



Press release

Castelvetro di Modena, August 6th, 2004

THE BOARD OF DIRECTOR OF CREMONINI SPA APPROVES THE QUARTERLY REPORT AS OF JUNE 30TH, 2004

- **Total revenues continue on an upward trend: 941.6 million Euro (+14.4%)**
- **EBITDA and EBIT are also increasing: (+9.3%) and (+10.3%) respectively**
- **Excellent performance in the restaurant services sector: proceeds at +31.9%, EBIT at +56.0%**

The Board of Directors of Cremonini Spa met today to approve the quarterly report as of June 30th, 2004.

In the first six months of 2004, the **consolidated total revenues** of the Group amounted to 941.6 million Euro, a growth of **14.4%** with respect to the 823.3 million Euro of the first semester of 2003.

The **consolidated EBITDA** recorded an increase of 9.3%, reaching 56.5 million Euro, against the 51.7 million Euro of the first six months of 2003, whereas the **consolidated EBIT** reached the figure of 29.0 million Euro, growing by 10.3% with respect to the 26.3 million Euro of the same period of 2003.

The highly positive trend of the **characteristic management** was also confirmed during the first six months, the results of which reached the figure of 20.9 million Euro, an increase of 67.6% compared to the 12.5 million Euro of the first semester of the previous financial year.

Again on the consolidated level, **profits before tax** were equal to 18.4 million Euro, whereas **profits before tax, net of minorities**, reached the figure of 11.3 million Euro. These figures can be compared with the 38.5 and 37.0 million Euro respectively for the same period of the previous year which, however, included 34.2 million Euro from extraordinary income connected to a conveyance transaction of a minority participation of the subsidiary Marr Spa. Net of these effects, profits before tax increased fourfold, confirming the positive trend of the ordinary management during the first six months of the year.

The **Net Financial Position** of the Group is improving and now amounts to 497.9 million Euro, compared to the 498.6 million Euro of the first quarter of 2004. This reduction takes on increased importance if one considers that the quarter in question, which historically is penalised by the seasonality of the business sectors, was characterised by the distribution of dividends amounting to 20.6 million Euro and by the payment of investments amounting to 20.5 million Euro, 12 million Euro of which were of an extraordinary nature connected to the purchase of Sogema Spa.

Operating cash flow, net of the extraordinary items, grew by 25.9% during the first semester of 2004, reaching the figure of 45.1 million Euro against the 35.8 million Euro of 2003.



Results of the three sectors of activity

During the first six months of 2004, the Cremonini Group confirmed the positive trend of proceeds in all three of the sectors in which it operates.

The **production sector** recorded total revenues rising to 478.9 million Euro, (an increase of 17.4% with respect to the 407.8 million Euro of the first six-month period of 2003). The EBITDA reached the amount of 23.7 million Euro, against the 24.8 million Euro of the same period of 2003, whereas the EBIT amounted to 8.3 million Euro against the 10.4 million Euro of the corresponding period of the previous financial year.

Growth also continues in the **distribution sector**, where revenues amounted to 367.2 million Euro (+8.0% with respect to the 340.1 million Euro of the same period of 2003). The EBITDA reached the figure of 20.3 million Euro compared to the 18.1 million Euro of the first six months of 2003, while the EBIT reached the amount of 15.3 million Euro compared to the 13.4 million Euro of the same period of 2003.

An excellent performance was recorded by the **restaurant services sector**, which achieved an increase in revenues equal to 31.9% up to 129.9 million Euro, compared to the 98.4 million Euro of the same period of the previous year. All the main indicators of profitability also show marked signs of growth: the EBITDA reached the figure of 13.5 million Euro compared to the 9.3 million Euro of the first semester of 2003, whereas the EBIT grew to 8.2 million Euro compared to the 5.3 million of the corresponding period of 2003.

Results of the second quarter 2004

During the second quarter of 2004, **consolidated revenues** of the Group were equal to 514.3 million Euro, a growth of **12.8%** with respect to the 455.8 million Euro of the same period of the previous financial year.

The **EBITDA** reached the amount of 34.0 million Euro (+4.5%) against the 32.5 million Euro of the second quarter 2003, while the EBIT grew to 20.5 million Euro (+1.3%) against the 20.3 million Euro of the second quarter of 2003.

Profits before tax for the quarter in question amounted to 14.0 million Euro, whereas these amounted to 41.9 million Euro for the same period of the previous year; this was influenced by net extraordinary income in the amount of 34.2 million Euro connected to the transaction on the capital of Marr.

Cremonini, with approximately 5,500 employees, is one of the most important Food Groups in Europe, working in three areas of business: foodservice distribution, production and catering.

The Group, with total revenues amounting to 1,786.2 million Euro in 2003, is the undisputed leader in Italy in the production of beef and transformed meat-based products (Montana) and in the marketing and foodservice distribution of foodstuff products (Marr). Moreover, it holds an important position in the restaurant services sector and, in particular, the leadership in Italy in the catering service on trains and in train stations (Chef Express).

Cremonini SpA has been quoted on the Italian Stock Exchange since 1998 and, as of 2001, is part of the STAR segment.