



Press Release

MARR S.p.A. (Cremonini Group)

CONTINUES TO GROW: PURCHASES SFERA Srl

- ❑ **We have finalised the acquisition of SFERA, a company that operates in the food distribution sector with Head Office in Riccione and revenues of more than 30 million Euros in 2004.**
- ❑ **The number of branches that Marr has in Italy rises to 22.**
- ❑ **Marr further strengthens their presence in the Riviera Romagnola, an important strategic area because of the high concentration of hotel-based tourism.**

Marr S.p.A – a company that is part of the Cremonini Group, Italian market leader in the commercialisation and distribution of food products to the foodservice sector – today signed an agreement to purchase Sfera srl, a company based in Riccione that is active in the same sector.

The deal, worth around 6 million Euros, foresees the purchase of the branch of Sfera srl that carries out distribution to the foodservice sector with effect from the 1st of February 2005, an operation that has already been agreed by the Market Monopolies Authority.

With more than 30 million Euros of revenues in 2004 and 4,000 clients served, Sfera srl can boast a significant presence on the Riviera Romagnola and the Riviera Marchigiana, and in the hinterland of the provinces of Rimini, Forlì and Pesaro, with clients also in Umbria, the Marche, Emilia and Veneto. Created in 1995, but active in the foodservice sector since 1964 under a different name, Sfera srl operates a 7,500 square metre covered warehouse in which are employed more than 40 agents and around sixty people between staff and other personnel, and have 25 vehicles.

This operation represents another step in Marr's acquisition strategy aimed at reinforcing their leadership in the sector and making their own distribution network even more capillary over the entire country. This strategy has already led to the purchase of Sogema spa at the beginning of 2004, a leading company in Piemonte and the Valle d'Aosta, which also operates in the food distribution sector.

With the acquisition of Sfera, Marr will further strengthen their presence in the Riviera Romagnola and Riviera Marchigiana by fully using logistical and distribution synergies, also thanks to the activity of Cash & Carry that Sfera already operates.

The integration plan, thanks also to the synergies outlined above, will allow us to reach a profitability (Ebitda) of over 6% of revenues at full capacity.

Sfera will keep their current name and will become a strategic branch in Marr's distributive organisation both due to the great competence of the current managerial and operational structure – which will be entirely maintained – and also thanks to a partnership with the previous owners who will collaborate with the operational running of the unit.



The Riviera Adriatica is strategically relevant for the high concentration of receptive structures and the large number of tourist presences, which on their own represent roughly 29% of the total yearly presences in Italian sea-side resorts (39 million presences out of a total of 134 million in Italy in 2003).

Marr already has a close link with the Riviera Romagnola area, where it started up itself in 1972, and where the main Head Office is located (Rimini). They have 4 distribution branches (Marr 1, Marr Copea, Marr Romagna and Marr Battistini), one agent with a warehouse (Adria Market), the most important national fish centre (Emiliani division) and three "supermarkets dedicated to the catering industry" (Cash & Carry). These latter are in Rimini (the largest of which is Super C&C at Gros Rimini and the second in the Centro Agro Alimentare Riminese) and lastly in Cattolica at Marr Copea.

Marr S.p.A., a company controlled by Cremonini Spa (67.7%) and partially owned (33.3%) by a pool of institutional investors (lead by Arca Impresa Gestioni SGR and Barclays Private Equity), showed important growth in their results in 2003, both in terms of revenues and margins, and confirmed their position of Italian market leader in food distribution to the foodservice sector.

In 2003 Marr spa had total consolidated revenues of 744.2 million Euros, an increase of 11.8% compared to the 665.9 million Euros of 2002, a gross operating margin of 46 million Euros (+12.1% compared to the 41 million Euros in 2002) and an operating profit of 34.4 million Euros (+19% compared to the 28.9 million Euros in 2002).

Marr commercialises and distributes food products to the catering industry through a logistics and distribution network that is unique in Italy, comprising 22 Distribution Units spread all over the country and 4 Cash&Carry shops, with a sales organisation of roughly 550 agents, over 80 area managers and 520 vehicles. The company supplies about 30,000 clients (restaurants, hotel chains, fast food, pizzerias, company canteens, schools, hospitals and public institutions) with a complete range of 10,000 products (amongst which fish, meat, conserves and dried foods, cured meats and milk products, fruit and vegetables), delivering within 24 hours of reception of the order (12 hours for very fresh products).

Castelvetro di Modena, 18th January 2005

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