



## **PRESS RELEASE**

**THE CREMONINI GROUP: ends 2003 with net consolidated earnings of 29.5 million Euro compared to 2.5 million euro in 2002.**

**Total revenues +12.4%, EBITDA +9.9% and EBIT +16.2%.**

**The Board of Directors suggests a gross dividend of 0.137 Euro per share.**

The Board of Directors of Cremonini S.p.A. has approved today the year 2003 Financial Statement data in Castelvetro di Modena. It will be subjected to the approval of the shareholders in the meeting convened for 30<sup>th</sup> April at the head office.

### **Main consolidated financial results in 2003**

In 2003, total consolidated revenues for the Group were 1,786.2 million euros, with an increase of 12.4% compared to 1,589.3 million euros in 2002.

Gross operating margin (EBITDA) was 117.7 million euros, with an increase of 9.9% against 107.0 million euros in 2002, whereas operating profit (EBIT) rose by 16.2% to 61.8 million euros compared to 53.2 million euros in 2002.

Confirming the Group's positive trend, profits from ordinary operations, before the effect of all extraordinary components, amounted to 35.9 million euros, with an increase of 70.6% compared to 21.1 million euros in 2002.

The net consolidated result reached 34.8 million euros, compared to 3.1 million euros in 2002.

The net consolidated result of the Group, calculated net of third-party components, is 29.5 million euros compared to 2.5 million euros in 2002.

Considering these results, the Board of Directors has proposed to distribute a gross dividend of 0.137 Euro per share, equal to about 10% of the current value of the share, which shall be paid on 20<sup>th</sup> May (with the coupon on 17<sup>th</sup> May). The total of dividends amounts to approximately 17.5 million euros.

Such a dividend corresponds to a payout ratio of about 60% of the consolidated net profit for the year.

### **Results of the three segments of activity**

In 2003, there was significant performance by all three of the Group's segments of activity. Specifically:

(MLN/euros)	PRODUCTION			DISTRIBUTION			RESTAURANT		
	2002	2003	%	2002	2003	%	2002	2003	%
<b>TURNOVER</b>	760.1	859.9	+13.1	665.9	744.2	+11.8	192.7	235.1	+22.0
<b>EBITDA</b>	47.9	52.6	+10.0	41.0	46.0	+12.1	19.9	22.3	+11.7
<b>EBIT</b>	19.5	21.8	+11.8	28.9	34.4	+19.0	13.1	13.2	+1.3



### Net financial position and investments

During 2003, the financial position dropped by 36.7 million euros to 451.1 million euros compared to 487.8 million euros in the previous financial year, bringing the net debt/equity ratio to 1.8 (it was 2.8 at end 2002).

The structure of the net financial position has also improved thanks to the medium/long-term relocation of part of the debt, in line with management objectives:

NET FINANCIAL POSITION		
(MLN/euros)	2002	2003
Medium/long-term indebtedness	(167.4)	(200.8)
Short-term indebtedness	(390.2)	(312.3)
<b>Total Indebtedness</b>	<b>(557.6)</b>	<b>(513.1)</b>
Liquid assets and other financial activities	69.8	62.0**
<b>Net Financial Position</b>	<b>(487.8)</b>	<b>(451.1)</b>

\*\* of which 50.9 million euros in active current accounts and cash

The drop in indebtedness is even more significant given that, during 2003, the Group invested 61.1 million euros, 25.4 million euros of which in acquisitions aimed at developing businesses which will come into operation as early as this year.

### Results of the Parent Company Cremonini Spa

The parent company **Cremonini S.p.A.** has obtained total revenues of 126.4 million euros against the 124.5 million euros in 2002 (+1.5%) and a net profit of 17.8 million euros against the value of 1.8 million euros of the previous year.

The Board of Directors also passed a resolution co-opting Dr. Mario Rossetti to the Board as an independent member. His appointment will be put to the next Shareholders' Meeting for approval.

With about 5,500 employees, **Cremonini** is one of Europe's major food groups and it operates in three business areas: distribution to the foodservice, production and restaurant services.

With total revenues of 1,786.2 million euros in 2003, the Group is Italy's absolute leader for the production of beef and processed beef-based products (**Montana**), and for the sale and distribution of food products (**Marr**) to the foodservice. It also has a considerable presence in the restaurant sector and, in particular, it is the leader in Italy for restaurant services on board trains and at railway stations (**Chef Express**).

Castelvetro di Modena, 30<sup>th</sup> March 2004

Press office