1.2 The Autogrill Group

The Group is structured in business units, which manage operational levers according to objectives and guidelines defined by the corporate executives of Autogrill S.p.A.

As the sale of the Flight business (provision of meal and retail services onboard airplanes) was finalised on 31 December 2010, the Autogrill Group operates in two business segments: catering ("Food & Beverage" or "F&B") and airport retail ("Travel Retail & Duty-Free" or "TR&DF").

The Food & Beverage business takes place wherever people travel (airports, motorways and railway stations), serving a local, domestic and international clientele. Our offerings strongly reflect the local setting.

To a greater or lesser degree depending on the country and channel, and either separately or in conjunction with food and drink, the F&B units also sell everyday items (newspapers and magazines, tobacco products, toys) and other food and non-food items as well as fuel. The operational levers are assigned to local organisations that are centralised at the country level.

The Travel Retail & Duty–Free business takes place exclusively at airports, has a mainly international clientele, and offers a uniform range sometimes supplemented by an assortment of local products. The operating structure (marketing, purchasing, etc.) is highly centralised.

In one or both business segments, the Group is active in 37 countries:

	Segments	
	Food & Beverage	Travel Retail & Duty-Free
Australia	●	
Austria	●	
Belgium	●	
Canada	●	●
Cape Verde		●
Chile		●
Colombia		●
Czech Republic	●	
Denmark	●	
Dutch Antilles		●
Egypt	●	
France	●	●
Germany	●	
Greece	●	
India	●	●
Ireland	●	
Italy	●	
Jordan		●
Kuwait		●
Luxembourg	●	
Malaysia	●	
Maldives		●
Mexico		●
New Zealand	●	
Panama		●
Peru		●
Poland	●	
Saudi Arabia *		●
Singapore	●	
Slovenia	●	
Spain	●	●
Sri Lanka		●
Sweden	●	
Switzerland	●	
The Netherlands	●	
United Kingdom	●	●
USA	●	●

* No trading in 2010

1.3 Group performance

1.3.1 Highlights

			Change	
(€m)	2010	2009	2009	At constant exchange rates
Revenue	**5,703.5**	**5,325.4**	**7.1%**	**4.5%**
EBITDA	**605.4**	**564.1**	**7.3%**	**4.4%**
EBITDA margin	*10.6%*	*10.6%*		
EBIT	**255.2**	**224.3**	**13.8%**	**9.8%**
EBIT margin	*4.5%*	*4.2%*		
Profit attributable to owners of the parent	**103.4**	**37.0**	**n.s.**	**n.s.**
% of revenue	*1.8%*	*0.7%*		
Net cash flow from operating activities	**491.7**	**350.8**		
Capital expenditure	**224.9**	**150.3**	**49.7%**	**44.2%**
% of revenue	*3.9%*	*2.8%*		
Earnings per share (€ cents)				
– basic	40.7	14.6		
– diluted	40.6	14.6		

			Change	
(€m)	31.12.2010	31.12.2009	31.12.2009	At constant exchange rates
Net invested capital	**2,286.9**	**2,491.0**	**(204.1)**	**(326.2)**
Net financial indebtedness	**1,575.5**	**1,934.5**	**(358.9)**	**(399.8)**

1.3.2 Macroeconomic overview and traffic trends

In some respects the economy improved in 2010, although on the whole, the recovery was weaker than expected.

Economic growth in the first half of the year was greater than 5%[2], driven first by a strong phase of inventory replenishment and later by an upturn in investment. As in previous years, emerging countries took the lead, while growth rates for the more developed countries were lower than average (+3.50%)[2].

The recovery seems to be meeting more resistance in developed countries, which were the hardest hit by the financial crisis of 2008-2009. Improvements in the economy in these countries are not translating easily into higher employment and consumption. In general, spending is still relatively low throughout the OECD area.

In the United States, today's lacklustre consumption is partly a correction of exorbitant pre-crisis spending, made possible by excessive household debt. The increased tendency to save is certainly good news for the medium to long term, but at the moment it is impeding the recovery. GDP did grow by 2.6% in 2010, after slumping by 2.6% the previous year. However, this is still not reflected in job growth: the US unemployment rate rose in 2010, from 9.3% in 2009 to 9.7%[2].

In Europe, consumption seems to be held back mostly by the uncertain economic outlook; budget and deficit problems in several member states are preventing them from adopting a recovery strategy and raising concerns about monetary stability. That the recovery is taking longer in Europe is confirmed by estimated GDP growth of just 1.4%, after a contraction of 4.1% in 2009. Employment is also on the rise, and exceeded the 10% threshold in 2010[2].

In general, the global economy could remain on shaky ground until governments and supranational institutions decide to deal with the necessary and challenging process of stabilisation, both within the major countries (where fiscal intervention should make way for the upturn in private demand) and internationally (where developed countries, the United States above all, need to improve their current account balance of payments while emerging countries like China need to limit their surpluses and work on building domestic demand). The fact that these stabilisation processes are still far from taking root means that the recovery could remain fragile and of limited scope.

One of the macroeconomic variables of greatest importance to Autogrill, especially in the airport channel, is the level of commercial trade around the world.

In 2009 international trade shrank by 12%, with a record drop of 30% year-on-year in the six months comprising the final quarter of 2008 and the first quarter of 2009, which struck developed and emerging countries practically without distinction. The downward trend reversed in the second half of 2009, and 2010 saw further improvement: for the period including the last two quarters of 2009 and the first quarter of 2010, trade increased by 20% on an annualised basis.

Despite the upturn, however, growth in worldwide trade is still below pre-crisis levels, and in many countries the total volume traded has not recovered to where it stood in 2007.

The recovery, limited though it is, has caused the price of oil to rise again after the lows reached in late 2008 and the first quarter of 2009. On average, crude oil traded $ 83 per barrel in 2010, up from $ 74 the previous year.

The air transport industry has responded very well to the improvement in the trade scenario, given that crude oil prices are still at a manageable level. After suffering through one of the worst years ever in 2009, when global air traffic decreased by 3.1%, the industry made a strong recovery this year: according to IATA estimates, revenue from passenger traffic–which had fallen from $ 444b in 2008 to $ 374b the following year–climbed back to $ 437b in 2010[3].

Airlines reported excellent earnings in 2010, but remained cautious about boosting capacity, after the substantial reductions made the previous year especially in North America.

Airport traffic responded well to the upturn in trade, enjoying growth in 2010 in the main countries served by the Group. However, progress was limited by a number of adverse weather and environmental events, such as a cold spell on the Atlantic coasts of North America and Europe in January, February and December and the long series of flight cancellations

[2] International Monetary Fund: World Economic Outlook, October 2010
[3] IATA – Industry Financial Forecast – December 2010

in European skies in April due to ash from the Eyjafjallajökull volcano in Iceland, not to mention personnel strikes at British Airways and Iberia and AENA's air traffic controllers' strike in Spain.

On the whole, therefore, traffic growth was slower than expected: +1.7% (January-December) in the United States; +2.7% in Spain (after falling by 8.1% the previous year); a continued decline in the United Kingdom (–3.1%), which was hardest hit by the volcanic ash interruptions in April.

Just as modest (and somewhat volatile) was the growth in motorway traffic, especially in Europe. In Italy, Autogrill's largest market for the motorway channel, traffic was down by 0.4% (January-December); but this owes entirely to the favourable comparison with the first quarter of 2009, when traffic growth had reached an all-time low of –6.9% year-on-year. The trend was more dynamic in the United States, where motorway traffic grew by 1.8% from January to December.

1.3.3 Performance

Earnings and financial performance

Autogrill's earnings and financial performance were positive in 2010, and showed improvement on the previous year, in an economy that showed signs of recovery by way of growth in international trade and mobility. Although the trend was not linear, the year stood out for an upturn in airport traffic that outpaced the rise in motorway traffic. The main beneficiary was therefore Travel Retail & Duty-Free, which takes place solely at airports, while Food & Beverage has a more extensive network along motorways and elsewhere.

The recovery was partial, especially with regard to consumption, but because of the Group's geographical and business diversification it was able to achieve a 7.1% increase in revenue (+4.5% at constant exchange rates) that exceeded traffic growth in its principal countries and business channels.

EBITDA rose by 7.3% (+4.4% at constant exchange rates), in line with the trend in revenue, thanks especially to Travel Retail & Duty-Free. This segment benefited from an improved sales mix, encouraged by the increase in long-range flights, and from the ever stronger synergies achieved through the integration process. The continued volatility of traffic made the Food & Beverage business less productive, although it still made a strong contribution.

During 2010 the Group recorded a good performance from both the financial point of view and on the portfolio activities' refocusing, with the sale of the Flight business.

Late in 2010 the Flight business was sold to Dnata, a leading airport services company in the Middle East with a growing international presence. Autogrill had entered the Flight business in 2007 with the acquisition of Alpha Airports Group Plc., as a first step toward entering the UK airport channel (completed the following year with the purchase of World Duty Free). The sale, which reduced consolidated debt by € 165.4m, has freed up financial and managerial resources for the two strategic segments of Food & Beverage and Travel Retail & Duty-Free.

In 2010 the Group also reached and surpassed the deleverage targets it had set in 2008 after its acquisitions in the TR&DF business. Strict financial discipline led to net cash flow which, in combination with the sale of the Flight business, reduced consolidated debt from € 1,934.5m to € 1,575.5m.

The positive earnings and financial results also produced a significant rise in net profit, from € 37.0m in 2009 to € 103.4m.

Condensed consolidated income statement[4]

(€m)	2010	% of revenue	2009	% of revenue	Change 2009	Change At constant exchange rates
Revenue	5,703.5	100.0%	5,325.4	100.0%	7.1%	4.5%
Other operating income	138.6	2.4%	145.7	2.7%	(4.8%)	(5.6%)
Total revenue and other operating income	**5,842.2**	**102.4%**	**5,471.1**	**102.7%**	**6.8%**	**4.2%**
Raw materials, supplies and goods	(2,089.9)	36.6%	(1,972.3)	37.0%	6.0%	3.8%
Personnel expense	(1,442.1)	25.3%	(1,327.5)	24.9%	8.6%	5.6%
Leases, rentals, concessions and royalties	(1,150.8)	20.2%	(1,063.5)	20.0%	8.2%	5.5%
Other operating costs	(554.0)	9.7%	(543.7)	10.2%	1.9%	(0.6%)
EBITDA	**605.4**	**10.6%**	**564.1**	**10.6%**	**7.3%**	**4.4%**
Depreciation, amortisation and impairment losses	(328.0)	5.8%	(330.0)	6.2%	(0.6%)	(2.8%)
Impairment losses on goodwill	(22.2)	0.4%	(9.8)	0.2%	n.s.	n.s.
EBIT	**255.2**	**4.5%**	**224.3**	**4.2%**	**13.8%**	**9.8%**
Net financial expense	(74.9)	1.3%	(93.2)	1.7%	(19.6%)	(20.7%)
Impairment losses on financial assets	(0.5)	0.0%	(0.1)	0.0%	n.s.	39.7%
Pre tax profit	**179.8**	**3.2%**	**131.0**	**2.5%**	**37.3%**	**30.7%**
Income tax	(89.4)	1.6%	(100.0)	1.9%	(10.6%)	(12.5%)
Profit from continuing operations	**90.4**	**1.6%**	**31.0**	**0.6%**	**n.s.**	**n.s.**
Profit from discontinued operations	25.0	0.4%	13.6	0.3%	83.3%	76.5%
Profit attributable to:	**115.4**	**2.0%**	**44.6**	**0.8%**	**n.s.**	**n.s.**
– owners of the parent	103.4	1.8%	37.0	0.7%	n.s.	n.s.
– non-controlling interests	12.0	0.2%	7.6	0.1%	57.6%	44.7%

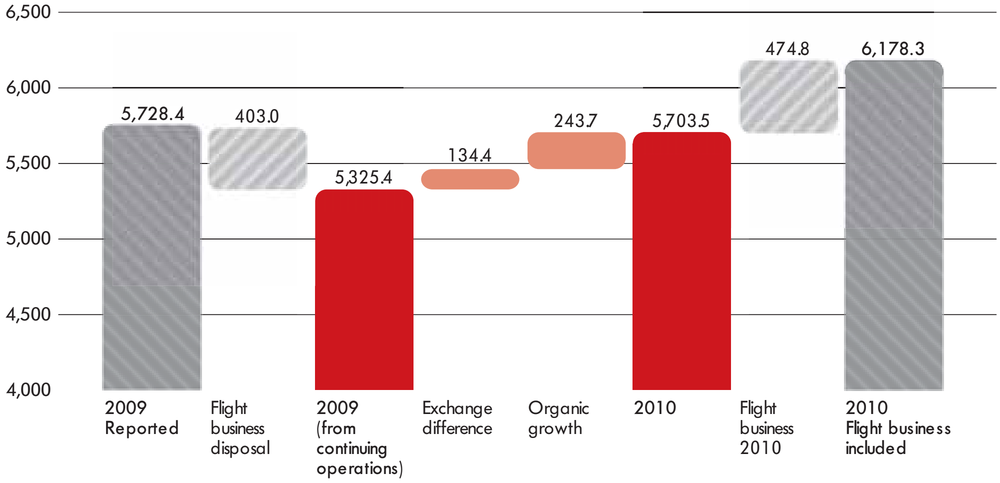
Revenue

Autogrill closed 2010 with consolidated revenue of € 5,703.5m, an increase of 7.1% on the previous year's € 5,325.4m (+4.5% at constant exchange rates).

The following graph highlights the organic change in revenue by identifying the effects of exchange rates fluctuations and the sale of the Flight business.

[4] Unlike the income statement included in the consolidated financial statements (Section 2.1.2), to better highlight the profit attributable to non-controlling interests for both 2010 and 2009, this figure is shown net of non-controlling interests in the Flight segment (€ 6.8m) which are instead deducted from the profit from discontinued operations

Change in Revenue – 2010
(€m)



The table below summarises the trend in sales by business segment in 2010 and 2009. See Section 1.4 (Business segments) for a more detailed description of sector performance.

			Change	
(€m)	2010	2009	2009	At constant exchange rates
Food & Beverage	4,027.8	3,787.3	6.4%	3.4%
Travel Retail & Duty-Free	1,675.7	1,538.0	9.0%	7.0%
Total	**5,703.5**	**5,325.4**	**7.1%**	**4.5%**

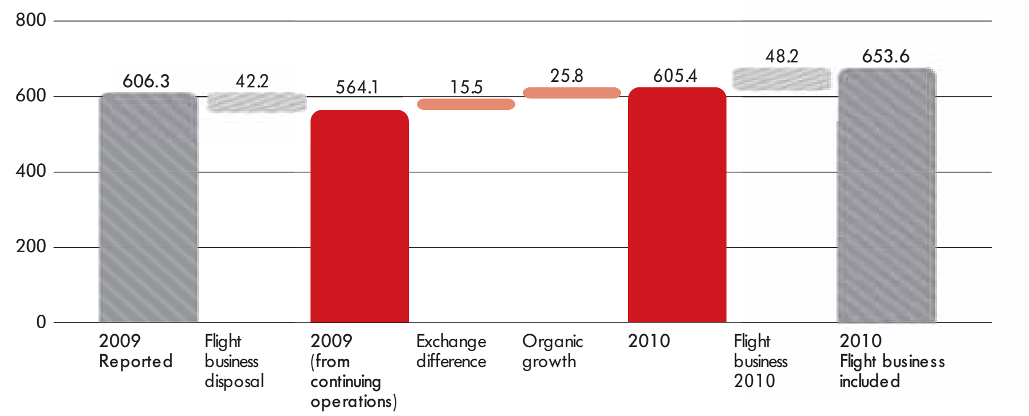
EBITDA

For 2010 Autogrill reports consolidated EBITDA of € 605.4m, an increase of +7.3% (+4.4% at constant exchange rates) on the previous year's € 564.1m, which included € 11.3m in ordinary income attributable to prior years.

The following table summarises the trend in EBITDA by segment in 2010 and 2009. See Section 1.4 (Business segments) for a more detailed description of sector performance.

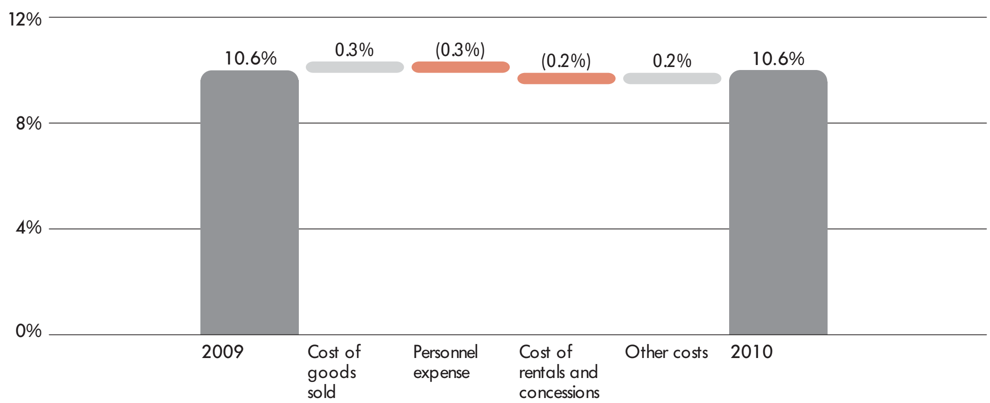
			Change	
(€m)	2010	2009	2009	At constant exchange rates
Food & Beverage	438.9	433.6	1.2%	(1.7%)
	10.9%	*11.4%*		
Travel Retail & Duty-Free	193.6	156.9	23.4%	21.2%
	11.6%	*10.2%*		
Corporate and unallocated	(27.2)	(26.5)	2.7%	2.7%
Total	**605.4**	**564.1**	**7.3%**	**4.4%**
	10.6%	*10.6%*		

Change in EBITDA – 2010
(€m)



EBITDA amounted to 10.6% of revenue, in line with the previous year. The synergies achieved through the integration of Travel Retail & Duty-Free operations and the strengthening of measures to reduce operating costs (adopted in 2009) offset the rise in personnel expense, especially in the United States and Italy, and the impact in Italy of the less favourable sales mix.

Change in EBITDA margin – 2010



Depreciation, amortisation and impairment losses

In 2010 depreciation, amortisation and impairment losses amounted to € 328.0m, down from € 330.0m in 2009, due to a decrease in impairment losses.

Impairment on goodwill losses

Goodwill on the Dutch motorway operations was written down by € 22.2m in 2010, reflecting the reduced competitiveness of the hotel services that this unit provides on a major scale in addition to Food & Beverage.

EBIT

EBIT of € 255.2m showed an increase of 13.8% (+9.8% at constant exchange rates) with respect to the previous year (€ 224.3m), despite the higher charge for amortisation, depreciation and impairment losses.

Financial expense

Net financial expense in 2010 came to € 74.9m, down from € 93.2m in 2009. This reflects the reduction in net debt, thanks to the substantial generation of cash by all of the Group's business units. The average annual cost of debt was 4.1%, compared with 4.3% in 2009.

Income tax

Tax decreased from € 100.0m in 2009 to € 89.4m.

The impact of taxes on the consolidated pre-tax profit was 49.7%, compared with 76.4% the previous year. Excluding IRAP, the average effective tax rate came to 43.2% (67.1% in 2009), as results from one unit to the next were less polarised than last year and projections are more favourable as to the recoverability of tax losses.

Net result from discontinued operation

The net profit for the Flight segment in 2010 amounted to € 25.0m (€ 13.6m in 2009), and includes the gain of € 11.1m on the disposal of this business.

Profit for the year

Profit attributable to owners of the parent in 2010 came to € 103.4m (€ 37.0m the previous year), after non-controlling interests of € 12.0m (€ 7.6m in 2009).

1.3.4 Financial position

Reclassified consolidated statement of financial position[5, 6]

			Change	
(€m)	31.12.2010	31.12.2009	2009	At constant exchange rates
Intangible assets	2,196.0	2,208.5	(12.5)	(105.8)
Property, plants and equipment	925.1	905.9	19.2	(22.1)
Financial assets	26.9	25.1	1.8	1.1
A) Non-current assets	**3,147.9**	**3,139.5**	**8.4**	**(126.8)**
Inventories	246.3	223.5	22.8	14.5
Trade receivables	59.7	63.0	(3.3)	(3.9)
Other receivables	185.1	200.7	(15.6)	(21.3)
Trade payables	(674.6)	(655.5)	(19.1)	(7.8)
Other payables	(392.4)	(334.4)	(58.0)	(45.3)
B) Working capital	**(575.9)**	**(502.7)**	**(73.2)**	**(63.8)**
C) Invested capital, less current liabilties	**2,572.0**	**2,636.7**	**(64.7)**	**(190.6)**
D) Other non-current non-financial assets and liabilties	**(286.1)**	**(311.5)**	**25.4**	**35.6**
E) Assets held for sale	**1.0**	**165.8**	**(164.7)**	**(171.2)**
F) Net invested capital	**2,286.9**	**2,491.0**	**(204.1)**	**(326.2)**
Equity attributable to owners of the parent	690.0	509.2	180.8	102.9
Equity attributable to non-controlling interests	21.3	47.3	(26.0)	(36.2)
G) Equity	**711.4**	**556.6**	**154.8**	**66.8**
Non-current financial liabilities	1,511.7	1,876.3	(364.7)	(411.8)
Non-current financial assets	(3.1)	(3.0)	(0.0)	0.2
H) Non-current financial indebtedness	**1,508.6**	**1,873.3**	**(364.7)**	**(411.6)**
Current financial liabilities	258.1	267.2	(9.2)	(14.4)
Cash and cash equivalents and current financial assets	(191.1)	(206.0)	14.9	26.2
I) Current net financial indebtedness	**66.9**	**61.2**	**5.7**	**11.8**
Net financial indebtedness (H + I)	**1,575.5**	**1,934.5**	**(358.9)**	**(399.8)**
L) Total, as in F)	**2,286.9**	**2,491.0**	**(204.1)**	**(326.2)**

Net invested capital at 31 December 2010 stood at € 2,286.9m, a decrease of € 204.1m due primarily to the sale of the Flight business. At constant exchange rates, the reduction would have been € 326.2m.

Net financial position at 31 December 2010 was € 1,575.5m, a decrease of € 358.9m compared with the previous year-end figure of € 1,934.5m. At constant exchange rates, the reduction would have been € 399.8m.

[5] The figures in the reclassified consolidated statement of financial position are directly derived from the consolidated financial statements and notes thereto, with the exception of "other receivables" and "other non-current non-financial assets and liabilities", which include deferred tax assets (these are shown indistinctly under "Non-current assets" in the consolidated financial position)

[6] Unlike the statement of financial position included in the consolidated financial statements (Section 2.1.1), to better highlight equity attributable to non-controlling interests for both 2010 and 2009, this figure is shown net of non-controlling interests in the Flight segment (€ 6.8m). The 2009 balances have also been modified to exclude the contribution of the Flight business, shown under letter E), to better represent the changes taking place in 2010 on a comparable basis with 2009. Balances for 2009 relating to the Flight segment are reported in Section 2.2.2 of the Notes to the financial statements

At the close of 2010, 34% of consolidated net debt was denominated in US dollars, 24% in British pounds, and the rest in euros.

Either originally or through renegotiation, 63% of debt was fixed-rate, compared with 52% a year earlier.

Debt consists mainly of committed long-term credit lines from banks and medium/long-term bonds (private placements). At 31 December 2010, loans had an average remaining life of two years and three months.

The fair value of interest and exchange rate hedges at 31 December 2010 was a negative € 56.6m (negative € 58.6m at the close of 2009).

The growth in EBITDA, and the reduction in debt achieved through the net generation of cash and the sale of the Flight business, continued to significantly improve the financial ratios the Group is required to uphold by the main loan contracts outstanding.

Specifically, the leverage ratio (net debt/EBITDA) fell from 2.97-3.10 at 31 December 2009 to 2.47-2.52, versus a ceiling of 3.50, while interest coverage (EBITDA/net financial expense) increased to 8.62-8.65 (from 6.93-7.24 at the close of 2009) versus a minimum threshold of 4.50. The Group therefore enjoys extensive financial flexibility.

1.3.5 Development initiatives

Capital expenditure

Capex in 2010 amounted to € 224.9m, up from € 150.3m the previous year. The growth reflects greater investments in Italy and the United States, for new openings and renovations, especially in the motorway channel. See Section 1.4 for a more detailed description of investment by each operating segment.

	2010				2009			
(€m)	Development/ renovation	Maintenance	ICT & other	Total	Development/ renovation	Maintenance	ICT & other	Total
Food & Beverage	151.4	27.8	12.6	191.8	92.1	23.0	6.4	121.5
Travel Retail & Duty-Free	26.8	0.1	1.0	28.0	20.3	0.1	1.5	21.8
Corporate and unallocated	–	–	5.2	5.2	–	–	7.0	7.0
Total	**178.3**	**27.9**	**18.8**	**224.9**	**112.4**	**23.1**	**14.8**	**150.3**
% on total	*79.2%*	*12.4%*	*8.4%*	*100.0%*	*74.8%*	*15.3%*	*9.8%*	*100.0%*

New contracts

In 2010 Autogrill renewed expiring contracts and won new ones of significant size and strategic merit.

Specific achievements in the Food & Beverage segment were as follows:
- increased presence on Italian motorways under a new agreement with Esso Italiana, which has put Autogrill in charge of about 80 service stations;
- build-up in North America, in the motorway channel (with a 50-year extension of the contract on two major Canadian highways) and the airport channel (new contracts at San Antonio, San Francisco, Sacramento and Miami and renewals at Anchorage and Toronto);
- in Switzerland, an extension of the contract for F&B operations at Zurich airport until 2018.

In the Travel Retail & Duty–Free segment, the Group:
- had its Spanish airport concessions extended until 2012 (with the exception of Madrid, where its contract was not due to expire);
- strengthened its profile in the United Kingdom, with an extension through 2021 of the contracts at Birmingham and Manchester airports.

1.4 Business segments

1.4.1 Food & Beverage

The Food & Beverage business contribution to consolidated figures at 31 December 2010 is as follows:

			Change	
(€m)	2010	2009	2009	At constant exchange rates
Revenue	**4,027.8**	**3,787.3**	**6.4%**	**3.4%**
EBITDA	**438.9**	**433.6**	**1.2%**	**(1.7%)**
EBITDA margin	*10.9%*	*11.4%*		
Capital expenditure	**191.8**	**121.5**	**57.9%**	**51.3%**
% of revenue	*4.8%*	*3.2%*		

Revenue

In 2010, Food & Beverage sales came to € 4,027.8m, compared with € 3,787.3m in 2009 (+6.4% or +3.4% at constant exchange rates). Performance was good for American airports and for Italian and French motorways. The railway channel benefited from new openings in Italy and Belgium.

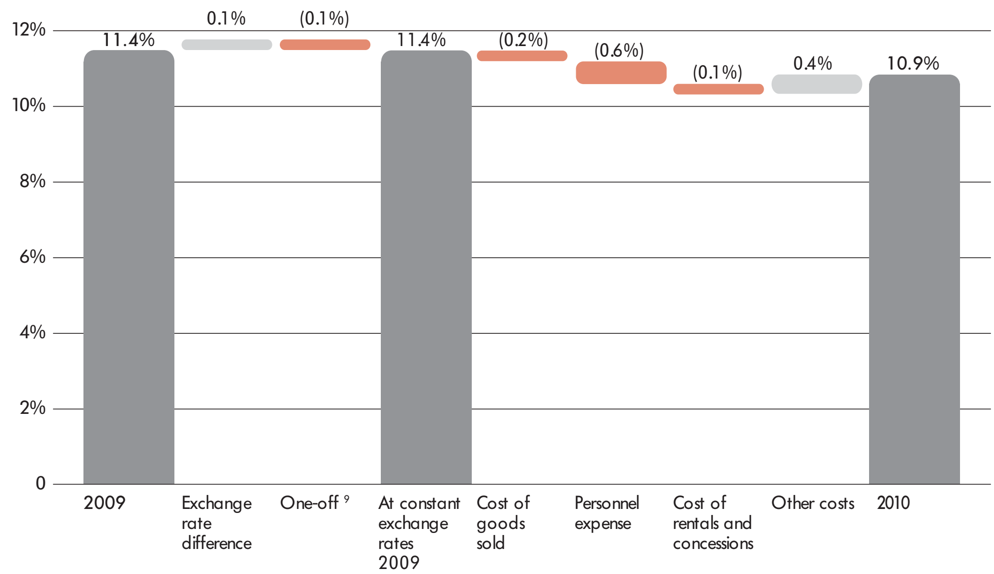
At US airports, with passenger traffic up by 1.7%[7], sales increased by 4.7% on a comparable basis thanks to an upturn in business fliers who spend more than average per person. Sales on Italian motorways in 2010 grew by 3.8%. Specifically, from January to December, a 0.4% rise in traffic[8] produced a 0.7% increase in revenue on a comparable basis. Sales in other European countries were also brisk, rising by 6.5% (+4.4% at constant exchange rates), thanks to a strong performance in France and Belgium and the full-year contribution of the new locations opened in 2009 along German motorways.

[7] Source: ATA, January-December 2010
[8] Source: AISCAT, January-December 2010

EBITDA

In 2010 EBITDA for the Food & Beverage segment amounted to € 438.9m, an increase of 1.2% on last year's € 433.6m (–1.7% at constant exchange rates), which however included € 3.8m in ordinary income attributable to prior years. Net of that income, the growth would have amounted to 2.1% (–0.8% at constant exchange rates). The EBITDA margin went from 11.4% to 10.9%. The main reason for that trend is the higher personnel expense in Italy and the United States, accentuated by the significant volatility in traffic (especially in the first half of the year), which prevented efficient resource planning. Another contributing factor was the cost of starting up new locations on motorways and in railway stations in Europe.

Change in Food & Beverage EBITDA margin – 2010



The above graph breaks down the EBITDA margin of the Food & Beverage segment into the main cost items, showing how the lower incidence of other operating costs made it possible to absorb only part of the increase in personnel expense and the shift in the sales mix in Italy towards less profitable goods.

Capital expenditure

Capital expenditure in 2010 came to € 191.8m (€ 121.5m the previous year), an increase of 57.9% at constant exchange rates, and rose from 3.2% to 4.8% of revenue. Most of the expenditure concerned motorway locations in the United States (Pennsylvania and Delaware Turnpikes) and new openings at railway stations in Italy (Milan Central Station and Turin Porta Nuova).

[9] Elimination of income pertaining to prior years

HMSHost (North America and Pacific Region)[10]

To eliminate interference from fluctuations in the euro/dollar exchange rate and make it easier to interpret performance, figures are reported in millions of US dollars ($m).

($m)	2010	2009	Change
Revenue	**2,546.4**	**2,478.4**	**2.7%**
Airports	2,097.2	1,984.6	5.7%
Motorways	375.0	403.9	(7.2%)
Other	74.3	89.9	(17.3%)
EBITDA	**314.5**	**307.4**	**2.3%**
EBITDA margin	*12.3%*	*12.4%*	
Capital expenditure	**127.7**	**83.5**	**52.9%**
% of revenue	*5.0%*	*3.4%*	

Revenue

In 2010 this area generated sales of $ 2,546.4m, a 2.7% increase with respect to the previous year's $ 2,478.4m, thanks mainly to the recovery in airport traffic starting in September.

Performance by channel is described below:

- Airports: with revenue of $ 2,097.2m, this channel enjoyed growth of 5.7% on the previous year's $ 1,984.6m. On a comparable basis[11], revenue at US airports[12], increased by a significant 4.7% in comparison with traffic growth (+1.7%[13]). This confirms the Group's ability to outpace the market, thanks in part to the increase in business fliers. Performance was especially good at the airports in Chicago, New York, and Charlotte, North Carolina.
- Motorways: revenue of $ 375.0m was down 7.2% on the previous year ($ 403.9m), due mainly to the Group's exit from the Florida Turnpike in June 2009 and the temporary closure for renovations of some service stations on the Pennsylvania Turnpike, the Delaware Turnpike and the Ontario Motorway. On the US roads served by the Group[14], sales growth on a comparable basis came to 1.3%, slightly lower than the increase in traffic (+1.8%[15]).
- Other channels (shopping malls): revenue in 2010 came to $ 74.3m, down from $ 89.9m the previous year (–17.3%), because of the Group's exit from four locations and the temporary closure of a mall in Tennessee due to floods.

EBITDA

EBITDA amounted to $ 314.5m, compared with $ 307.4m in 2009 (+2.3%), or 12.3% of revenue (in line with the previous year). The increased turnover, improved channel mix (with a shift toward airports), better control over the cost of goods sold, and reduction in operating costs offset the rise in personnel expense, caused mainly be the reinstatement of bonuses that were severely curtailed the previous year.

[10] Under the trade name HMSHost, Autogrill Group Inc. (USA) manages mostly food & beverage services in North America, at Amsterdam's Schiphol Airport and at other airports in Asia and Australasia
[11] Same locations and offerings
[12] Accounting for 83% of the channel's sales
[13] Source: ATA, number of passengers, January-December 2010
[14] Because of renovations underway at locations along Canadian motorways, the contract for which was renewed during the year, the US locations generated practically all revenue in this channel
[15] Source: Federal Highway Administration, January-December 2010 (stretches of road served by the Group)

Capital expenditure

Capital expenditure in 2010 totalled $ 127.7m, up from $ 83.5m the previous year, and rose from 3.4% to 5.0% of sales. Work continued at service areas on the Pennsylvania Turnpike, and renovations were completed at the Delaware Turnpike locations. In the airport channel, most investments took place at Chicago, San José, Phoenix, Milwaukee and Anchorage in the United States, and at Amsterdam-Schipol in the Netherlands.

Italy

(€m)	2010	2009	Change
Revenue	**1,347.1**	**1,296.8**	**3.9%**
Sales to end consumer	1,319.8	1,270.4	3.9%
Motorways	1,021.6	984.2	3.8%
Airports	93.3	88.4	5.6%
Railway stations and shipboard	41.6	37.3	11.6%
Other	163.2	160.5	1.7%
Other sales *	27.3	26.4	3.5%
EBITDA	**147.5**	**160.4**	**(8.0%)**
EBITDA margin	*10.9%*	*12.4%*	
Capital expenditure	**57.5**	**34.6**	**66.2%**
% of revenue	*4.3%*	*2.7%*	

* Including sales to franchisees, previously reported under the respective channels

Revenue

Revenue generated in Italy in 2010 came to € 1,347.1m, an increase of 3.9% on the previous year's € 1,296.8m.

Performance by channel is described below:

- Motorways: sales in this channel grew to € 1,021.6m, from € 984.2m in 2009. The increase of 3.8% reflects 85 additional units, including 78 Esso stations (mostly on non-toll roads), acquired in mid-2010. From January to December, against traffic growth of 0.4%[16] on the entire motorway network, sales increased by 0.7% on a like-for-like basis, and the mix shifted toward complementary products. Net of the additional locations, in fact, sales of primary goods (food & beverage and market sales) were roughly in line with the previous year, while sales of complementary goods (lottery tickets, newspapers & magazines and tobacco products) were up by 2.4%.
- Airports: sales rose by 5.6%, from € 88.4m in 2009 to € 93.3m, thanks to a new contract at Palermo airport and an increase in revenue at Rome Fiumicino which, despite one outlet's closure for renovations in the fourth quarter, more than compensated for the decline in sales at the two Milan airports (particularly Malpensa). On a like-for-like basis, sales were up by 2.9%, compared with traffic growth of 7.1%[17], due to the negative performance at Linate and Malpensa in Milan.
- Railway stations and shipboard catering: sales increased by 11.6% (from € 37.3m to € 41.6m) thanks to new openings at Milan Central Station and Turin Porta Nuova, as part of the "Grandi Stazioni" project, which more than offset the reduction in shipboard catering revenue due to the lower number of ferries served.
- Other channels (shopping malls, high streets and trade fairs): revenue came to € 163.2m, compared with € 160.5m the previous year (+1.7%), on the strength of high street locations and the opening of new trade fair outlets.

[16] Source: AISCAT, January-December 2010
[17] Source: Group estimates on Assoaeroporti data, January-December 2010 – Airports served by the Group

EBITDA

EBITDA in 2010 was € 147.5m, a decrease of 8.0% on the previous year's € 160.4m, which included € 2.0m in ordinary income attributable to prior years. Net of that income, the change would have amounted to –6.9%. EBITDA as a percentage of sales went from 12.4% to 10.9%. The decrease reflects the rise in personnel expense, due to the renewal of the collective national labour contract, a less favourable sales mix (with a higher incidence of less profitable complementary goods), and the cost of integrating the locations acquired from Esso Italiana starting in July 2010.

Capital expenditure

The Group invested € 57.5m in 2010 (€ 34.6m the previous year), amounting to 4.3% of sales (2.7% in 2009). The most significant projects concerned the Montefeltro Ovest, Villanova Sud and Alento Ovest areas in the motorway channel; Milan Central Station and Turin Porta Nuova in the railway channel; and Rome Fiumicino and Palermo in the airport channel.

Other countries

			Change	
(€m)	2010	2009 *	2009	At constant exchange rates
Revenue	**760.1**	**713.9**	**6.5%**	**4.4%**
Airports	442.3	416.2	6.3%	4.8%
Motorways	170.6	164.0	4.0%	0.9%
Railway stations	100.4	93.2	7.8%	6.3%
Other	46.8	40.5	15.6%	9.8%
EBITDA	**54.2**	**52.8**	**2.6%**	**0.3%**
EBITDA margin	*7.1%*	*7.4%*		
Capital expenditure	**38.8**	**28.9**	**34.1%**	**30.7%**
% of revenue	*5.1%*	*4.1%*		

* EBITDA differs from the one originally reported, having allocated corporate cost related to this area, equal to € 3.8m, originally reported under unallocated

Revenue

Revenue earned in other countries came to € 760.1m in 2010, compared with € 713.9m the previous year (+6.5% or +4.4% at constant exchange rates), thanks to the full contribution of the German and French locations opened during the course of 2009.

Performance by channel is described below:

- Motorways: Revenue rose from € 416.2m in 2009 to € 442.3m (+6.3% or +4.8% at constant exchange rates). main increases were recorded in France (+7.5%), which has benefitted since mid-2009 from the reduction in VAT on food & beverage and the consequent boost in consumption and, since February 2010, from the reopening of the Montelimar location after a complete overhaul; and in Germany, which enjoyed full-year sales of the 13 new outlets opened in 2009 and revenue from two more opened this year. Sales in the Netherlands (–6.4%), Spain (–9.7%) and Greece (–12.9%) continued to reflect the economic crisis and the recession.
- Airports: Revenue climbed to € 170.6m, from € 164.0m the previous year, for an increase of 4.0% (+0.9% at constant exchange rates). Sales were up at Swiss airports (+6.2% in local currency) and in Belgium (+5.9%), but continued to decline in Ireland (–26.7%) and Spain (–7.1%).
- Railway stations: revenue growth came to 7.8%, from € 93.2m in 2009 to € 100.4m (+6.3% at constant exchange rates). Positive results in France (+8.6%) and Belgium (+70.7%), which benefited from new openings in subway stations, more than compensated for the 8.6% decrease in Spain.
- Other channels (highstreets and shopping malls): revenue came to € 46.8m, an increase of 15.6% with respect to last year's € 40.5m (+9.8% at constant exchange rates), thanks in part to the December 2009 reopening of the Carrousel du Louvre locations in Paris after a complete restructuring.

EBITDA

EBITDA for the year was € 54.2m, slightly higher than the € 52.8m reported in 2009 (+0.3% at constant exchange rates), which included € 1.8m in ordinary income attributable to prior years concerning the final price adjustment on the sale of a business. Net of that income, the change would have amounted to +6.2% (+3.7% at constant exchange rates). As a percentage of sales EBITDA went from 7.4% in 2009 to 7.1%, reflecting the start-up of new locations in Germany and the Czech Republic, as well as the increased personnel expense and the effect of the workers' strikes in France (most notably in the month of April). The 2010 figure also benefits from a revision of the tax code in France; the "taxe professionelle" (€ 4.2m in 2009), classified under operating costs, has been replaced by two new taxes, the more significant of which has been classified under income tax since the fourth quarter in accordance with instructions received.

Capital expenditure

Capital expenditure came to € 38.8m (€ 28.9m in 2009), or 5.1% of sales (4.1% the previous year). Investments were concentrated in France, where the Group continued to modernise various motorway locations and completed the renovations at Carrousel du Louvre. In addition, renovation work was completed at the Ruisbroek (Belgium) locations, while in Zurich, Switzerland the Gran Caffè Motta was inaugurated in the city center and some airport outlets were refurbished.

1.4.2 Travel Retail & Duty-Free

The overall contribution of Travel Retail & Duty-Free operations to the main consolidated results for the year is summarised below:

			Change	
(€m)	2010	2009	2009	At constant exchange rates
Revenue	**1,675.7**	**1,538.0**	**9.0%**	**7.0%**
Airports	1,631.1	1,500.4	8.7%	6.8%
Spain	*493.8*	*474.6*	*4.0%*	*4.0%*
United Kingdom	*785.1*	*708.4*	*10.8%*	*6.7%*
Other countries	*352.2*	*317.4*	*11.0%*	*11.0%*
Other *	44.6	37.7	18.4%	17.7%
EBITDA	**193.6**	**156.9**	**23.4%**	**21.2%**
EBITDA margin	*11.6%*	*10.2%*		
Capital expenditure	**28.0**	**21.8**	**28.2%**	**25.9%**
% of revenue	*1.7%*	*1.4%*		

* Includes wholesales and revenue from "Palacio y Museo", previously reported as airports channel

Revenue

Travel Retail & Duty-Free closed the year with revenue of € 1,675.7m, an increase of 9.0% with respect to the previous year's € 1,538.0m (+7.0% at constant exchange rates), showing a strong performance at most of the airports served. This is a particularly good result considering the many factors in 2010 that negatively influenced airport traffic. These include the exceptional cold spell in the United Kingdom and Northern Europe in both January and December 2010, the volcanic eruption in Iceland, and the repeated strikes by British Airways and Iberia flight personnel and by air traffic controllers. The Group estimates that these disruptions reduced sales by more than € 18m.

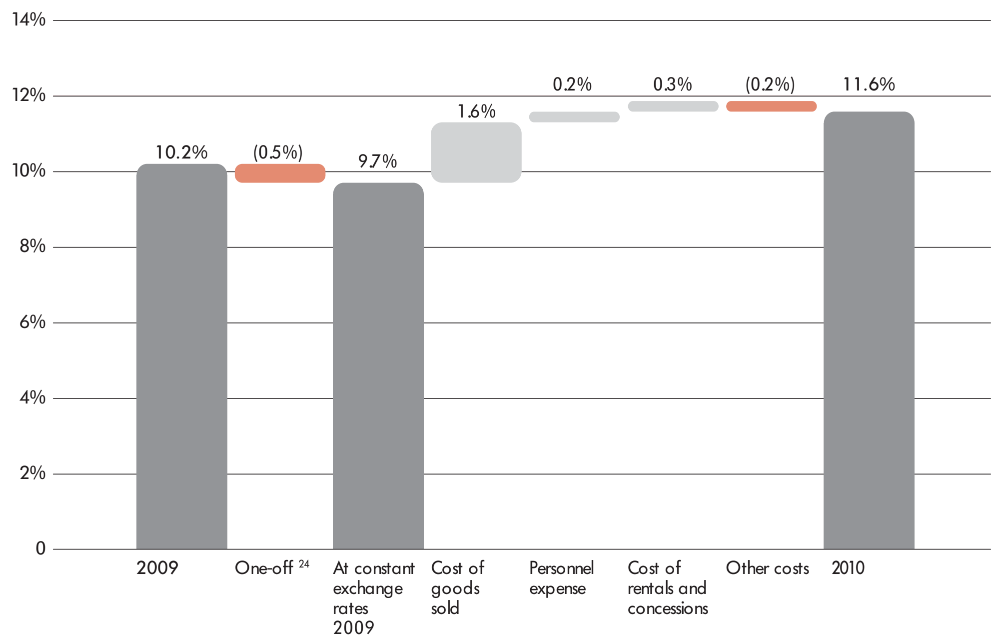
Region-by-region performance is described below:

- Spain: revenue for 2010 came to € 493.8m, up from € 474.6m in 2009 (+4.0%), compared with traffic growth of 2.7%[18]. Performance at Barcelona and Madrid was especially strong, thanks in part to the increase in traffic to non-European destinations; sales at Barcelona airport were up by 23.7% to € 85.2m, against traffic growth of 6.5%, while sales at Madrid-Barajas grew by 5.7% to € 171.0m, with traffic up by 2.9%[19].
- United Kingdom: revenue in the UK climbed from £ 631.2m[20] in 2009 to £ 673.4m (+6.7%), despite a 3.1% decline in traffic[21], due primarily to the 9.2% increase in sales at Heathrow shops (where traffic dipped by 0.2%[22]). Despite the overall decrease in traffic, the greater numbers of passengers travelling to non-European destinations and the optimisation of retail offerings at the different shops and airports allowed a substantial increase in sales.
- Other countries[23]: sales came to € 352.2m for the year, compared with € 317.4m in 2009 (+11.0%), with good results in all countries despite the Group's exit from a number of stores. Top performers were Canada, with its increased connections to Asia; Mexico, which has recovered well from the tourism slump of 2009 caused by the swine flu outbreak; Peru; and Jordan. Chile, too, enjoyed significant growth despite the earthquake that caused major damage to airports in February.

EBITDA

EBITDA for the Travel Retail & Duty-Free business grew by 23.4% in 2010, from € 156.9m to € 193.6m (+21.2% at constant exchange rates). The improvement is even greater considering that in 2009, this segment had benefited from € 7.5m in ordinary income pertaining to previous years. Net of that income, the change would have amounted to +29.6% (+27.2% at constant exchange rates). The EBITDA margin rose from 10.2% to 11.6% of revenue, reflecting a more favourable sales mix (which at European airports profited from increased traffic to destinations outside the continent), as well as the synergies achieved from further integration of the retail units and the streamlining of operating costs.

Change in Travel Retail & Duty-Free EBITDA margin – 2010



[18] Source: AENA, January-December 2010
[19] Source: AENA, Madrid-Barajas Airport, January-December 2010
[20] This figure differs from the originally published £ 636m due to the reclassification of wholesale sales
[21] Source: BAA, Manchester Airport and Gatwick Airport, January-December 2010
[22] Source: BAA, January-December 2010
[23] Mexico, Jordan, Chile, Canada, Kuwait, Peru, United States, Portugal, Dutch Antilles, France, Colombia, Cape Verde, Panama, Sri Lanka, India and Maldives
[24] Elimination of income pertaining to prior years

Capital expenditure

Capital expenditure in 2010 came to € 28.0m (€ 21.8m the previous year) and rose from 1.4% to 1.7% of revenue. Most expenditure was concentrated on the Malaga, Madrid and Ibiza terminals in Spain and on shop renovations at London Heathrow, Birmingham and Manchester in the UK. Shops were also expanded and refurbished in Jordan and in Vancouver, Canada.

Group reorganisation

In 2010 the Group completed the reorganisation process, in particular by eliminating overlaps between companies active in the different sectors. One purpose of this is to make the management of each business unit fully accountable for its economic and financial performance, through the separate allocation of debt, borrowing costs and tax effects.

In addition to the results discussed above and the segment reporting contained in the notes to the financial statements, for 2010 it was therefore possible to produce a complete set of accounts for the Travel Retail & Duty-Free business, as summarised in the tables below.

Condensed income statement

(€m)	2010	% of revenue
Revenue	1,675.7	100.0%
Other operating income	31.4	1.9%
Total revenue and other operating income	**1,707.1**	**101.9%**
Raw materials, supplies and goods	(733.8)	43.8%
Personnel expense	(180.6)	10.8%
Leases, rentals, concessions and royalties	(505.7)	30.2%
Other operating costs	(93.4)	5.6%
EBITDA	**193.6**	**11.6%**
Depreciation, amortisation and impairment losses	(115.4)	6.9%
EBIT	**78.2**	**4.7%**
Net financial expense	(44.0)	3.6%
Net impairment losses on financial assets	1.3	0.1%
Pre tax profit	**35.5**	**1.1%**
Income tax	(7.1)	0.2%
Profit attributable to:	**28.4**	**7.0%**
– owners of the parent	26.9	7.9%
– non-controlling interests	1.6	0.1%

Reclassified statement of financial position

(€m)	31.12.2010
Intangible assets	1,344.8
Goodwill	*582.1*
Concessions, licences and similar rights	*651.8*
Trademarks	*105.8*
Other	*5.0*
Property, plants and equipment	114.9
Financial assets	8.3
A) Non-current assets	**1,468.0**
Inventories	121.1
Trade receivables	19.1
Other receivables	22.9
Trade payables	(200.5)
Other payables	(78.9)
B) Working capital	**(116.3)**
C) Invested capital, less current liabilties	**1,351.7**
D) Other non-current non-financial assets and liabilities	**(128.5)**
E) Net invested capital	**1,223.1**
Equity attributable to owners of the parent	497.2
Equity attributable to non-controlling interests	1.1
F) Equity	**498.4**
G) Net financial indebtedness	**724.8**
Total	**1,223.1**

Statement of cash flows and net financial position

(€m)	2010
Opening - net cash and cash equivalents (2009 exchange rate)	**(1,584.9)**
Exchange rate difference	(19.2)
Opening - net cash and cash equivalents (2010 exchange rate)	**(1,604.0)**
Pre tax profit tax and net financial expense for the period	79.9
Amortisation, depreciation and impairment losses on non-current assets, net of reversals	115.4
Adjustments and (gains)/losses on disposal of financial assets	(1.3)
(Gains)/losses on disposal of non-current assets	0.1
Change in working capital in the year	51.3
Net change in non-current non-financial assets and liabilities	(30.3)
Cash flow from operating activities	**215.1**
Taxes paid	(23.3)
Interest paid	(46.3)
Net cash from operating activities	**145.5**
Acquisition of property, plant and equipment and intangible assets	(28.0)
Proceeds from sale of non-current assets	0.4
Acquisition of investments from Autogrill (25% Vancouver)	(1.0)
Net change in non-current financial assets	(0.3)
Net cash flow used in investing activities	**(28.9)**
Cash flow for the year from continuing operations	**116.7**
Share capital increase	400.0
Cash from Flight business disposal	165.4
Cash from Autogrill Schweiz A.G. disposal	150.2
Cash from Autogrill Participaciones S.A.U. disposal	47.0
Cash flow for the year from extraordinary activities	**762.6**
Closing - net cash and cash equivalents	**(724.8)**

As shown in the statement of cash flows, in addition to the cash generated by ordinary operations, the extraordinary transactions completed at the end of the year managed to halve the net debt of the Travel Retail & Duty-Free segment (i.e. the group headed up by Autogrill España S.A.U.).

Cash flow from operating activities was reduced by € 10.3m for payment of the back rent taken on with the acquisition of Aldeasa (2005); the remaining € 17.6m will be paid in 2011-2012.

Financial expense incurred in 2010 by the Autogrill España group therefore correlates with average indebtedness for the year that was nearly double the year-end debt.

1.5 Performance in the fourth quarter of 2010

Revenue

Consolidated revenue for the fourth quarter amounted to € 1,488.1m, compared with € 1,361.5m in 2009, showing an increase of 9.3% (+5.0% at constant exchange rates).

Traffic trends continued to be more positive in the airport channel than the motorway channel; as a result, at constant exchange rates, the sales growth of Travel Retail & Duty-Free (+6.0%) outpaced that of Food & Beverage (+4.7).

EBITDA

Consolidated fourth-quarter EBITDA was € 131.2m, an increase of 9.6% with respect to the same period last year (€ 119.6m), or +4.2% at constant exchange rates.

EBITDA came to 8.8% of revenue, unchanged since the same period of the previous year.

Capital expenditure

Capex in the fourth quarter totalled € 104.0m, up from € 63.0m in 2009.

Food & Beverage

Revenue

Fourth quarter revenue amounted to € 1,068.9m, an increase of 9.7% with respect to the € 974.2m grossed in the last quarter of 2009 (+4.7% at constant exchange rates).

EBITDA

Fourth quarter EBITDA came to € 92.4m, compared with € 85.1m the previous year (+8.6% or +2.2% at constant exchange rates). The EBITDA margin was unchanged at 8.6% of sales.

Capital expenditure

In the fourth quarter, investments came to € 86.5m (€ 52.5m in the same period of the previous year).

HMSHost (North America and Pacific Region)

Revenue

Revenue for the fourth quarter of 2010 came to $ 766.9m, up from $ 728.0m in the same period of the previous year (+5.3%), thanks to a significant upturn in traffic growth in the US (+5.0% for the quarter compared with an average of +1.7% for full-year 2010). The Group confirmed its ability to outperform traffic, with sales up by 7.5% at US airports on a comparable basis. Sales in the motorway channel increased by 2.4% for the quarter, benefiting from a favourable comparison with the fourth quarter of 2009, when locations along the Delaware Turnpike were closed for renovations.

EBITDA

Fourth-quarter EBITDA amounted to $ 84.3m, +6.3% on the same period of previous year ($ 79.3m), and rose from 10.9% to 11.0% of sales. The higher EBITDA margin is explained by the increased sales during the period and the resulting improvement in operating leverage.

Capital expenditure

Fourth quarter capital expenditure totalled $ 53.4m ($ 43.1m in the same period of 2009) and went from 5.9% to 7.0% of sales.

Italy

Revenue

In the fourth quarter of 2010 revenue amounted to € 326.3m, compared with € 312.3m in the same period of the previous year (+4.5%), despite a decrease in lottery ticket sales and a less favourable calendar (no long weekend for the Immaculate Conception and fewer bank holidays during the Christmas break).

EBITDA

EBITDA for the fourth quarter was € 23.1m, a decrease of 15.0% on the same period of the previous year's € 27.2m, and went from 8.7% to 7.1% of sales. The lower margin reflects the trends described for the full year: a less favourable sales mix, a higher incidence of personnel expense due to wage and salary increases mandated by the renewal of the collective employment contract, and a more intense programme of sales-boosting initiatives.

Capital expenditure

Fourth quarter capital expenditure totalled $ 22.6m ($ 10.2m in 2009) and rose from 3.3% to 6.9% of sales.

Other countries

Revenue

Sales in the final quarter grew from € 166.1m in 2009 to € 175.6m, an increase of 5.7% (+2.6% at constant exchange rates). The airport channel showed the best performance of the quarter, with revenue up by € 5.2m thanks to brisk sales at the Brussels and Zurich shops.

EBITDA

Fourth quarter EBITDA was € 7.2m, compared with € 4.5m in the same period of the previous year (+60.9%, or +48.2% at constant exchange rates). An important contributing factor was the classification under income tax, starting in the fourth quarter, of the French value added tax that was introduced in 2010 to replace the "*taxe professionnelle*", which had been treated as an operating cost.

Capital expenditure

Capital expenditure in the fourth quarter came to € 22.8m (€ 12.0m in 2009).

Travel Retail & Duty-Free

Revenue

In the fourth quarter of 2010, sales in the Travel Retail & Duty-Free segment came to € 419.2m, an increase of 8.2% on the same period of previous year's € 387.3m (+6.0% at constant exchange rates). Such progress was achieved despite the poor weather in the United Kingdom and the air traffic controllers' strike in Spain, and the Group's exit from contracts that in the fourth quarter of 2009 had produced revenue of around € 12.7m.

Sales at Spanish airports were up by 7.5%, from € 107.6m in the fourth quarter of 2009 to € 115.7m, against traffic growth of 4.3%. The final quarter upheld a steady growth trend for Madrid airport (+5.1%), while Barcelona (+25.0%) made further advances on its already excellent performance in the previous quarters. Although the final result remained negative (–2.4%), the other Spanish airports confirmed the signs of recovery that had begun to emerge during the summer.

The inclement weather that struck the UK in December slowed sales growth to 4.0% (+£ 175.3m for the quarter), with Heathrow shops still in the lead (+8.1%) for the period.

In the fourth quarter of 2010, airports in other countries grossed € 87.9m, an increase of 11.8% on the same period of previous year (+14.4% at constant exchange rates). Results were excellent at most of the airports served.

EBITDA

Fourth quarter EBITDA came to € 49.1m, up from € 42.2m in 2009 (+16.2%), and rose from 10.9% to 11.7% of sales. As stated for full-year 2010, the margin improved due to the higher volumes and better sales mix.

Capital expenditure

Capex in the fourth quarter came to € 14.5m (€ 3.5m on the same period of the previous year), amounting to 3.5% of sales. Shops at Spanish airports, including the new terminal in Malaga, received about half of all investment for the quarter.

1.6 Outlook

In the first eight weeks of 2011, revenue was up by 2.7% at constant exchange rates[25] compared to the same period in 2010.

The new year began by confirming some emergent trends. In general, sales growth was stronger for Travel Retail & Duty-Free than for Food & Beverage, which suffered sharp volatility in weekly sales due to a less favourable holiday calendar and the impact of bad weather on mobility.

In addition, oil prices may affect traffic scenarios, the prices of other raw materials, and consumer confidence, which would influence business performance.

We have therefore designed two possible scenarios:

“Best case” would mean an upturn in traffic growth, especially in the airport channel, made possible by a recovery in economic conditions and consumption in the major countries served by the Group and assisted by the stabilisation of oil prices;

“Worst case” indicates a less favourable trend in traffic, should the recovery take longer to coalesce or should oil prices remain as volatile as they have been in this initial glimpse of 2011.

	Worst case	Best case
Traffic US airports	1.5%	3.0%
Traffic Italian motorways	0.0%	0.5%
Traffic Spanish airports	2.0%	3.0%
Traffic United Kingdom airports	2.0%	3.0%

[25] Average exchange rates: €/$ 1.35, €/£ 0.85

As a result, figures for the year[26] are projected to lie within the following ranges:

(€m)	Worst case	Best case
Revenue	5,800	5,900
EBITDA	610	640
Capital expenditure	250	250

Significant subsequent events

Since 31 December 2010, no events have occurred that if known in advance would have entailed an adjustment to the figures reported or required additional disclosures.

[26] Average exchange rates: €/$ 1.35, €/£ 0.86