INFORMATION FOR THE SHAREHOLDERS REGARDING THE PROPOSAL OF PARTIAL PROPORTIONAL DEMERGER OF AUTOGRILL S.P.A. IN FAVOUR OF WORLD DUTY FREE S.P.A.

prepared for the Extraordinary General Shareholders' Meeting of Autogrill S.p.A., convened for 6 June 2013 (first call) and, if necessary, for 13 June 2013 (second call)

Milan – 22 May 2013

Autogrill S.p.A.

Registered office in Novara, via L. Giulietti no. 9 and Secondary office in Rozzano (MI), Centro Direzionale Milanofiori - Strada 5, Palazzo Z

Share Capital Euro 132,288,000.00 fully-paid up

Company Register of Novara Italian Tax Code no. 03091940266

TABLE OF CONTENTS

INTRODUCTION **2**

1. Main warnings and risks related to the Demerger and the Other Operations **3**
1.1 Risks relating to the financial situation of the Assigning Company and of the Beneficiary Company 3
1.2 Risks associated with joint and several liability arising from the Demerger 3
1.3 Risks relating to the transfer of U.S. Retail Branch 4
1.4 Risks relating to the securities being offered 4

2. Impact of the Demerger and of the Other Operations (as defined below) on the main consolidated cash flows of the Group headed by the Assigning Company and of the Group headed by the Beneficiary Company **5**

3. Information on the U.S. Retail Branch **8**
3.1 Description of the U.S. Retail Branch 8
3.2 Transfer of the U.S. Retail Branch 8

4. the Autogrill Group's current sources of financing and the future sources of financing for the Group headed by the Assigning Company **9**
4.1 Autogrill Group’s current sources of financing 9
4.2 Future sources of financing for the Group headed by the Assigning Company 12

5. Prospects, cash flows and future investments of the Group headed by the Assigning Company **13**

6. WDFG Group’s current sources of financing and future sources of financing for the Group headed by the Beneficiary Company **16**
6.1 WDFG Group’s current sources of financing 16
6.2 Future sources of financing for the Group headed by the Beneficiary Company 18

7. Prospects, cash flows and future investments of the Group headed by the Beneficiary Company **21**

8. Correction of clerical errors contained in the Report **23**

INTRODUCTION

This document (the "**Document**") has been prepared by the Board of Directors of Autogrill S.p.A. ("**Autogrill**" or the "**Assigning Company**") in order to provide the Shareholders with some useful elements to cast an informed vote on the plan for the partial and proportional demerger of the Assigning Company in favour of the wholly-owned subsidiary World Duty Free S.p.A. ("**WDF**" or " **Beneficiary Company** ").

The opportunity to prepare this Document has been assessed by the Board of Directors, also in light of the decision of Autogrill, adopted by resolution of the Board of Directors on 24 January 2013, to exercise the "*opt out*" right pursuant to which the Company - in accordance with the provisions of Article 70, eighth paragraph, of the Issuers Regulation, adopted by the Consob resolution dated 14 May 1999, no. 11791 and subsequent amendments - is no longer required to prepare and publish a prospectus for mergers and demergers, including the demerger on which the Shareholders' Meeting is called to vote on 6 June 2013 (the "**Demerger**").

Also, thanks to this Document, the Company intends to provide Shareholders called to resolve on the Demerger with updated information regarding the results of the Group as at 31 March 2013 (inclusive of both the *Food & Beverage* sector and the *Travel Retail & Duty Free* sector, the "**Group**"), including advice on the prospects for the aforementioned business sectors after the completion of the Demerger.

The terms set out with a capital letter in this Document, if not otherwise defined herein, shall have the same meanings ascribed in the Report of the Board of Directors to the Demerger Plan approved on 3 May 2013 (the "**Report**") and made available (together with the Demerger Plan) on the website of the Company on 4 May 2013. In particular, in this document, the terms listed below shall have the following meanings:

- "**WDFG Group**": WDF SAU (subsidiary wholly-owned by Autogrill) and the companies directly or indirectly controlled by the aforesaid at the date hereof, operating in the *Travel Retail & Duty Free* sector;

- "**Autogrill Group**": Autogrill and the companies directly or indirectly controlled by Autogrill at the date of this Document, active in the sector of *Food & Beverage*, and therefore excluding the companies belonging to the WDFG Group;

- "**Group headed by the Beneficiary Company**": WDF and the companies which, as a result of the Demerger and transfer of U.S. Retail Branch, will be controlled, directly or indirectly, by WDF therefore, including the companies belonging to the WDFG Group as at the date of this Document, which will become part of the Group headed by the Beneficiary Company following the allocation by Autogrill to WDF of the interest held by the first in WDFG SAU;

- "**Group headed by the Assigning Company**": Autogrill and the companies that, after the completion of the Demerger and transfer of U.S. Retail Branch will continue to be controlled, directly or indirectly, by Autogrill.

1. MAIN WARNINGS AND RISKS RELATED TO THE DEMERGER AND THE OTHER OPERATIONS

1.1 Risks relating to the financial situation of the Assigning Company and of the Beneficiary Company

While not changing the overall net financial indebtedness, the Demerger will result in the separation of the Group into two independent groups characterised by a reduced industrial diversification and, consequently, by a potential loss of flexibility in the management of the cash flow to service their individual debt.

Compared to the situation prior to the Demerger, future economic-financial results of the Group headed by the Assigning Company and the Group headed by the Beneficiary Company will only reflect the performance of their respective activities.

In view of the above, the sustainable net financial indebtedness for the Group headed by the Assigning Company and for the Group headed by the Beneficiary Company was determined by taking into account:

- the industrial prospects of the two sectors of business *Food & Beverage*, on the one hand, and *Travel Retail & Duty Free*, on the other;
- the different business models, in particular in relation to the greater rigidity of the cost structure and more capital-intensive investments that characterise the *Food & Beverage* sector compared to the *Travel Retail & Duty Free* sector;
- the strategies and the economic-financial prospects identified for the two business sectors.

The sustainability of the net financial indebtedness allocated to the two business sectors has been appropriately tested and verified by simulating the impact on economic and financial plans of possible events that, should they occur, could adversely affect the operating results and cash flow of the two business sectors.

The economic and financial plans of the two business sectors have been tested in particular in order to ensure their ability to meet the financial ratios of the respective financing agreements even in such negative scenarios. All tests were positively passed, even in the most unfavourable case where all events having the highest estimated impact occurred simultaneously (i.e. *worst case scenario*).

The risk of experiencing further negative or more severe scenarios than those included in the worst case scenario cannot however be excluded, with consequent negative effects on the financial indebtedness of the Group headed by the Assigning Company and/or the Group headed by the Beneficiary Company.

1.2 Risks associated with joint and several liability arising from the

Demerger

Pursuant to Article 2506-*quater,* third paragraph of the Italian Civil Code, from the date on which the Demerger becomes effective, the Assigning Company and the Beneficiary Company will remain jointly and severally liable – within the limit of the actual equity left or assigned to them – for the debts of the Assigning Company existing at the effective date of the Demerger which have not been paid by the company of reference upon completion of the Demerger. However, pursuant to Article 173, thirteenth paragraph, of Presidential Decree no. 917 dated 22 December 1986 and Article 15, second paragraph, of Legislative Decree no. 472 dated 18 December 1997, with regard only to tax payables and notwithstanding the provisions of the Italian Civil Code, the Beneficiary Company may be held responsible jointly and severally with the Assigning Company also beyond the limits of the equity transferred.

1.3 Risks relating to the transfer of U.S. Retail Branch

Pending the Demerger, HMSHost Corporation ("**HMS**"), a company wholly owned by Autogrill, in compliance with the procedures indicated in the Report, will transfer the U.S. Retail Branch to the WDFG Group (which by virtue of the Demerger will become part of the Group headed by the Beneficiary Company).

Being the business of the U.S. Retail Branch managed under license contracts entered into with local agencies (the "**Licensors**"), the transfer of U.S. Retail Branch will assume that the Licensors have consented to the transfer of their license contracts to the Group headed by the Beneficiary Company.

It should be noted, however, that there is no certainty, at the date of this Document, on the actual possibilities and/or time required to obtain such authorisation from the Licensors.

In fact, the Licensors involved could decide both to withhold their consent to the aforesaid transfer (with a consequent reduction of the scope of business carried out by the U.S Retail Branch in comparison to that originally planned) and to grant authorisation after the effective date of the Demerger.

It should be noted, however, that the transfer of U.S. Retail Branch is an operation which, although made in the context of the Demerger, is legally and operationally independent from the latter. Therefore, any delay in transferring the U.S. Retail Branch or reduction of the scope of business included in the same as a result of the above will not in any way prevent the completion of the Demerger.

1.4 Risks relating to the securities being offered

Following the completion of the Demerger, the holders of Autogrill and WDF shares will be entitled to liquidate their investment by selling them on their respective listing markets. However, it cannot be ensured that a liquid market for the shares of the Assigning Company and of the Beneficiary Company will be formed or maintained. Therefore, there could be a liquidity risk, typical of the securities markets, where sales inquiries fail to find

adequate and timely counterparts and therefore could be subject to fluctuations in price, even of a significant range.

At the date of this Document, the Autogrill shares are inserted in the FTSE MIB index, the main reference for the Italian stock market, consisting of 40 companies with the highest liquidity and capitalisation in comparison to the entire list. As a consequence of the Demerger, the Autogrill shares could fail to maintain the necessary requisites required in order to stay in this index and the WDF shares may not be eligible for inclusion in this index. Should the Assigning Company leave the FTSE MIB index and/or the Beneficiary Company be excluded from the same index, this might have an impact on the liquidity and/or the performance of their securities.

2. IMPACT OF THE DEMERGER AND OF THE OTHER OPERATIONS (AS DEFINED BELOW) ON THE MAIN CONSOLIDATED CASH FLOWS OF THE GROUP HEADED BY THE ASSIGNING COMPANY AND OF THE GROUP HEADED BY THE BENEFICIARY COMPANY

In order to supplement the information reported in paragraph 3.5 of the Report concerning the main effects of the Demerger and Other Operations as defined and listed below from (i) to (iv) (the "**Transaction**") on the main consolidated economic and financial data of the Assigning Company and of the Beneficiary Company for the year 2012, here follows a description of the main effects of the Transaction– on the consolidated cash flows for the year 2012 of the two companies: *(i)* the advance payment and cash deposit paid to AENA in relation to the contracts signed between WDFG Group and AENA on 14 February 2013; *(ii)* the distribution of dividends by WDFG SAU to Autogrill; *(iii)* the transfer of the U.S. Retail Branch; and *(iv)* the drawdown of the Loan (as defined below) by the Group headed by the Beneficiary Company and extinguishment of the bank loans and Intercompany Loans currently in place (the "**Other Operations**").

TABLE 1 – Consolidated cash flows

(€ million)	**Autogrill consolidated financial information as at 31 December 2012**	**Assigning Company consolidated financial information post-Transaction**	**Beneficiary Company consolidated financial information post-Transaction**
Cash flow from operating activities	418.8	221.8	176.9
Cash flow used in investing activities	(281.4)	(238.1)	(43.3)
Cash flow used in financing activities	(218.8)	(215.3)	(3.5)
Cash flow for the period	**(81.4)**	**(231.6)**	**130.1**

It should be noted that the columns "Assigning Company consolidated financial information post-Transaction" and "Beneficiary Company consolidated financial information post-Transaction" reflect the principal effects deriving both from the Demerger and from the Other Operations. Therefore, the sum of those two columns does not match with the column titled "Autogrill consolidated financial information as at 31 December 2012".

The following tables describe the effects of the Transaction on the main consolidated cash flows, and in particular on the cash flow from operating activities, on the cash flow used in investing activities and on the cash flow used in financing activities.

TABLE 2 – Table representing the main effects deriving from the Transaction on Assigning Company's and Beneficiary Company's consolidated cash flows from operating activities for the year 2012

(€ million)	Assigning Company (A)	Beneficiary Company (B)	(A) + (B)
Consolidated cash flow from operating activities pre-Transaction for the year ended December 31, 2012	**418.8**		**418.8**
Demerger	(188.7)	188.7	-
Consolidated cash flow from operating activities attributed to the two entities	**230.1**	**188.7**	**418.8**
Transfer of US Retail Branch	(12.1)	12.1	-
Financial expense	3.8	(23.9)	(20.1)
Total consolidated cash flow from operating activities post-Transaction for the year ended December 31, 2012	**221.8**	**176.9**	**398.7**

In addition to the effects resulting from the Demerger, the table above shows the financial effects resulting from the transfer of the US Retail Branch and the change in interest expenses due to the different post-Transaction debt allocation between the Group headed by the Beneficiary Company and the Group Headed by the Assigning Company. For further details see the Report.

TABLE 3 – Table representing the main effects deriving from the Transaction on Assigning Company's and Beneficiary Company's consolidated cash flows used in investing activities for the year 2012

(€ million)	Assigning Company (A)	Beneficiary Company (B)	(A) + (B)
Consolidated cash flow used in investing activities pre-Transaction for the year ended December 31, 2012	**(281.4)**		**(281.4)**
Demerger	29.9	(29.9)	-
Consolidated cash flow used in investing activities attributed to the two entities	**(251.5)**	**(29.9)**	**(281.4)**
Transfer of US Retail Branch	13.4	(13.4)	-
Total consolidated cash flow used in investing activities post-Transaction for the year ended December 31, 2012	**(238.1)**	**(43.3)**	**(281.4)**

TABLE 4 – Table representing the main effects deriving from the Transaction on Assigning Company's and Beneficiary Company's consolidated cash flows used in

financing activities for the year 2012

(€ million)	Assigning Company (A)	Beneficiary Company (B)	(A) + (B)
Consolidated cash flow used in financing activities pre-Transaction for the year ended December 31, 2012	**(218.8)**		**(218.8)**
Demerger	2.0	(2.0)	-
Consolidated cash flow used in financing activities attributed to the two entities	**(216.8)**	**(2.0)**	**(218.8)**
Transfer of US Retail Branch	1.5	(1.5)	-
Total consolidated cash flow used in financing activities post-Transaction for the year ended December 31, 2012	**(215.3)**	**(3.5)**	**(218.8)**

Tables 3 and 4 above reflect the financial effects of the Transaction, in line with what discussed in Table 2.

The cash outflows for Euro 216.8 million from financing activities related to the Autogrill Group, mainly include: *(i)* the repayment of Euro 148 million, net of uses, mostly related to the extinguishment of a long-term credit line with maturity date 9 June 2012; and *(ii)* the payment of the dividends by the Group to the Shareholders, for Euro 76.7 million.

Consistently with the situation following the Demerger, the effects of the financial transactions between Autogrill Group's companies and WDFG Group's companies occurred during the year 2012 have been eliminated, and in particular:

- the repayment of the Intercompany Loan by WDFG Group to Autogrill Group for an amount of Euro 116.6 million; and

- the dividend payment of Euro 70 million by WDFG Group to Autogrill Group.

With reference to the effects on the consolidated cash flows and the net consolidated financial indebtedness resulting from the transactions described below:

- dividend distribution of Euro 220 million by WDFG SAU to the Assigning Company;

- payment of the price related to the transfer of US Retail Branch, assumed to be Euro 92 million, to the Group headed by the Assigning Company, and payment by the Group headed by the Assigning Company of the related taxes (assumed to be Euro 15 million);

- payment by WDFG Group to AENA of approximately Euro 306 million, as advance payment of part of the future concession fees and as security deposit;

- any change to the Assigning Company's loan agreements, under negotiation with the lenders, as described in the following paragraph 4.2;

please refer to the following paragraphs 5 and 7.

3. INFORMATION ON THE U.S. RETAIL BRANCH

3.1 Description of the U.S. Retail Branch

The U.S. Retail Branch consists of 240 convenience stores located in 34 North American airports under license contracts. It operates in the following major airports: Atlanta, Minneapolis, Houston and Miami.

The convenience store offer is mainly represented by souvenirs, gifts, books and newspapers, as well as pre-packaged food and drinks. This type of offer is characterised by a reduced need for geographical differentiation and presents some types of goods in common with those found in some stores of the WDFG Group.

In recent years, the U.S. Retail Branch has registered a stable turnover of approximately USD 262 million in 2010, USD 253 million in 2011 and USD 254 million in 2012, representing approximately 4% of Autogrill Group sales and about 9% of WDFG Group sales.

Over the past 12 years the average annual growth in sales of U.S. Retail Branch was approximately 2%.

The sale of the U.S. Retail Branch to the WDFG Group (and therefore, by virtue of the Demerger to the Group headed by the Beneficiary Company) is part of the desire to focus on a single group all the retail activities currently carried out in the airport market. It is believed that the U.S. Retail Branch could benefit from being part of a larger organisation entirely focused on the retail sector, especially with regard to the pooling of expertise in areas such as sales space planning, merchandising, the analysis of the tastes and needs of customers, marketing, logistics and supply chain.

3.2 Transfer of the U.S. Retail Branch

At the date of this Document, negotiations with the Licensors are ongoing in order to obtain the necessary and/or appropriate authorisations to carry out the transfer of the U.S. Retail Branch to the Group headed by the Beneficiary Company with the aim of obtaining said authorisations by the effective date of the Demerger.

It should be noted, however, that any failure to obtain the authorisations in the above timeframe shall not in any way affect the completion of the Demerger, which will be completed, regardless of the transfer of the U.S. Retail Branch, by the dates that will be set by the Boards of Directors of Autogrill and of WDF.

4. THE AUTOGRILL GROUP'S CURRENT SOURCES OF FINANCING AND THE FUTURE SOURCES OF FINANCING FOR THE GROUP HEADED BY THE ASSIGNING COMPANY

The following table shows additional information concerning the sources of financing for the Autogrill Group with reference to the current situation and for the Group headed by the Assigning Company with reference to the situation in perspective, taking into account the Demerger and the main effects of the Other Transactions.

4.1 Autogrill Group's current sources of financing

As at 31 March 2013 the net financial indebtedness of the Autogrill Group was as follows:

Autogrill Group Millions of Euro	**As at 31 March 2013**
Non-current financial liabilities	1,291.5
Non-current financial assets	(104.0)
Non-current financial indebtedness	**1,115.5**
Current financial liabilities, including current portion of mid-long term financings	105.0
Cash and cash equivalents and current financial assets	(174.2)
Current net financial indebtedness	**(69.2)**
Net financial indebtedness	**1,046.3**

The net financial indebtedness of the Autogrill Group at 31 March 2013 mainly includes:

- the following financial liabilities:
  - *Multicurrency Revolving Facility 700*;
  - *Term Loan Agreement*;
  - Non-convertible bonds;
  - Bank overdrafts and short-term loans, as well as

- the following financial assets:
  - Intercompany Loan;
  - Cash and cash equivalents.

4.1.1 Multicurrency Revolving Facility 700

The *Multicurrency Revolving Facility 700* was executed on 27 July 2011 by, *inter alios*, the Assigning Company and certain of its subsidiaries (which after the Demerger will continue to be held by the Assigning Company), for an aggregate amount of Euro 700 million; pursuant to it the relevant lenders made available to the various borrowers two revolving credit facility lines, respectively amounting to Euro 124 million (Line I) and Euro 576 million (Line II). Any outstanding loan under *Multicurrency Revolving Facility 700* shall be repaid in full by the relevant borrowers in the month of July 2016. As at 31 March 2013, the amount of the loans outstanding under the *Multicurrency Revolving Facility 700* is equal to

Euro 613 million.

The *Multicurrency Revolving Facility 700* provides for certain undertakings to be complied with by, *inter alios*, the borrowers. In particular, the group of the Assigning Company shall comply with the following financial covenants on a consolidated basis: a Leverage Ratio (Net Debt/EBITDA) not higher than 3.5 times and an Interest Cover Ratio (EBITDA/Net Financial Charges) not lower than 4.5 times. The financial testing is carried out on a semi-annual basis, with reference to the level of the abovementioned ratios at 30 June and at 31 December of each year. At 31 March 2013, the financial covenants above were complied with by the group.

Please note that the *Multicurrency Revolving Facility 700* also provides for, *inter alia*, a mechanism pursuant to which the Assigning Company may request to elevate the Leverage Ratio, at the occurrence of certain conditions, in order to take into consideration the effect of an acquisition of third entities.

The agreement also provides for certain restrictions to be applied to the "F&B Material Companies" (as defined in the *Multicurrency Revolving Facility 700*) and related to, *inter alia*, sale of assets, perfection of extraordinary transactions, distribution of dividends and acquisitions.

The interest rates to be applied to this loan are calculated equal to Euribor or Libor, depending on the currency used, plus a fixed margin that may vary depending on the Leverage Ratio described above.

4.1.2 Term Loan Agreement

The Term Loan Agreement is a loan granted by Mediobanca - Banca di Credito Finanziario S.p.A. during the month of June 2005 and expiring during the month of June 2015. Any outstanding amount made available under Term Loan Agreement shall be repaid in full in the month of June 2015. As at 31 March 2013, the outstanding amount under the Term Loan Agreement is equal to Euro 200 million.

The Term Loan Agreement provides for certain undertakings to be complied with by, *inter alios*, the borrowers. In particular, the group of the Assigning Company shall comply with the following financial covenants on a consolidated basis: a Leverage Ratio (Net Debt/EBITDA) not higher than 3.5 times and an Interest Cover Ratio (EBITDA /Net Financial Charges) not lower than 4.5 times. For the calculation of these economic-financial parameters the contract makes reference to the Group's consolidated figures. The financial testing is carried out on a quarterly basis, with reference to the level of the abovementioned ratios. At 31 March 2013 both ratios were satisfied.

Please note that the Term Loan Agreement also provides for, *inter alia*, a mechanism pursuant to which the Assigning Company may request to elevate the Leverage Ratio, at the occurrence of certain conditions, in order to take into consideration the effect of an acquisition of third entities.

The interest rates to be applied to this loan are calculated equal to Euribor plus a fixed margin that may vary depending on the Leverage Ratio described above.

4.1.3 Non-convertible bonds

The non-convertible bonds consist of unlisted bonds (i.e. the "Private Placement") issued by the American subsidiary HMS and placed with institutional investors.

The following are the main features of these bonds:

- USD 150 million issued in the month of May 2007 at a fixed rate of 5.73% per annum with semi-annual coupons and expiring in May 2017;
- USD 150 million issued in January 2013 at a fixed rate of 5.12% per annum with semi-annual coupons and expiring in January 2023;
- USD 25 million issued in March 2013 at a fixed rate of 4.75% per annum with semi-annual coupons and expiring in September 2020;
- USD 40 million issued in March 2013 at a fixed rate of 4.97% per annum with semi-annual coupons and expiring in September 2021;
- USD 80 million issued in March 2013 at a fixed rate of 5.40% per annum with semi-annual coupons and expiring in September 2024; and
- USD 55 million issued in March 2013 at a fixed rate of 5.45% per annum with semi-annual coupons and expiring in September 2025.

The bonds issued in May 2007 and January 2013 were originally secured by Autogrill. This guarantee was cancelled on 22 April 2013 following the agreements with the subscribers.

The regulations of these bonds provide for the maintenance of the following economic-financial ratios within predetermined values: a Leverage Ratio (Gross Debt/EBITDA) not higher than 3.5 times and an Interest Cover Ratio (EBITDA/Net Financial Charges) not lower than 4.5 times. These ratios, calculated solely for the companies headed by HMS, shall be calculated every six months at 30 June and at 31 December of each year. At 31 March 2013 the aforesaid ratios were compatible with the limitations described above.

4.1.4 Bank overdrafts and short-term bank loans

At 31 March 2013 the bank overdrafts amounted to Euro 25 million and short-term bank loans amounted to Euro 60 million.

4.1.5 Intercompany Loan

The Intercompany Loan is a revolving credit line granted by Autogrill to WDFG SAU on August 2011 and expiring in 2016, for a maximum amount of EUR 200 million. The outstanding amount under the Intercompany Loan, at 31 March 2013, is equal to Euro 99 million.

The interest rate applied on such loan is equal to Euribor or Libor, depending on the

currency used, plus a fixed margin which may vary depending on the Leverage Ratio (Net Debt/EBITDA). For the calculation of such ratio, the agreement makes reference only to the information of the WDFG Group available with reference to the financial statements issued as at 30 June and 31 December of each year.

4.2 Future sources of financing for the Group headed by the Assigning Company

From a strategic standpoint, the complete financial independence of the two sectors, *Food & Beverage* and *Travel Retail & Duty Free,* is a priority, given the different profile of business and the cash flow of the two different sectors. In this context and in relation to the execution of the Demerger and the need to eliminate any risk of cross-default, it has been decided to re-examine the entire composition of the Autogrill Group's financial indebtedness and to identify the actions needed to be taken in order to adjust its size and profile to the financial structure emerging as a result of the Demerger.

In this context, all necessary steps has been taken in order to not to cause a breach of covenants, at least until full completion of the Demerger, under the main loan agreements existing *vis-à-vis* the Assigning Company, amending some terms and conditions and thus requiring, to the extent necessary or appropriate, any relevant consent and waiver with respect to the implementation of the Demerger. As a matter of fact, the Demerger may cause the enforceability of certain contractual remedies under the *Multicurrency Revolving Facility 700* and *Term Loan Agreement* which, consequently, would entail an obligation of the relevant borrowers to immediately and early repay all outstanding amounts.

In relation to the above, and as highlighted in the Report, Autogrill is negotiating with the banks (with reference to both the *Multicurrency Revolving Facility 700* and the *Term Loan Agreement*) in order to obtain, to the extent needed, all relevant consents by the relevant lenders to perfect the Demerger and the waiver to their rights under such loan agreements. Such waivers mainly concern the requirements of certain clauses, which limit the possibility of the group to carry out disposals and extraordinary transactions (such as the Demerger), as well as the provisions relating to the calculation of the financial covenants, in consideration of the different accounting treatment of the WDFG Group's data following the proposed Demerger in Autogrill’s half-year report as at 30 June 2013.

In addition, certain initiatives have been taken that have led or will lead, in the course of 2013, to changes in the composition and amounts of the long-term loans available for the Group headed by the Assigning Company, and in particular:

- during the first quarter of 2013, HMS executed a medium to long-term loan agreement called *Credit Agreement* for a total amount of USD 300 million expiring in March 2016. The agreement provides for certain undertakings to be complied with by the borrower. In particular, the group headed by HMS shall comply with the following financial covenants on a consolidated basis: a Leverage Ratio (Gross Debt/EBITDA) not higher than 3.5 times and an Interest Cover Ratio (EBITDA/Net Financial Charges) not lower than 4.5 times. The financial testing is carried out on a semi-annual basis, with reference to the level of the abovementioned ratios at 30 June and 31 December

of each year. The interest rates applied to this credit line are equal to U.S. LIBOR plus a fixed margin which may vary on the basis of the value of the Leverage Ratio. As at 30 April 2013, the outstanding amounts under the *Credit Agreement* are equal to USD 216 million, an amount used to finance the activities of the group headed by HMS and to repay the *Multicurrency Revolving Facility 700* drawn down by the said group;

- the Term Loan Agreement will be early repaid during 2013, as agreed between the parties on 2 May 2013; and

- the total available amount of *Multicurrency Revolving Facility 700* (which at 31 March 2013 was drawn down for an amount of Euro 613 million) will be reduced in 2013 from Euro 700 million to Euro 500 million.

As a result of the above actions, the Group headed by the Assigning Company will have the following financing sources:

- *Multicurrency Revolving Facility* for Euro 500 million;
- *Credit Agreement* for USD 300 million; and
- Non-convertible bonds for a total of USD 500 million.

Please note that the competent offices of Autogrill have not yet made any decisions, nor consequently undertaken any commitment regarding the refinancing of outstanding indebtedness attributable to the Autogrill Group, except for the commitment to repay the *Term Loan Agreement* described in the previous paragraph. It cannot however be excluded that, after completing the Demerger and within the next eighteen months, in the light of the financial market conditions, opportunities shall arise to refinance part of the debt pertaining to the Group headed by the Assigning Company and to extend the average duration.

5. PROSPECTS, CASH FLOWS AND FUTURE INVESTMENTS OF THE GROUP HEADED BY THE ASSIGNING COMPANY

The interim report at 31 March 2013 shows the following economic-financial data regarding the *Food & Beverage* (and *Corporate*) sector for the Autogrill Group:

Income Statement:

	First Quarter 2013	Percentage of revenue	First Quarter 2012	Percentage of revenue	Change 2012	at constant exchange rates
m €						
Revenue	841.9	100.0%	852.7	100.0%	(1.3%)	(0.8%)
Other operating income	23.0	2.7%	25.8	3.0%	(10.7%)	(10.7%)
Total revenue and other operating income	**864.9**	**102.7%**	**878.5**	**103.0%**	**(1.5%)**	**(1.1%)**
Raw materials, supplies and goods	(284.1)	33.8%	(291.9)	34.2%	(2.7%)	(2.3%)
Personnel expense	(301.1)	35.8%	(300.6)	35.3%	0.2%	0.6%
Leases, rentals, concessions and royalties	(144.2)	17.1%	(140.8)	16.5%	2.4%	2.8%
Other operating costs	(107.3)	12.8%	(108.8)	12.8%	(1.4%)	(1.0%)
EBITDA before Corporate costs	**28.1**	**3.3%**	**36.4**	**4.3%**	**(22.7%)**	**(22.2%)**
Corporate costs	(6.5)	0.8%	(7.2)	0.8%	(9.3%)	(9.3%)
EBITDA	**21.6**	**2.6%**	**29.2**	**3.4%**	**(26.0%)**	**(25.4%)**
Depreciation, amortization and impairment	(48.9)	5.8%	(44.5)	5.2%	10.0%	10.5%

losses						
Operating income (EBIT)	**(27.3)**	**3.2%**	**(15.3)**	**1.8%**	**(78.9%)**	**(78.4%)**
Financial income (expense)	(12.4)	1.5%	(11.2)	1.3%	10.3%	10.6%
Impairment losses on financial assets	(0.5)	0.1%	(0.4)	0.0%	9.0%	9.8%
Pre-tax profit / (loss)	**(40.1)**	**4.8%**	**(26.9)**	**3.2%**	**(49.2%)**	**(49.1%)**
Income tax	2.0	0.2%	3.4	0.4%	(41.9%)	(42.1%)
Profit attributable to:	**(38.2)**	**4.5%**	**(23.5)**	**2.8%**	**(62.3%)**	**(62.3%)**
- owners of the parent	(40.1)	4.8%	(24.9)	2.9%	(61.2%)	(61.2%)
- non-controlling interests	2.0	0.2%	1.4	0.2%	42.5%	43.4%

Net Invested Capital:

(m €)	**03/31/2013**	**12/31/2012**	**Change**
Goodwill	800.7	789.1	11.6
Other intangible assets	54.9	55.9	(1.0)
Property, plant and equipment	866.9	870.7	(3.9)
Financial assets	13.4	14.5	(1.1)
Non-current assets	**1,735.9**	**1,730.2**	**5.7**
Net working capital	(347.5)	(411.8)	64.2
Other non-current non-financial assets and liabilities	(159.7)	(169.4)	9.7
Net invested capital	**1,228.6**	**1,149.0**	**79.6**
Net financial indebtedness	**1,046.3**	**933.2**	**113.1**

Net Cash generation:

	First quarter	**First quarter**
(m €)	**2013**	**2012**
EBITDA	21.6	29.2
Change in net working capital	(61.8)	(36.4)
Other items	(0.5)	(0.0)
Cash flow from operating activities	**(40.6)**	**(7.2)**
Taxes (paid) refunded	11.3	(2.9)
Net interest paid	(12.1)	(10.7)
Net cash flow from operating activities	**(41.5)**	**(20.8)**
Net CAPEX	(58.5)	(56.4)
Free operating cash flow	**(100.0)**	**(77.2)**

As in the previous financial year, the activities of the *Food & Beverage* sector reflect the trend of the two opposed main business channels, with airports showing good performance, especially in North America, and European motorways in difficulty, particularly in Italy.

The EBITDA for the Food & Beverage sector (before considering the costs of the central structure of Autogrill, so-called "*Corporate costs* ") amounted to Euro 28.1 million, with a decrease of 22.2% compared to Euro 36.4 million the first quarter of 2012 (-22.7% at current exchange rates), due to the sharp contraction in sales recorded in Italy. The incidence of margin on net revenues decreased from 4.3% to 3.3%.

During the above period there was a use of cash amounting to Euro 100 million, compared to Euro 77.2 million in the first quarter of 2012, due to lower operating cash flow generation. The increased use of cash for working capital is primarily related to the decline in sales in Italy. The change in deferred tax for the period includes the reimbursement of the fees paid in the previous year in the United States as a result of changes in tax laws introduced earlier this year.

The Demerger reflects the belief that the creation of two distinct groups (one belonging to the Assigning Company, active only in the *Food & Beverage* sector and the other headed by the Beneficiary Company, active only in the *Travel Retail & Duty Free* sector), autonomous and independent, would allow each of them to better pursue their strategies and improve their performance results by leveraging their respective strengths.

As already pointed out in the Report, the Transaction requires that prior to the effectiveness of the Demerger, the WDFG Group (in this case, WDFG SAU) distributes dividends amounting to Euro 220 million to the Assigning Company and the WDFG Group will acquire the U.S. Retail Branch from the Autogrill Group for approximately Euro 92 million. The effects of these operations will be reflected positively in the consolidated net financial position and result in a decrease of consolidated net capital invested in the Group headed by the Assigning Company. In contrast, the consolidated financial results of the Assigning Company will not include the results of the U.S. Retail Branch.

Given the seasonal nature of the sector of reference, the current year has yet to deliver the trends that will determine the results of the year. Specifically, the estimate for the *Food & Beverage* sector sales is in line with those for the year 2012: in particular, it is believed that the weakness of the results in Italy will be limited thanks to a good performance of the industry in North America.

Compared with the year 2012, a reduction in the level of investments in the *Food & Beverage* sector is expected, both as a result of fewer concessions due to expire as compared to the previous three years, as well as consistently with the current strategy adopted for the sector, aimed at directing its development mainly towards airports and railway stations, channels that typically require a lower level of investment in comparison to the motorway channel. In this context, as part of its strategy to expand its presence in airports and in emerging markets, last April the Autogrill Group signed an agreement for the management of the restaurant business in 80 stores in the airports in Vietnam.

It is expected that operating cash flows for 2013 will be significantly affected by certain events, also including those which are non-recurring, which will absorb cash flows, such as: (i) the successful delivery of the 2010-2012 three-year incentive plan for management (*Long Term Incentive Plan*), (ii) the increase in VAT receivable related to the decrease in sales in Italy, not yet recovered from a financial point of view, (iii) the payment of additional contributions to the employees' pension funds in Switzerland, and (iv) the concentration in the first quarter of 2013 of payments to suppliers for investments due the high level of investment made at the end of 2012.

Based on the definition of working capital - as the means by which the group gets the cash resources necessary to meet maturing obligations - contained in the "Recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses" of ESMA, it is believed that the Group headed by the Assigning Company, on the effective date of the Demerger, will have sufficient resources to meet its short-term financing needs and expiring commitments. In particular, in this regard, the following were taken into consideration: (i) cash generated from operating activities, (ii) cash used for capital expenditures, (iii) receipt of a dividend of Euro 220 million paid by WDFG SAU; (iv) receipt of money from the sale of U.S. Retail Branch which, net of taxes, will be approximately Euro 77 million, and (v) repayment of the Intercompany Loan, which at 31 March 2013 amounted to Euro 99 million.

6. WDFG GROUP'S CURRENT SOURCES OF FINANCING AND FUTURE SOURCES OF FINANCING FOR THE GROUP HEADED BY THE BENEFICIARY COMPANY

The following table shows additional information about the sources of funding of the WDFG Group with reference to the current situation and of the Group headed by the Beneficiary Company with reference to the situation in perspective, taking into account the Demerger and main effects of the Other Transactions.

6.1 WDFG Group's current sources of financing

As at 31 March 2013 the net financial position of the WDFG Group was as follows:

WDFG Group Millions of Euro	**As at 31 March 2013**
Non-current financial liabilities	777.8
Non-current financial assets	-
Net financial indebtedness	**777.8**
Current financial liabilities, including current portion of mid-long term funding	75.3
Cash and cash equivalents and current financial assets	(34.6)
Current net financial indebtedness	**(40.7)**
Net financial indebtedness	**818.5**

The net financial position as set out above includes borrowings totaling Euro 853 million, and mainly includes the following loans:

- *Multicurrency Revolving Facility 650*;
- *Bilateral Revolving Credit Facility*;
- Intercompany Loan.

6.1.1 Multicurrency Revolving Facility 650

The *Multicurrency Revolving Facility 650* was executed on 27 July 2011 by the WDFG Group for an aggregate amount of Euro 650 million; pursuant to it the relevant lenders made available to the various borrowers two revolving credit facilities, respectively for an amount

of Euro 400 million (Line I) and Euro 250 million (line II), both with final maturity in July 2016. The repayment of any loans outstanding under the Line I of the *Multicurrency Revolving Facility 650* shall be made by means of three installments, each of Euro 66.7 million, falling at the end of, respectively, 24, 36 and 48 months after the signing date of the agreement. Any outstanding loan under the *Multicurrency Revolving Facility 650* shall be repaid in full during the month of July 2016. The repayment of any loans outstanding under the Line II of the *Multicurrency Revolving Facility 650* shall be made in full during the month of July 2016. At 31 March 2013, the *Multicurrency Revolving Facility 650* was fully utilized.

The *Multicurrency Revolving Facility 650* provides for certain undertakings to be complied with by the borrower. In particular, the WDFG Group shall comply with the following financial covenants on a consolidated basis: a Leverage Ratio (Net Debt/EBITDA) not higher than 3.5 times and an Interest Cover Ratio (EBITDA/Net Financial Charges) not lower than 4.5 times. The financial testing of such financial covenants is carried out on a semi-annual basis, with reference to the level of the abovementioned ratios on 30 June and 31 December of each year. At 31 March 2013 the abovementioned financial covenants were complied with by the WDFG Group.

Please note that the *Multicurrency Revolving Facility 650* also provides for, *inter alia*, a mechanism pursuant to which WDFG SAU may request to elevate the Leverage Ratio, at the occurrence of certain conditions, in order to take into consideration the effect of an acquisition of third entities..

The agreement also provides for certain restrictions to be applied to the "Material Companies" (as defined in the *Multicurrency Revolving Facility 650*) and related to, *inter alia*, sale of assets, perfection of extraordinary transactions, distribution of dividends and acquisitions .

The interest rates to be applied to this loan are calculated equal to Euribor or Libor, depending on the currency used, plus a fixed margin that may vary depending on the Leverage Ratio described above.

6.1.2 Bilateral Revolving Credit Facility

During the first quarter of 2013, the WDFG Group entered into a medium-term loan agreement with the bank BBVA, called *Bilateral Revolving Credit Facility*, for an aggregate amount of Euro 100 million, fully drawn down on 31 March 2013 and to be repaid in full during the month of August 2014.

The loan agreement provides for certain undertakings to be complied with by the borrower. In particular, the WDFG Group shall comply with the following financial covenants on a consolidated basis: a Leverage Ratio (Net Debt/EBITDA) not higher than 3.5 times and an Interest Cover Ratio (EBITDA/Net Financial Charges) not lower than 4.5 times. The financial testing of such financial covenants is carried out on a semi-annual basis, with reference to the level of the abovementioned ratios on 30 June and 31 December of each year. At 31 March 2013, the abovementioned financial covenants were complied with by the WDFG Group.

The interest rates to be applied to this loan are calculated equal to Euribor plus a fixed margin that may vary depending on the Leverage Ratio described above.

6.1.3 Intercompany Loan

The Intercompany Loan is a revolving credit made available by Autogrill to WDFG SAU during the month of August 2011 and expiring on 2016, for a maximum amount of Euro 200 million. At 31 March 2013, the outstanding amount under the Intercompany Loan was equal to Euro 99 million.

The interest rate applied to the loan is equal to Euribor or Libor, depending on the currency used, plus a fixed margin that may vary depending on the Leverage Ratio (Net Debt/EBITDA). For the calculation of such financial covenant the agreement only refers to the information of the WDFG Group available with reference to the financial statements issued on 30 June and 31 December of each year.

6.2 Future sources of financing for the Group headed by the Beneficiary Company

After the date of the Demerger Plan and before the signing of the Demerger deed, WDFG SAU and some of its subsidiaries (the "**Borrowers**") will execute a medium-long term loan agreement - currently under negotiation - which will provide for four different Tranches, for an aggregate amount of Euro 1.25 billion (the "**Loan**").

WDF will not benefit from the Loan nor will it act as borrower or guarantor.

In particular, on 2 May 2013 WDFG SAU received a letter (the "**Commitment Letter**") from a syndicate of lenders, consisting of Abbey National Treasury Services Plc (trading as Santander Global Banking & Markets); Banco Bilbao Vizcaya Argentaria SA; Banco Santander, SA; Bank of America, NA; BNP Paribas Fortis SA; Crédit Agricole Corporate and Investment Bank; ING Bank NV Milan Branch; Intesa Sanpaolo S.p.A.; Mediobanca International (Luxembourg) SA; Natixis SA - Milan Branch and UniCredit Bank AG (together, the "**Lenders**"). Pursuant to the Commitment Letter each of the Lenders agrees, partially and not jointly, to grant the respective portion of the Loan in favor of the Borrowers. The Loan appears to be articulated as follows:

- a "*term loan*" amounting to Euro 400 million, to be used in Euro, for a period of five years, amortizing (Tranche 1);
- a "*term loan*" amounting to Euro 125 million, to be used in Sterling Pounds, lasting five years, amortizing (Tranche 2);
- a "*revolving*" loan for Euro 375 million to be used in Euro and/or Sterling Pounds, lasting five years, *bullet* (Tranche 3); and
- a "*revolving*" loan of Euro 350 million, to be used in Euro, lasting 18 months, with the faculty of WDFG SAU to request a 6 months extension of the availability of such tranche for 3 consecutive times (Tranche 4).

The Loan shall be governed by the contract mentioned above, whose main terms and conditions, customary for similar transactions, are contained in the term sheet attached to the Commitment Letter (the "**Term Sheet**").

The Term Sheet provides for an interest rate to be calculated by adding to Euribor or Libor, depending on the currency used for the loan, a fixed margin which, with reference to Tranches 1, 2 and 3, may vary as a result of the value of the Leverage Ratio.

Please note that from the signing date of the Loan until 31 December 2013, on which date the financial covenants above shall be tested for the first time, the margin to be applied is conventionally fixed in 3.65%, 3.85% and 2.90% respectively for Tranches 1, 2 and 3.

It should also be noted that with reference to Tranche 3, in case of loans drawn down in Sterling Pounds, the applicable margin will be increased by 0.2%.

With reference to Tranche 4, the margin is fixed at 2.75% for the first 18 month . In the event that the Borrower decides to extend the availability period of such tranche, the margin will increase on the basis of commercial agreement already reached.

The Loan shall be made available subject to certain conditions, customary for similar transactions, including the accuracy of representations and warranties made by the Borrowers, the occurrence of the conditions precedent to be agreed and the execution of the relevant agreement within 30 June 2013.

Broadly speaking, the Term Sheet provides for, *inter alia*:

- the requirement to comply with certain financial covenants, to be calculated on the basis of consolidated data of WDFG SAU and of its subsidiaries, on a semi-annual basis with reference to the financial statements issued on 30 June and 31 December of each year starting from 31 December 2013. Any failure to comply with such financial covenants will cause a breach of contract and, therefore, entail the mandatory early repayment of the Loan. In particular:
    - *Leverage Ratio* = Net financial indebtedness/*Cash* EBITDA[1]<4,35x at 31 December 2013; <4,25x at 30 June 2014; <3,75x at 31 December 2014 and at 30 June 2015; <3,50x from 31 December 2015 (however, before 31 December 2016, WDFG SAU may elevate the limit of the Leverage Ratio to be complied with up to 4.00x in relation to any so-called "Permitted Transaction");
    - *Interest Coverage* = *Cash* EBITDA[2]/ Net financial charges >4,00x up to 31 December 2014; >4,5x afterwards;

[1] Cash EBITDA is defined as EBITDA which will take account of the recovery of annual concession fees paid to AENA as described in paragraph 3.4.2 (A) of the Report, as well as any other accounting adjustments related to these contracts with AENA which will not be reflected in actual cash flows changes.

[2] See note 1.

- certain limits (mitigated by customary exceptions) to be applied (i) upon the completion of disposals of assets, (ii) with reference to the assumption of additional financial indebtedness and issuance of guarantees or other securities, (iii) with respect to the distribution of dividends, and (iv) with regards to the perfection of extraordinary transactions;

- some circumstances (such as change of control, issuance of bonds on the capital market and the performance of disposals of participations and/or assets owned by the Borrowers) which would trigger the obligation of the borrowers to immediately repay in full all outstanding amounts under the Loan, plus interest and costs, as well as the cancellation of the part of the Loan that may still be used;

- upon the occurrence of certain events which would lead to a default and, therefore, the loss of the benefit to pay in installments, which, in addition to the aforementioned failure to comply with the financial covenants include, *inter alia*: (i) the breach of the payment obligations of amounts due to the Lenders; (ii) the breach of certain contractual obligations (after the expiration of any applicable grace period); (iii) the occurrence of events which could adversely affect the financial condition, equity or assets of the Borrowers and their respective subsidiaries; (iv) the insolvency, liquidation or admission to bankruptcy proceedings; (v) the inaccuracy of representations and warranties, as well as (vi) cross-default (within the group headed by WDFG SAU) and cross-acceleration for amounts exceeding certain aggregate thresholds and for individual loans;

- the provision of representations and warranties, also subject to thresholds and exceptions, customary for similar transactions;

- the provision of information undertakings, including, in particular, the delivery of consolidated financial statements and half-yearly financial reports.

If the calculation of the aforesaid financial covenants were carried out based on the WDFG SAU's consolidated data at 31 March 2013, such rations would be complied with.

The Loan will be used to, *inter alia*, repay existing loans made available to WDFG SAU and ceratin of its subsidiaries, the outstanding amount of which at 31 March 2013 was equal to Euro 849 million (please refer to section 6.1 for more details on such loans):

- *Multicurrency Revolving Facility 650* used for Euro 650 million;
- *Bilateral Revolving Credit Facility* used for Euro 100 million;
- Intercompany Loan used for Euro 99 million.

In addition, the Loan will be used to, *inter alia*, pay to the sole shareholder Autogrill a dividend of Euro 220 million, the distribution of which was approved in the WDFG SAU's shareholders' meeting on 30 April 2013, as well as to pay a consideration for the purchase of the U.S. Retail Branch, which will be in a price range from a minimum of USD 118 million to a maximum of USD 123 million.

Notwithstanding the repayments and payments mentioned in the previous two paragraphs, the part of the residual Loan may be used for working capital and general corporate purposes (*e.g.* any future investment by the Group headed by the Beneficiary Company).

It should be noted, finally, that the uses of the Loan summarized above do not take into account the cash generation of the WDFG Group (and therefore, following the Demerger, of the Group headed by the Beneficiary Company) after 31 March 2013 until the date of utilisation of the Loan.

7. PROSPECTS, CASH FLOWS AND FUTURE INVESTMENTS OF THE GROUP HEADED BY THE BENEFICIARY COMPANY

The interim report at 31 March 2013 shows the following economic-financial data regarding the *Travel Retail & Duty Free* sector relating to the WDFG Group:

Income Statement:

	First Quarter 2013	Percentage of revenue	First Quarter 2012	Percentage of revenue	Change 2012	at constant exchange rates
m €						
Revenues	397.8	100.0%	388.8	100.0%	2.3%	3.5%
Other operating income	5.3	1.3%	6.4	1.6%	(16.5%)	(16.5%)
Total revenue and other operating income	**403.1**	**101.3%**	**395.2**	**101.6%**	**2.0%**	**3.1%**
Raw materials, supplies and goods	(162.1)	40.8%	(158.4)	40.7%	2.3%	3.2%
Personnel expense	(49.8)	12.5%	(46.7)	12.0%	6.7%	7.6%
Leases, rentals, concessions and royalties	(123.0)	30.9%	(123.6)	31.8%	(0.5%)	0.5%
Other operating costs	(28.2)	7.1%	(27.8)	7.2%	1.4%	2.1%
EBITDA	**40.0**	**10.1%**	**38.7**	**10.0%**	**3.4%**	**4.4%**
Depreciation, amortization and impairment losses	(22.4)	5.6%	(27.6)	7.1%	(18.6%)	(18.0%)
Operating income (EBIT)	**17.6**	**4.4%**	**11.2**	**2.9%**	**57.5%**	**60.2%**
Financial income (expense)	(4.4)	1.1%	(5.4)	1.4%	(18.0%)	(17.6%)
Impairment losses on financial assets	(0.2)	0.1%	0.5	0.1%	n.a.	n.a.
Pre-tax profit / (loss)	**13.0**	**3.3%**	**6.3**	**1.6%**	**n.a.**	**n.a.**
Income tax	(0.7)	0.2%	4.6	1.2%	n.a.	n.a.
Profit attributable to:	**12.2**	**3.1%**	**10.9**	**2.8%**	**12.4%**	**14.6%**
- owners of the parent	11.7	2.9%	10.1	2.6%	15.2%	17.6%
- non-controlling interests	0.6	0.1%	0.8	0.2%	(24.7%)	(24.7%)

Net Invested Capital:

(€)	03/31/2013	12/31/2012	Change
Goodwill	591.7	605.1	(13.4)
Other intangible assets	597.4	622.9	(25.5)
Property, plant and equipment	81.2	87.3	(6.1)
Financial assets	39.8	13.1	26.6
Non-current assets	**1,310.0**	**1,328.4**	**(18.4)**
Net working capital	(64.3)	(102.0)	37.6
Other non-current non-financial assets and liabilities	169.4	(66.8)	236.1
Net invested capital	**1,415.0**	**1,159.7**	**255.4**
Net financial indebtedness	**818.5**	**561.5**	**257.0**

Net Cash generation:

(m €)	First quarter 2013	First quarter 2012
EBITDA	40.0	38.7
Change in net working capital	5.4	(2.7)
Change in net working capital – advanced payment of AENA contractual installments	(279.0)	-
Cash flow from operating activities	**(233.6)**	**36.0**
Taxes (paid) refunded	(8.6)	(7.8)
Net interest paid	(2.7)	(5.5)
Net cash flow from operating activities	**(244.9)**	**22.7**
Net CAPEX	(1.5)	(2.8)
Free operating cash flow	**(264.4)**	**19.9**
Free operating cash flow (excluding AENA advanced payment)	**32.6**	**19.9**

The *Travel Retail & Duty-Free* sector closed the first quarter of 2013 with revenues amounting Euro 397.8 million, with an increase of 3.5% compared to Euro 388.8 million in the corresponding period of 2012 (+2.30% at constant exchange rates current), with excellent results recorded in particular in Great Britain and in non-European countries. In the UK, the increase in revenues is mainly due to the increase in average spending per passenger.

In the first quarter of 2013, EBITDA for the *Travel Retail & Duty-Free* sector recorded an increase of 4.4% reaching Euro 40 million compared to Euro 38.7 million in the same period of 2012 (+3.4% at current exchange rates), mainly due to higher sales related to the increase in traffic at British and non-European airports and the increase in average spending per passenger.

Following the award, in December 2012, of the *duty free and duty paid* concessions for the management of airport retail at Spanish airports, in the first quarter of 2013 the WDFG Group prepaid to grantor AENA part of the future contractual fees amounting Euro 279 million. This payment justifies in full the absorption of net cash flow pertaining to the *Travel Retail & Duty Free* sector for Euro 246.4 million, as well as the increase in net invested capital. Excluding this payment, cash flow was positive and amounted to Euro 32.6 million, an improvement compared to the same period of the previous year (Euro 19.9 million) due to the excellent operating performance, better management of net working capital and the reduction of financial charges paid.

As mentioned above, the Demerger reflects the belief that the creation of two distinct autonomous and independent groups allows each of them to better pursue their strategies and improve their performances by leveraging their respective strengths.

As mentioned above and in the Report, the Transaction requires that prior to the effective date of the Demerger, in addition to the advance payment of future installments already made to AENA, the WDFG Group (in this case, WDFG SAU) will distribute dividends totaling Euro 220 million to the Assigning Company and the WDFG Group will acquire the U.S. Retail Branch from the Autogrill Group for an approximate amount of Euro 92 million. The effects of these transactions will be reflected negatively on the consolidated net financial position and result in an increase in the Group headed by the Beneficiary Company's consolidated equity invested. In contrast, the consolidated financial results of the Beneficiary Company will include the results of the U.S. Retail Branch.

It is also expected that the positive sales trend in the *Travel Retail & Duty Free* sector related to the first quarter of 2013 will continue throughout the financial year 2013.

For the year 2013, investments in the *Travel Retail & Duty Free* sector are expected to be made for approximately Euro 70 million, in significant increase compared to the levels seen in previous years, due to the investments agreed in the renewal of the licenses for the management of airport retail activities in Spain.

The operating cash flows expected for the year 2013, excluding the advance payment related to the signing of contracts with AENA, will amount to approximately Euro 190 million, broadly in line with those of 2012. It should be noted that the same will also be used to: (i) finance the major investments planned, and (ii) reimburse the additional costs related to the higher net financial indebtedness and the more onerous terms and conditions of the Loan with respect to previously existing loans.

8. CORRECTION OF CLERICAL ERRORS CONTAINED IN THE REPORT

It should be noted that, in the correction of a clerical error, the term "compensation" mentioned in [the Italian version of] the Report in paragraph 3.4.2 (B), last paragraph, last line, must be replaced with the term "agreement".

***

For the Board of Directors

Gilberto Benetton

(President)