



Press Release

CREMONINI GROUP: Awarded the Italian State Railway's international tender for catering and restaurant services on Italian trains.

Cremonini will manage the concession for these services with its Chef Express brand up until the year 2003

Cremonini S.p.a has been awarded the Italian State Railway's international tender for catering and restaurant services on-board Italian trains. Cremonini will manage this concession, with its Chef Express brand, until 2003 together with **Compagnie des Wagons-Lits** and **Gemeaz Cusin**, both Accor Group companies.

Cremonini took part in the tender as lead member of a consortium set up with the Accor Group, the leading French hoteliers and caterers.

The concession, which has been operated by the Cremonini Group since 1990, is for the period from 29 November 1999 to 31 May 2003, with the facility to renew for a further year.

The contract, to be formally signed in the next few days, provides for royalties payable by Cremonini to the Italian State Railways varying from 3% to 5 % on revenues, according to the type of service and train.

Operational management of the activity will be by the **Agape division of Cremonini S.p.A.**, with the benefit of the support of two Accor Group companies: **Compagnie des Wagons-Lits** for catering on some Eurostar trains and wagons lits and **Gemeaz Cusin** for the supply of quick meals.

The contract with the Italian State Railways is for services to be offered on more than 660 trains (of which 88 are Eurostar). Various forms of catering and restaurant services will be managed on these trains: bar cars, dining cars, self service, in-seat service, mini bar trolleys and mini welcome refreshments.

About 22 million passengers were served in 1998 (showing strong growth from 3 million passengers in 1990. Total revenues were about Lire 100 billion (compared with Lire 36 billion in 1990) equal to Euro 51.5 million.

The objective, in terms of the activity development plan, is to increase penetration in the potential market of 460 million travellers per annum by means of expanding the range of services offered, in particular with menus for specific categories of customers.

Cremonini, in addition to having experience of catering and restaurant services on-board trains (in which sector it was the first European company to be awarded the Uni EN ISO 9002 quality certification) also leads in the provision of these services at railway stations. It manages the catering and restaurant services at 15 of the principal railway stations and has a 27% market share.

Abroad Cremonini manages the catering and restaurant services on-board the TGV connecting France and Italy as well as the high-speed Swiss trains (Cisalpino) and at the French railway station of Lyon Perrache.

The strategy of international growth represents one of the principal drivers of development for the Group in the catering and restaurant services sector. At the present time it is tendering for a number of other European contracts for catering services on-board trains and at railway stations

Cremonini, which has over 3,000 employees and achieved consolidated revenues of Lire 2,019 billion (Euro 1.04 billion) in 1998, is one of the largest food groups in Europe, focusing on three integrated business areas: production (meat and cured meats), distribution (to the catering sector and door-to-door) and catering and restaurant activities.

Total consolidated revenues for the first 6 months of 1999 grew by 7.6% with respect to 1998, increasing to Lire 1,048 billion (Euro 541 million), while consolidated pre-tax profit was equal to Lire 32.6 billion (Euro 16.8 million), an increase of 47%.

The restaurant activities sector achieved total revenues of Lire 194 billion (about Euro 100.2 million).

Accor is active in 140 countries with 130,000 employees. The Group is the European leader and has world standing in the realm of travel, tourism and services to businesses. It has two large international operations:

-**Hotelier** (3,200 hotels ranging from economy to luxurious) and complementary travel agent activities (Carlson Wagonlit Travel and Frantour) and car hire (Europcar).

-**Service activities**, with Accor Corporate services, operating in 30 countries on three continents.

In 1998 the Accor Group achieved a turnover of Euro 5,623 million and a profit of Euro 642 million.

Compagnie des Wagons-Lits specializes in on-board train services. It manages on-board train and wagons lits catering in 7 European countries. In 1998 it recorded a turnover of French Francs 2.3 billion (about Euro 350 million). The company serves over 40,000,000 customers annually and supplies services to 4,000,000 wagons lits passengers.

The Gemeaz Cusin Group, with a 1998 turnover of Lire 1,530 billion (about Euro 790 million) and 5,000 employees, is the Italian leader in the collective restaurant sector, meal vouchers, the preparation and distribution of food products and one of the principal Italian companies in the hotel sector.

Modena, 22 November 1999

The Press Office

Chef Express – Customers Served

Year	Number of customers served (in millions)
1990	3
1992	6
1994	11
1996	15
1998	22