



# Autogrill Group

## 1Q2003 Results



Milan, 14 May 2003



## 1Q2003 Results

### Main Comments

- **Group Turnover grew by 1% net of FX impact, despite the falling of Easter in the 2Q**
- **North American airport sales increased, on comparable basis, by 5% against traffic drop of 1.5% \***
- **Italian and French concession sales were up by 3.9% and 1.9% respectively, while Spain was the country most impacted by Easter shift (-3.8% against 1Q2002)**
- **Ebitda was 56.4 m€, up by 15.5% net of FX impact: further improvement in Italy and North America (Ebitda up by 18.3% and 2.7% respectively) was accompanied by good results in other European companies, particularly in France and Switzerland**
- **Although the first quarter is always the slowest period of the year because of the seasonal nature of the business, the Group increased its cash flow generation: due to a 27% improvement net of FX impact - in comparison to 1Q2002 - cash flow reached 46.6 m€, from 5.9% to 7.1% on net sales**
- **Net debt declined to 1010.0 m€, -18.3% in comparison to 1Q2002**
- **Restated Pre-Tax Profit was 11 m€ versus 5 m€ of 1Q2002, up by 120%**

\* Source: A.T.A.



# 1Q2003 Results

## Group Financial Highlights

	1Q2003	1Q2002 Historical Figures	Diff. % 03 vs 02	Diff. % net of FX impact
Systemwide Sales	672,4	738,8	-9,0%	1,0%
Net Sales	655,1	721,0	-9,1%	1,0%
EBITDA	56,4	56,3	0,2%	15,5%
<i>% on net sales</i>	8,6%	7,8%		
PRE-TAX PROFIT ***	-7,5	-23,8	68,5%	
<i>% on net sales</i>	-1,1%	-3,3%		
PRE-TAX CASH FLOW	46,6	42,8	8,9%	
<i>% on net sales</i>	7,1%	5,9%		
CAPEX	36,3	28,8	26,0%	42,0%
<i>% on net sales</i>	5,5%	4,0%		
PRE-TAX FREE CASH FLOW*	-84,6	-32,4	-161,1%	
<i>% on net sales</i>	-12,9%	-4,5%		
NET DEBT	1.010,0	1.235,9	-18,3%	-5,0%
EPS Restated **	0,04	0,02	119,6%	

\* Cash flow - Capex +/- Delta Working Capital

\*\* Pre-Tax Profit + Goodwill Amortisation

\*\*\* 2002 PBT pre Goodwill restatement



# 1Q2003 Results

## 1Q2003 Sales and Store Cash Flow breakdown

NORTH AMERICA					
<b>Motorway</b>	Net Sales	68,6	64,4	-6,1%	
	Store Cash Flow	8,3	6,2	-24,8%	
	% on Net Sales	12,0%	9,6%		
	<b>Airports</b>	Net Sales	265,9	277,1	4,2%
		Store Cash Flow	61,0	68,3	12,0%
		% on Net Sales	22,9%	24,6%	
	<b>Others (Shopping malls)</b>	Net Sales	11,7	9,5	-18,8%
		Store Cash Flow	0,5	0,9	n.s.
		% on Net Sales	4,3%	9,5%	
<b>Total</b>	<b>Net Sales</b>	<b>346,2</b>	<b>351,0</b>	<b>1,4%</b>	
	<b>Store Cash Flow</b>	<b>69,8</b>	<b>75,4</b>	<b>8,1%</b>	
	<b>% on Net Sales</b>	<b>20,1%</b>	<b>21,5%</b>		
	<b>EBITDA</b>	<b>35,3</b>	<b>36,3</b>	<b>2,7%</b>	
	<b>% on Net Sales</b>	<b>10,2%</b>	<b>10,3%</b>		
ITALY					
<b>Motorway</b>	Net Sales	165,8	171,1	3,2%	
	Store Cash Flow	27,7	30,9	11,4%	
	% on Net Sales	16,7%	18,1%		
<b>Airport</b>	Net Sales	6,7	7,6	13,9%	
	Store Cash Flow	(0,2)	0,0	120,2%	
	% on Net Sales	-3,5%	0,6%		
<b>Railway Station</b>	Net Sales	2,2	2,8	25,2%	
	Store Cash Flow	0,2	0,5	137,6%	
	% on Net Sales	9,8%	18,7%		
<b>Others (Fair and Exhibition, Shooping Mall and Town)</b>	Net Sales	38,9	38,3	-1,5%	
	Store Cash Flow	4,0	5,4	35,8%	
	% on Net Sales	10,2%	14,1%		
<b>Total</b>	<b>Net Sales</b>	<b>213,6</b>	<b>219,7</b>	<b>2,9%</b>	
	<b>Store Cash Flow</b>	<b>31,7</b>	<b>36,8</b>	<b>16,3%</b>	
	<b>% on Net Sales</b>	<b>14,8%</b>	<b>16,8%</b>		
	<b>EBITDA</b>	<b>22,9</b>	<b>27,1</b>	<b>18,3%</b>	
	<b>% on Net Sales</b>	<b>10,7%</b>	<b>12,3%</b>		

FXC EUR/USD 1:1



# 1Q2003 Results

## 1Q2003 Sales and Store Cash Flow breakdown

FRANCE					
	Motorway	Net Sales	24,0	24,7	2,9%
		Store Cash Flow	3,1	2,9	-5,1%
		% on Net Sales	12,8%	11,6%	
	Railways Station	Net Sales	13,4	13,4	0,1%
		Store Cash Flow	0,9	0,9	3,8%
		% on Net Sales	6,7%	7,0%	
	Other (Fair and Exhibition)	Net Sales	0,1	0,1	-49,4%
		Store Cash Flow	(0,1)	(0,1)	n.s.
		% on Net Sales	-114,7%	-144,5%	
Total	Net Sales	37,5	38,2	1,9%	
	Store Cash Flow	3,8	3,8	-1,9%	
	% on Net Sales	10,2%	9,8%		
	EBITDA	0,6	0,7	16,6%	
		% on Net Sales	1,7%	1,8%	
SWITZERLAND					
	Motorway	Net Sales	12,0	11,7	-2,4%
		Store Cash Flow	1,7	1,6	-4,2%
		% on Net Sales	14,1%	13,9%	
	Airport	Net Sales	9,8	10,0	1,3%
		Store Cash Flow	0,6	0,7	11,5%
		% on Net Sales	6,0%	6,6%	
	Railways Station	Net Sales	3,4	2,6	-22,2%
		Store Cash Flow	(0,1)	(0,0)	-78,0%
		% on Net Sales	-4,4%	-1,2%	
	Others (Retail Parks/Leisure, Shopping Mall and Town)	Net Sales	7,8	6,2	-20,5%
		Store Cash Flow	0,3	0,5	34,3%
		% on Net Sales	4,4%	7,4%	
Total	Net Sales	33,0	30,5	-7,6%	
	Store Cash Flow	2,5	2,7	9,2%	
	% on Net Sales	7,5%	8,9%		
	EBITDA	(0,8)	0,3	n.s.	
		% on Net Sales	-2,4%	0,9%	

FXC EUR/USD 1:1



# 1Q2003 Results

## 1Q2003 Sales and Store Cash Flow breakdown

SPAIN					
	Motorway	Net Sales	13,7	12,9	-5,8%
		Store Cash Flow	1,6	1,5	-9,2%
		% on Net Sales	12,1%	11,6%	
	Railway station	Net Sales	1,8	1,8	2,0%
		Store Cash Flow	0,4	0,1	-70,9%
		% on Net Sales	23,8%	6,8%	
	Others (Airport , Shopping Malls Town)	Net Sales	0,3	0,4	20,4%
		Store Cash Flow	(0,0)	(0,0)	-2,7%
		% on Net Sales	-5,9%	-4,7%	
Total	Net Sales	15,7	15,1	-3,8%	
	Store Cash Flow	2,0	1,6	-21,8%	
	% on Net Sales	13,0%	10,6%		
	EBITDA	0,5	0,2	-60,5%	
	% on Net Sales	3,1%	1,3%		
GREECE					
	Motorway	Net Sales	0,9	1,0	8,5%
		Store Cash Flow	0,2	0,2	-2,2%
		% on Net Sales	18,1%	16,3%	
	Airport	Net Sales	0,6	0,6	6,3%
		Store Cash Flow	0,1	0,1	-26,4%
		% on Net Sales	23,6%	16,7%	
	Total	Net Sales	1,5	1,6	6,6%
		Store Cash Flow	0,3	0,3	-13,1%
		% on Net Sales	20,2%	16,4%	
EBITDA		0,2	0,2	4,4%	
% on Net Sales		11,7%	12,5%		

FXC EUR/USD 1:1



# 1Q2003 Results

## 1Q2003 Sales and Store Cash Flow breakdown

<b>HOLLAND</b>	Motorway	Net Sales	10,5	9,6	-8,8%
		Store Cash Flow	0,7	1,1	53,7%
		% on Net Sales	6,6%	11,1%	
		EBITDA	(0,8)	(0,1)	n.s.
		% on Net Sales	-7,8%	-1,0%	
<b>BELGIUM</b>	Motorway	Net Sales	6,6	6,4	-2,5%
		Store Cash Flow	(0,0)	0,3	n.s.
		% on Net Sales	-0,1%	4,7%	
	Others (Shopping mall)	Net Sales	1,3	1,3	3,9%
		Store Cash Flow	0,1	0,1	-17,9%
		% on Net Sales	6,8%	5,4%	
	Railways Station	Net Sales		0,2	
		Store Cash Flow		(0,0)	
		% on Net Sales		-4,4%	
<b>Total</b>	Total	Net Sales	7,8	7,9	1,3%
		Store Cash Flow	0,1	0,4	338,4%
		% on Net Sales	1,0%	4,5%	
		EBITDA	(0,9)	(0,4)	n.s.
		% on Net Sales	-11,1%	-5,1%	
<b>AUSTRIA</b>	Motorway	Net Sales	4,1	4,0	-2,4%
		Store Cash Flow	(0,3)	(0,1)	n.s.
		% on Net Sales	-7,1%	-3,3%	
		EBITDA	(0,7)	(0,4)	n.s.
		% on Net Sales	-18,3%	-10,0%	
<b>GERMANY</b>	Motorway	Net Sales	1,9	1,5	-23,7%
		Store Cash Flow	(0,2)	(0,0)	n.s.
		% on Net Sales	-7,8%	-2,9%	
		EBITDA	(0,3)	(0,3)	n.s.
		% on Net Sales	-14,4%	-19,2%	

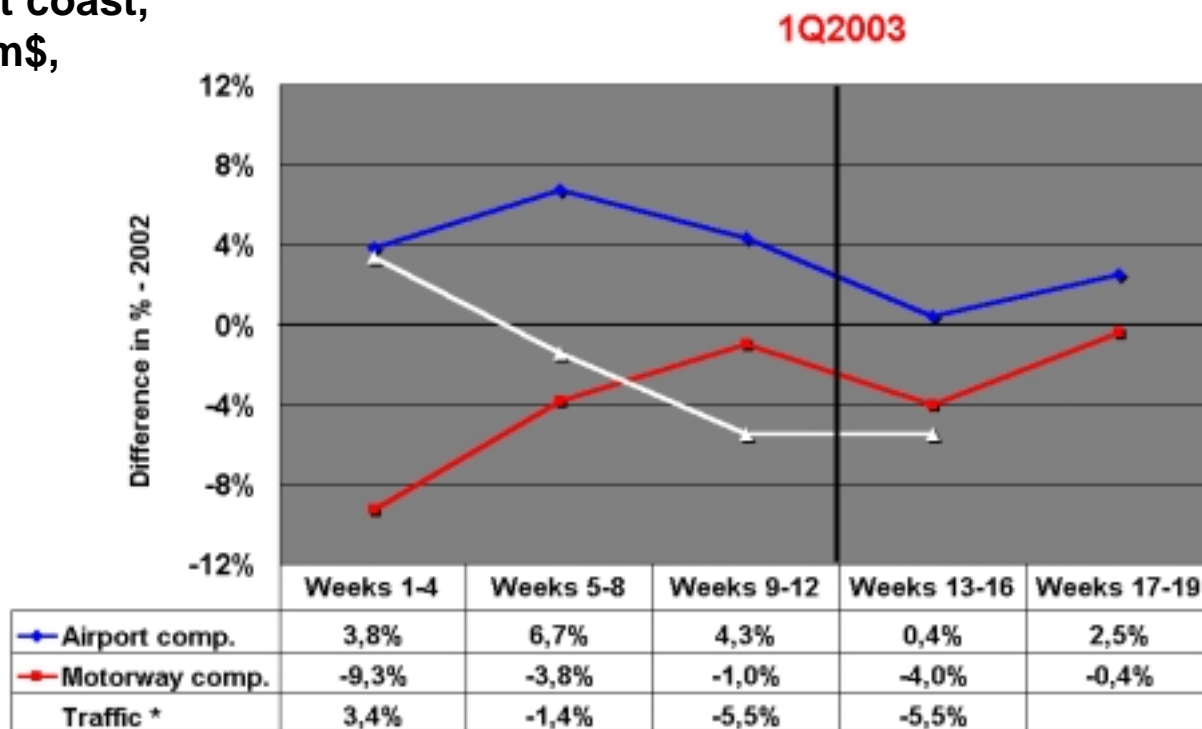
FXC EUR/USD 1:1



# 1Q2003 Results

## Regional Performance - North America

- **North American** sales reached 351 m\$, with a 1.4% growth
- Airport channel turnover posted a 4.2% increase (5% on comparable basis) to 277.1 m\$ despite a -1.5%\* of traffic in the quarter
- Impacted by planned refurbishment activities on 6 locations and by the bad weather during February on the east coast, motorway sales were 64.4 m\$, down by 6.1%
- Ebitda reached 36.3 m\$, with a 2.7% (from 10.2% to 10.3% on nets sales)



\* Source: A.T.A.



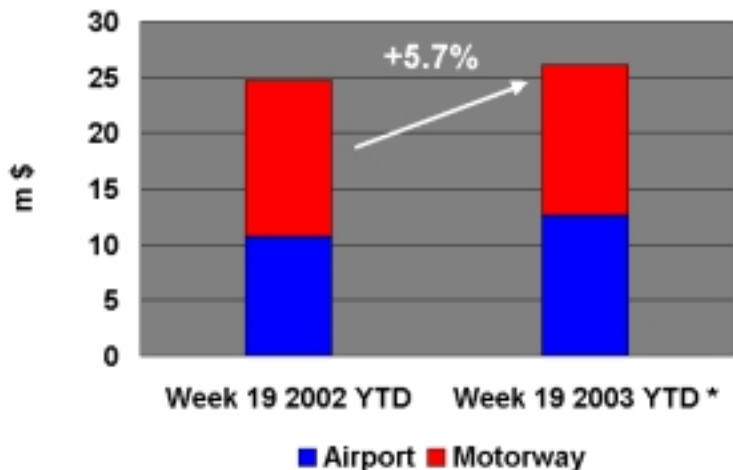


## 1Q2003 Results

### Regional Performance - North America

- In **Canada**, Autogrill is present in motorway and airport channels: 2002 sales were around 79 ml\$ (less than 2.5% of Group turnover)
- Autogrill manages 19 travel plazas on Highways 400 and 401 (60% of country sales) while the remaining 40% of turnover is generated by the 5 airport locations: the domestic airports of Calgary, Halifax, Montreal-Dorval and Vancouver and the international airport of Toronto
- The Toronto location totalled 8.6 ml\$ in 2002 and, according to the contract won last November, new facilities are scheduled to open at the end of this year

#### CANADA SALES EVOLUTION



- As of week 19 2003 \*, Canadian sales increased by 5.7% in comparison to 2002, with Toronto airport up by 7.5% with regards budget

\* Latest Estimates

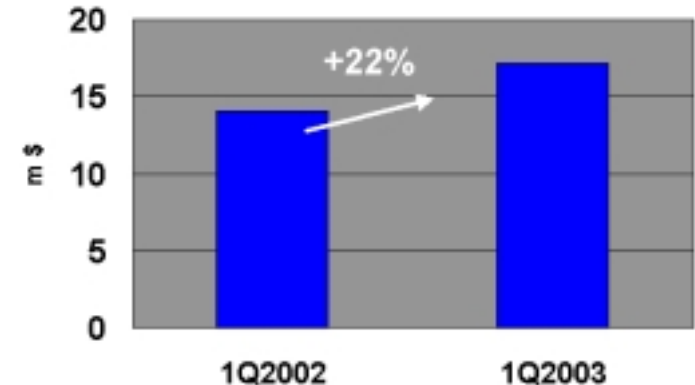


## 1Q2003 Results

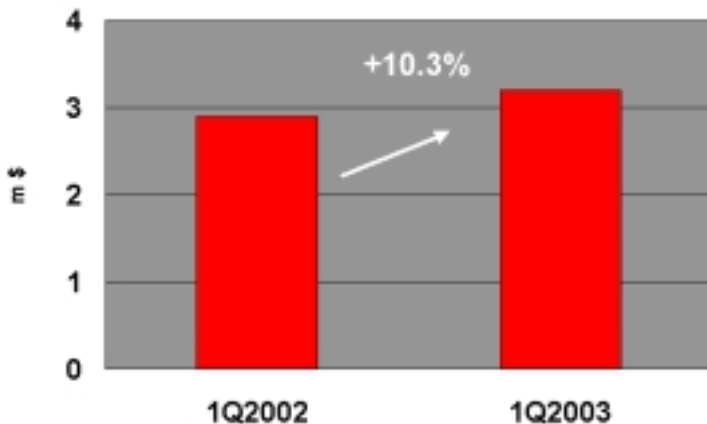
### Regional Performance - North America

- **Anton Airfood** 1Q2003 sales were above 17 m\$, with an increase of 22%, and an Ebitda up by 10.3% to 3.2 m\$
- As of week 19 2003\*, sales exceeded 24 m\$
- On 1st February 2003 the Group participation in company share capital increased to 49%

1QUARTER ANTON AIRFOOD SALES



1QUARTER ANTON AIRFOOD EBITDA



- After the closing, Autogrill will consolidate Anton Airfood as of January 1st

\*\* Latest Estimates

- Italian sales reached 219.7 m€, up by 2.9% versus 1Q2002
- Concession operations performed strongly, with 3.9% growth:
  - motorway sales posted a 3.2% increase, more than double the traffic growth (+1.2% \*)
  - airport turnover up by 13.9%, thanks both to good results in all airports and the opening of the Torino Caselle location
  - railway station revenues grew by 25.2%, led by Roma Termini
- Due to the closing of 4 less profitable locations carried out during the quarter, non-concession sales decreased by 1.5%

A Group store in TORINO CASELLE airport

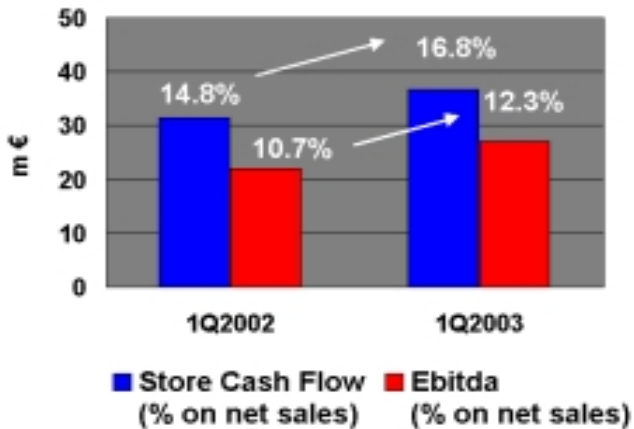


\* Source: Autostrade S.p.A.

# 1Q2003 Results

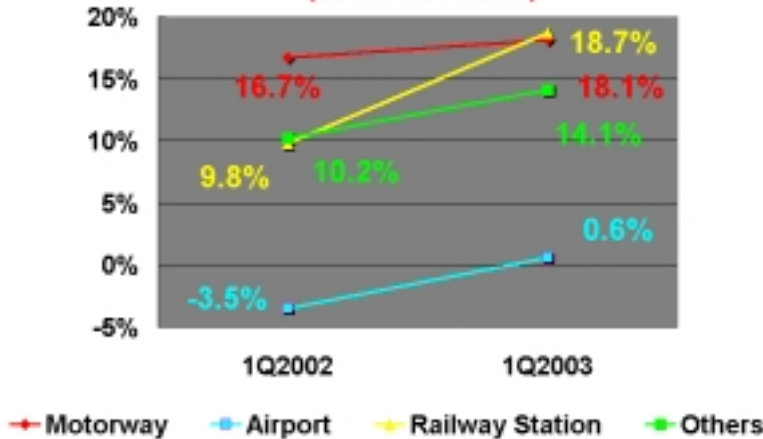
## Regional Performance - Italy

### 1QUARTER ITALY SCF\* and EBITDA



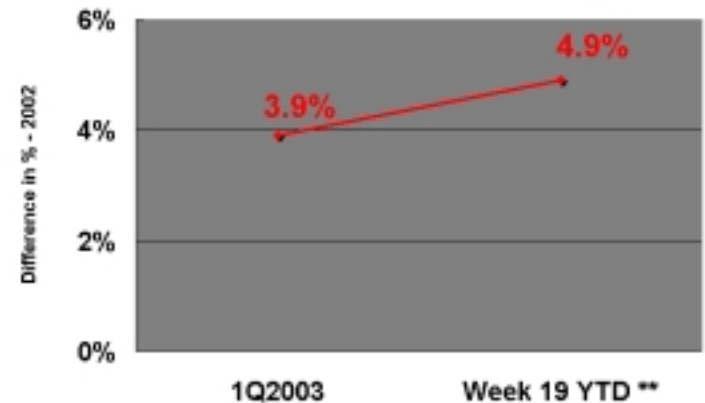
- Ebitda posted a 18.3% improvement, from 22.9 m€ to 27.1 m€ (from 10.7% to 12.3% on net sales)
- This results was achieved thanks a strong labour productivity growth (+7%) that allowed Store Cash Flow increase in all channels: +16.3% to 36.8 m€
- Improved efficiencies on operations drove Store Cash Flow growth in town - shopping mall channel

### 1QUARTER ITALY CHANNEL SCF\* (% on net sales)



\* Ebitda + G&A  
 \*\* Latest Estimates

### ITALY CONCESSION SALES EVOLUTION



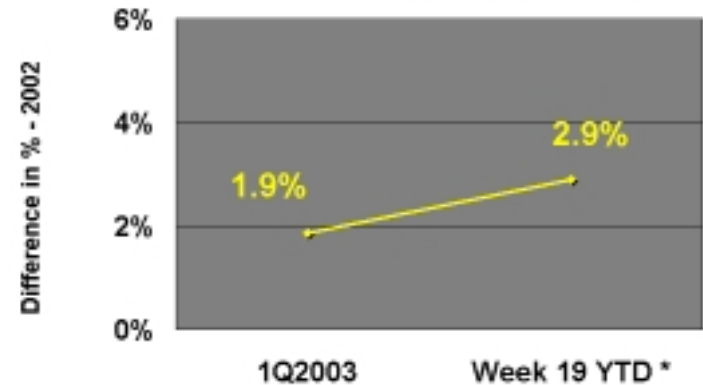


# 1Q2003 Results

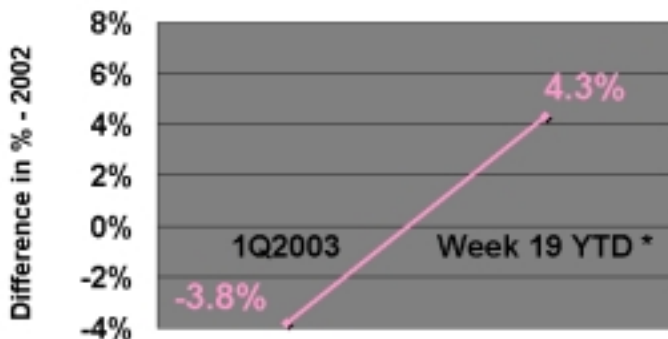
## Regional Performance - Rest of Europe

- **French** sales reached 38.2 m€ up by 1.9% in comparison to 1Q2002, with a 2.9% increase in the motorway channel, reaching 24.7 m€, and had a flat performance in the railway station operations
- Ebitda improved by 16%, totalling 0.7 m€ (from 1.7% to 1.8% on net sales)

FRANCE SALES EVOLUTION



SPAIN SALES EVOLUTION



- Due to the importance of the entire “Semana Santa”, **Spain** was influenced by the calendar shift more than other European countries: sales decreased by 3.8% to 15.1 m€ The motorway channel was more impacted by this phenomenon (12.9 m€, -5.8%) while railway station turnover increased by 2%
- Ebitda declined from 0.5 m€ to 0.2 m€ (1.3% on net sales) for the temporary decrease of labour productivity in the railway station channel

\* Latest Estimates

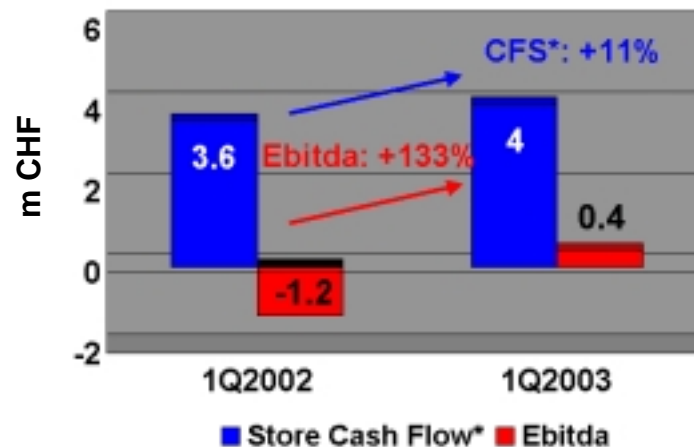


# 1Q2003 Results

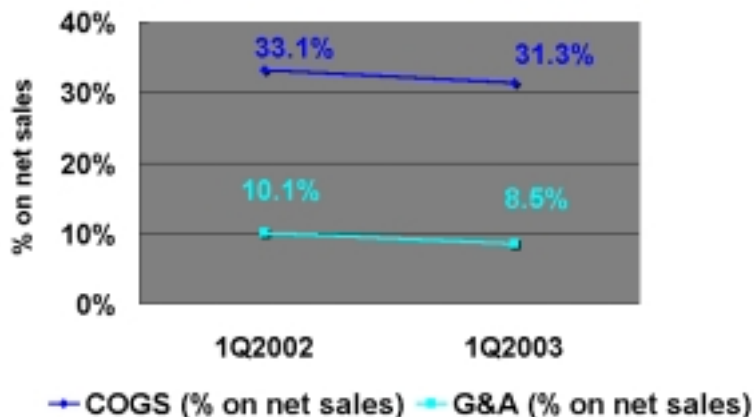
## Regional Performance - Rest of Europe

- **Swiss** sales totalled 44.7 mCHF, -8% versus 1Q2002, most of all for the closing of 4 non-concession locations: airport revenues reached 14.6 mCHF, up by 0.8%, while motorway turnover decreased by 2.9% to 17.2 mCHF
- Profitability posted a strong improvement, thanks to betterment in operations and G&A:
  - Cash Flow Store grew from 7.5% to 8.9% on net sales
  - Ebitda increased from -2.4% to 0.9% on net sales

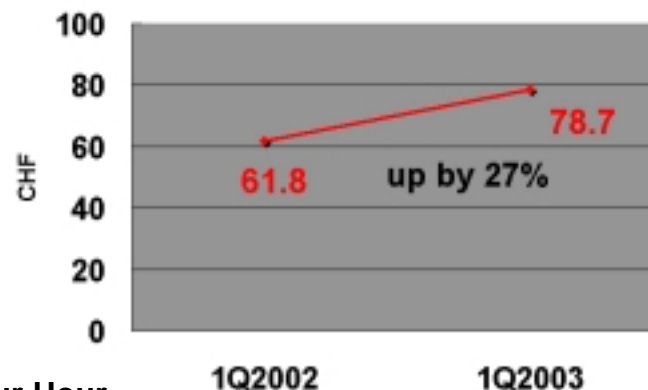
1QUARTER SWITZERLAND SCF\* and EBITDA



1QUARTER SWITZERLAND COGS and G&A



1QUARTER SWITZERLAND LABOUR PRODUCTIVITY\*\*



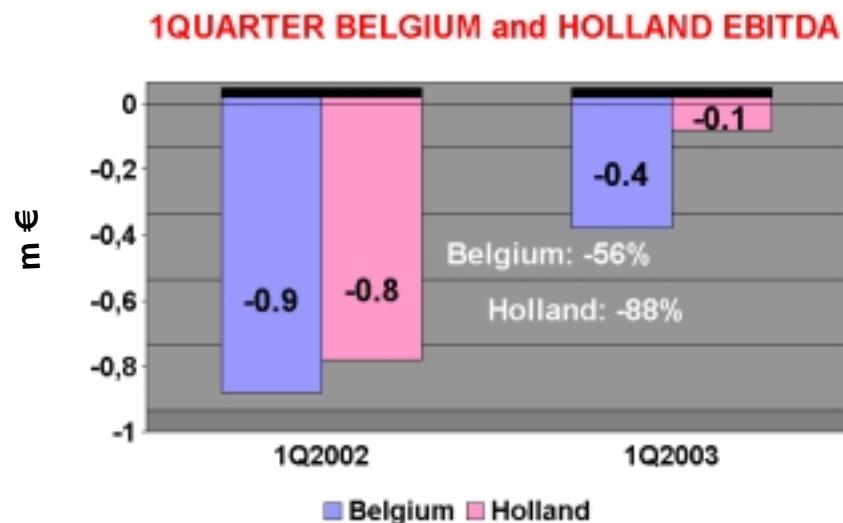
\* Ebitda + G&A

\*\* Sales per Labour Hour

# 1Q2003 Results

## Regional Performance - Rest of Europe

- In **Belgium**, turnover grew by 1.3% to 7.9 m€ impacted by the calendar shift, motorway sales declined to 6.4 m€ while shopping mall revenues were up by 3.9%
- At an Ebitda level, last year loss was halved from 0.9 m€ to 0.4 m€ (-5.1% on net sales versus -11.1% of 1Q2002) thanks to the new operational structure adopted under French management that allowed for COGS and G&A improvements
- In **Holland**, sales decreased from 10.5 m€ to 9.6 m€ for the combined effect of the still weak economic environment and the Easter shift
- **Greek** sales grew by 6.6% to 1.6 m€, thanks to good results in both channels: motorway turnover were up by 8.5% and airport sales by 6.3%
- Ebitda was 0.2 m€, from 11.7% to 12.5% on net sales

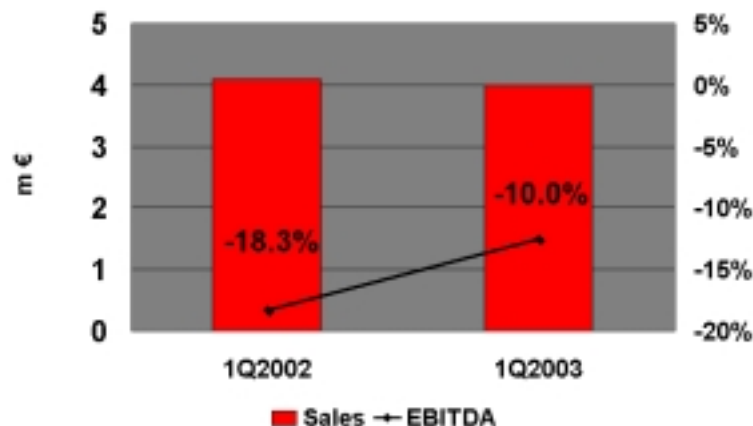


- **Austrian** turnover was 4 m€, -2.4% versus 1Q2002
- The refurbished Matriei location posted good turnover performance, with a 40% increase
- Ebitda improved by 42%, thanks to a better management of labour cost: the loss was so reduced to 0.4 m€
- The closing of 2 locations during 2002 explained the decrease of **German** sales from 1.9 m€ to 1.5m€
- Ebitda loss remained flat at 0.3 m€



Exterior of MATREI location

1QUARTER AUSTRIA SALES and EBITDA





- **First quarter good results were confirmed and enforced in April and May thanks to spectacular sales growth during the Easter period all across Europe: as of week 19 2003, Group turnover was up, including Anton, by 3.1% (net of FX impact)**
- **In North America, after the weeks 13-16 slowdown due to the Iraq war impact, sales recovered: this improvement is expected to continue in the next weeks, taking advantage of the coming summer period**
- **Considering the actual environment, we confirm full year estimates in terms of Ebitda (13% on net sales) and FCF generation (150 m€) as well a significant improvement of the Restated EPS (up to 0.60€)**



- **Last April, the exclusive franchisee agreement with Starbucks Coffee Group was renewed: during next 10 years, Autogrill will be the sole operator that will be able to use this world-famous brand in U.S. airports and motorways**

A STARBUCKS COFFEE location in Calgary airport



## 1Q2003 Results

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