

PRESS RELEASE

CREMONININ GROUP: the B.of D. proposes the distribution of a gross dividend of Lire 45 per share (Euro 0.023).

The decision is motivated by the expectation that the contingent crisis of the meat sector will be overcome and by the positive trend of the distribution and restaurant activities businesses.

Consolidated revenues in 2000 were Lire 2,689 billion (+5.7 % with respect to '99) and there was a net loss of Lire 19 billion.

The Board of Directors of Cremonini S.p.A. has today approved at Castelvetro di Modena the figures of the Financial Statements for the financial year 2000 that will be presented for the approval of Shareholders at a General Meeting to be held at the registered office on 28 April 2001.

The Board of Directors has, moreover, approved the proposal for the distribution to shareholders of a gross dividend of Lire 45 per share (Euro 0.023) to be paid on 24/5/2001 (to shareholders registered on 21/5/2001). The distribution of this dividend will be possible thanks to the use of the Undistributed Profits at the 1999 financial year-end.

This decision is motivated, other than by the constant growth of the distribution and restaurant activities businesses, which already today account for 50% of the Group's activities, by the expectation that the contingent crisis of the beef sector, related to the BSE phenomenon in Europe, will shortly translate into an opportunity with foreseeable positive effects in terms of increased market shares for the Group companies.

THE legislative actions that have already been adopted and those in the course of enactment, in fact, will reward industrial concerns that are structurally and technologically equipped to be in the position to guarantee the adoption of and compliance with the above-mentioned rules.

The Board of Directors has, moreover, positively evaluated the timely costs reduction actions undertaken by the businesses in the beef sector to meet the BSE emergency, consisting principally of specialization of the production plants.

The Cremonini Group has ended the 2000 financial year with total consolidated revenues of Lire 2,689 billion (equal to Euro 1,388.7 million), up by 5.7% with respect to Lire 2,544 billion in 1999 (Euro 1,314 million).

Notwithstanding the negative market context, the Group limited the net loss to Lire 19 billion (Euro 9.9 million) in 2000, with respect to a net profit of Lire 30 billion (Euro 15.5 million) in 1999.

The trend of the beef sector has influenced, however, all the principle economic indicators of the Group.

The consolidated gross operating margin was, in fact, Lire 128 billion (Euro 66.1 million) with respect to Lire 195 billion in 1999 (Euro 100.7 million).

The consolidated operating margin in 2000 was Lire 40 billion (Euro 20.6 million) with respect to Lire 101 billion (Euro 52.3 million) in 1999.

The increase in the total revenues was achieved thanks to the growth in the individual areas of the Cremonini Group activities: the revenues from restaurant activities were Lire 286 billion (Euro 147.5 million), a growth of 35% with respect to the Lire 211 billion (Euro 109.2 million) of 1999.

The revenues in the distribution sector (distribution to food services and door-to-door distribution of frozen products and ice creams) recorded a 4.3% increase, rising to Lire 1,061 billion (Euro 547.7 million) in 2000 against the Lire 1,017 billion (Euro 525.4 million) in 1999.

The revenues from the production sector totalled Lire 1,381 billion (Euro 713.1 million) in 2000 with respect to Lire 1,344 billion (694 million of Euro) in 1999, with an increase of 2.7%.

The Parent Company, Cremonini S.p.A., realised revenues of Lire 225 billion (Euro 115.9 million) and a net loss of Lire 25.2 billion (Euro 13 million).

Cremonini, with 4,361 employees, is one of Europe's largest food groups, with activities focussed in three integrated business sectors: production, distribution and restaurant services.

The Group, absolute leader in Italy in the production of beef and meat-based transformed products and in the distribution to food services has, moreover, a significant presence in the sector of restaurant services and, in particular, the leadership in Italy in on-board train catering and at railway stations.

Castelvetro di Modena, 28 March 2001