Railway stations evolution: from a cost centre to a profit centre

“How the Third Millennium Stations face the challenge of creating a comfortable and profitable rail and urban plaza”

Fabio BATTAGGIA
Grandi Stazioni
CEO
Grandi Stazionì – A unique example in the railway station panorama

- **A PPP** (60% FS – Italian Rail Group, 40% Eurostazionì – Benetton Group, Caltagirìone Group, Pirelli Group).

- **Managing the top 13 Italian railway stations** (including Rome, Milan, Turin, Naples, Florence, Venice, Bologna and others).

- **Active also abroad** (holding 51% of Grandi Stazionì Česká Republika, managing Prague Central station and other Czech stations).

- **2009 Key figures***:
  - Total Turnover: 207.3 M €
  - EBITDA: 64.4 M €
  - Net Profit: 39.5 M €

*consolidated financial statement
Our strategic approach: a total turnaround

TOTAL RENOVATION INVESTMENT: > 900 M € (ca. 60% already implemented)
Dwell Time: 22 minutes in station (objective: continuously increase it)
Our strategic approach: a total turnaround

FROM

A COST CENTRE FOR RAILWAY GROUP

- Cost for:
  - Maintenance
  - Cleaning
  - Safety

TO

A PROFIT CENTRE OPEN TO THE MARKET

- Revenues from Real Estate, Retail & Food, Advertising
- Sharing of the Facility Management costs among Tenants

> 95 M € of Commercial Revenues

(from 2009 Retail & Food, Real Estate, Advertising, excluded Facility Mgmt)

95% of Facility Management cost shared among all Tenants
Our strategic approach: a total turnaround

FROM

A CAPTIVE, MONOPOLISTIC, LOCAL APPROACH

TO

A COMPETITIVE, OPEN MARKET, INTERNATIONAL APPROACH

Focused on the development in the international markets
Renovation and Commercial exploitation: Our methodology approach

- Flows
- Market needs
- Emerging trends
- Optimization of spaces
- Creation of new areas
- Market positioning
- Strategy Mix
- Brand Screening
- Competitive selection of Tenants
- Contract management
- Promotion
- Control

ARCHITECTURAL & DESIGN DEPT. (> 60 skilled Employees)
MARKETING & SALES DEPT. (> 40 skilled Employees)
MEDIA & ADV. DEPT. (> 25 skilled Agents & Employees)

AN INTERNAL TEAM WORK WITH HIGH PROJECT MGMT CAPABILITIES
STRICTLY MARKET & RESULT ORIENTED