlemmermeer	€	90,756	100.000	Host International Inc
Horeca Exploitatie Maatschappij Schiphol BV	Schiphol	€	45,378	100.000	Host of Holland BV
Host Services (France) Sas in liquidazione	Paris	€	38,115	100.000	Host International Inc
Host Services Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
Host Services of New York Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
Host Services Pty Ltd	North Cairns	AUD	12	100.000	Host International Inc
Las Vegas Terminal Restaurants Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
Marriott Airport Concessions Pty Ltd	Tullamarine	AUD	999,998	100.000	Host International Inc
Michigan Host Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
Shenzen Host Catering Company Ltd	Shenzen	USD	2,500,000	100.000	Host International Inc
The Gift Collection Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
Turnpike Restaurants Inc	Bethesda	USD	125,000,000	100.000	Host International Inc
AAI Investments Inc	Bethesda	USD	100,000,000	100.000	Autogrill Group Inc
Anton Airfood Inc (AAI)	Washington	USD	1,000	100.000	AAI Investments Inc
AAI Terminal 7 Inc	Washington	USD	1,000	100.000	Anton Airfood Inc
AAI Terminal One Inc	Washington	USD	200	100.000	Anton Airfood Inc
Airport Architects Inc	Washington	USD	1,000	100.000	Anton Airfood Inc
Anton Airfood JFK Inc	Washington	USD	1,000	100.000	Anton Airfood Inc
Anton Airfood of Bakersfield Inc, in liquidaz.	Washington	USD	1,000	100.000	Anton Airfood Inc
Anton Airfood of Cincinnati Inc	Washington	USD	1,000	100.000	Anton Airfood Inc
Anton Airfood of Minnesota Inc	Washington	USD	10	100.000	Anton Airfood Inc
Anton Airfood of New York Inc	Washington	USD	1,000	100.000	Anton Airfood Inc
Anton Airfood of North Carolina Inc	Washington	USD	10	100.000	Anton Airfood Inc
Anton Airfood of Ohio Inc	Washington	USD	1,000	100.000	Anton Airfood Inc
Anton Airfood of Rhode Island Inc	Washington	USD	1,000	100.000	Anton Airfood Inc

Company name	Head Office	Currency	Share Capital	%	Holding company
Anton Airfood of Texas Inc	Washington	USD	100,000	100.000	Anton Airfood Inc
Anton Airfood of Virginia Inc	Washington	USD	1,000	100.000	Anton Airfood Inc
Palm Springs AAI Inc	Washington	USD	1,000	100.000	Anton Airfood Inc
Anton Airfood of Boise, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc
Anton Airfood of Tulsa, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc
AAI Islip, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc
Fresno AAI, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc
Anton Airfood of Newark, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc
Anton Airfood of Seattle, Inc	Washington	USD	n.d.	100.000	Anton Airfood Inc

Companies consolidated proportionately:

Company name	Head Office	Currency	Share Capital	%	Holding company
ALDEASA SA and subsidiaries	Madrid	€	10,795,112	49.850	Autogrill Espana S.A.
				49.850	Altadis S.A.
				0.300	Other
Steigenberger Gastronomie GmbH	Frankfurt	€	750,000	49.900	HMSHost Europe GmbH

Associates accounted for at net equity:

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

Autogrill S.p.A.

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