



Outlook

Significant subsequent events

In the early months of 2009 the Group continued to win new concessions and sign commercial agreements, including:

- a contract to manage two new food & beverage outlets at the railway station in Seville, Spain (estimated cumulative sales of ?5m over the seven-year contract), thus strengthening our foothold in the Spanish high-speed market;
- debut in Poland through a joint venture with Impel Group, where Autogrill Polska will operate 11 rest areas by 2010 and earn estimated revenue of some ?14m from 2011 onwards;
- a five-year in-flight catering contract with Romania's flagship carrier Tarom Airlines.

On 21 January 2009, the Board of Directors of Autogrill S.p.A. and the extraordinary general meeting of its wholly-owned subsidiary, Autogrill International S.p.A., approved the merger of Autogrill International into Autogrill. Pursuant to Art. 2503 of the Italian Civil Code, existing creditors have 60 days from the last filing of these decisions in the companies register to oppose the merger. The deed of merger should therefore be drawn up in April 2009. The purpose of the merger is to streamline the ownership structure of the Group headed up by Autogrill, as Autogrill International no longer serves as a sub-holding company for the Group's foreign investments. Autogrill International's operations will be incorporated into Autogrill's financial statements, including for tax purposes, as from the first day of the financial year during which the merger becomes effective - thus in all likelihood from 1 January 2009.

Business forecast

As 2009 takes shape, household consumption is seriously weakened by recession, the credit crunch, and uncertainty as to the effectiveness of the measures governments have taken to restore confidence to the markets and eventually reverse the downward trend. At the moment, economists unanimously expect 2009 to be negative for all of the main countries and markets.

There is little agreement, however, as to how hard the crisis will strike and especially how long it will last. This makes it extremely difficult to predict the future, so the best approach is to build scenarios based on a limited number of factors relevant to the industry in question.

For the travel concession market, the key variable is traffic. Given the importance of certain countries and channels to the Group's overall results, assumptions have been made about:

- airport traffic in the US;
- motorway traffic in Italy;
- airport traffic in Spain;
- airport traffic in the UK.

The sales generated by these four countries and channels make up around 60% of consolidated revenue, and are therefore significant for projecting results in 2009.

The following table shows the trend in these four indicators in the recent past (average for 2008, fourth quarter of 2008, and January 2009) and a range of projections for 2009.

	2008		2009		2009 full year	
	Year average	4th quarter	January	Scenario with traffic recovery in second half	Scenario traffic with negative traffic for full 2009	
US airport traffic	(4.7%)	(8.9%)	(10.6%)	(5%)	(7%)	
Italian motorway traffic	(0.8%)	(2.0%)	(7.0%)	(3%)	(5%)	
Spain airport traffic	(3.2%)	(12.7%)	(17.0%)	(10%)	(14%)	
UK airport traffic ¹	(2.8%)	(7.5%)((6.3%)	(3%)	(5%)	

In one scenario, the steep decline in traffic reported in January (of little importance as it only amounts to 7% of the Group's annual sales, but still indicative of a trend) continues throughout the year, leading to a reduction in spending per passenger; in the other, the trend is still negative but gradually improves in the second half of the year. On this basis, Autogrill forecasts results in 2009² within the following range:

(?m)	Scenario with traffic recovery in second half of 2009	Scenario with negative traffic for full 2009
Revenue	5,900	5,720
EBITDA	625	575
Capex	160	160

In the first nine weeks of 2009, the Group earned sales of ?771.4m (+12.4% at actual exchange rates and +9.9% at constant exchange rates), while the organic trend was a decline of 5.9% due to the plunge in traffic in the month of January.

Results will not be evenly distributed throughout the year. More specifically, the first quarter of 2009 will be penalised (on a like-for-like basis) by the drop in traffic, by the fact that Easter falls in the second quarter this year (as opposed to the first quarter in 2008), and by one fewer week's worth of sales in North America (the 53rd week counted among 2008 revenue), due to HMSHost's different calculation of quarters and

weeks with respect to the rest of the Group.

1 Includes all airports in the B.A.A. network and Manchester. Sources: A.T.A., Group estimates for Italian motorways and UK airports (B.A.A. airports and Manchester), A.E.N.A.

2 Average ?/\$ exchange rate 1:1 .30; average ?/£ exchange rate 1:0.90

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