



**MARR: The Board of Directors approves the quarterly report as at 31 December 2006**

**2006 was marked by growth and by a significant increase in profitability and net profit:**

- **Total consolidated revenues of 972.7 million Euros (+10.0%)**
- **Consolidated EBITDA of 61.6 million Euros (+16.2%)**
- **Consolidated net profit of 26.8 million Euros (+21.4%)**

*Rimini, 12 February 2007* – The Board of Directors of MARR S.p.A. (Milan: MARR.MI), the leading company in Italy in the distribution of food products to the foodservice, today approved the quarterly report as at 31 December 2006.

**Main consolidated results for the 2006 business year**

Total consolidated revenues reached 972.7 million Euros, an increase of 10.0% compared to 884.2 million Euros in 2005.

EBITDA increased by 16.2%, reaching 61.6 million Euros (53.0 million Euros in 2005), while EBIT, amounting to 53.5 million Euros, increased by 18.8% compared to 45.0 million Euros in 2005.

Results from recurrent activities amounted to 46.9 million Euros, an increase of 16.6% compared to 40.2 million Euros in the previous business year.

Net profit reached 26.8 million Euros, an increase of 21.4% compared to 22.1 million Euros in 2005. This result includes approximately 0.8 million Euros of the initial cost relating to the securitization programme that has been accounted for in the income statement for the 4<sup>th</sup> quarter, following the start of the early extinction procedures for the said programme.

The Net Financial Position (NFP) of the Group as at 31 December 2006 amounted to 98.5 million Euros, compared to 94.0 million Euros in 2005.

The trade net working capital amounted to 117.5 million Euros, a significant improvement on 128.5 million Euros in 2005.

The net consolidated equity at the end of the year amounted to 175.5 million Euros (169.7 million Euros in 2005).

**Results of the parent company MARR S.p.A.**

The parent company MARR S.p.A. achieved total revenues of 919.6 million Euros, compared to 843.3 million Euros in 2005 (+9.0%).



Net profit amounted to 25.1 million Euros, an increase of 10.3% compared to 22.8 million Euros in 2005. Subject to approval by the General Meeting of Shareholders, the net profit for the business year will be entirely distributed, net of legal reserves.

#### **Results by sector of activity**

The positive results achieved during 2006 are in line with the development strategies of the company and represent the achievement of the pre-established objectives.

The revenues from foodservice sales increased by 10.5% compared to the previous year, driven by the increase of 11.5% in the "Street Market" category (restaurants and hotels not belonging to Groups or Chains), which registered sales amounting to 608.1 million Euros, representing approximately two-thirds of total sales.

Sales in the "National Account" category (operators in structured commercial catering and canteens) amounted to 146.8 million Euros, an increase of 11.8% compared to 2005. In particular, this increase was driven by structured commercial catering (chains of tourist villages, in-flight catering, hotel chains), which registered an increase of 22.3%.

Sales in the "Wholesale" category reached 205.0 million Euros, an increase of 6.7% compared to 2005.

The increase in consolidated sales was achieved thanks to both the contribution of organic growth (+6.7%) and that deriving from the latest acquisitions of As.ca. and Prohoga (+3.8%).

#### **Main economic results in the 4<sup>th</sup> quarter**

In the 4<sup>th</sup> quarter of 2006, MARR achieved total consolidated revenues of 215.5 million Euros, compared to 208.8 million Euros achieved in the same period of the previous year.

EBITDA reached 9.7 million Euros, an increase of 10.5% compared to 8.7 million Euros in 2005. EBIT reached 8.0 million Euros with an increase of 24.7%.

Net consolidated profit for the quarter amounted to 3.1 million Euros, an increase of 18.5% compared to 2005, in spite of the impact of 0.8 million Euros for the charges concerning the extinction of the securitization programme.

#### **Events following the end of the 4<sup>th</sup> quarter**

In the first few days of January 2007, MARR signed the acquisition of the entire share capital of New Catering S.r.l., a company based in Forlì active in the distribution of food products to bars and fast food operators.

On 22 January 2007, the purchase of the building located in the Bottegone area of Pistoia was finalised, and in the Spring of 2007, the Marr Toscana distribution centre will begin operations there.



On 12 February, the Board of Directors of MARR decided, jointly with the other Cremonini Group companies involved, to start procedures for the early extinction of the ongoing receivables securitization programme with the company Cremonini Sec S.r.l.. The bond will be reimbursed by the special purpose vehicle company, Cremonini Sec, on 24 April 2007.

### **Outlook**

The 2006 business year closed better than the budget estimates and confirmed the validity of the growth of both turnover and profitability. Company management remains oriented towards pursuing development strategies through both organic growth and acquisitions, maintaining the levels of profitability already achieved.

**MARR** (Cremonini Group), listed on the STAR segment of the Italian Stock Exchange, is the leading Italian company in the specialised distribution of food products to the non-domestic catering sector and is controlled by Cremonini S.p.A..

With an organisation comprising more than 650 sales agents, MARR serves over 36,000 clients (mainly restaurants, hotels, pizza restaurants, holiday villages and canteens), with an offer that includes 10,000 food products, including fish, meat, various food products and fruit and vegetables.

The company operates nationwide through a logistical-distribution network composed of more than 20 distribution centres, 4 cash & carry, and 5 agents with warehouses and more than 550 vehicles.

In 2006, MARR achieved consolidated revenues amounting to 972.7 million Euros, a consolidated EBITDA of 61.6 million Euros and consolidated net profit of 26.8 million Euros.

For more information about MARR visit the company's web site at [www.marr.it](http://www.marr.it)

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### ALTERNATIVE PERFORMANCE MEASURES

In this press release certain non-IFRS measures are presented for purposes of a better understanding of the trend of operations and financial condition of the MARR Group; however, such measures should not be construed as a substitute for the operating and financial information required by IFRS.

Specifically, the non-IFRS measures presented are described below:

- **EBITDA** (Gross Operating Result): this economic indicator is not defined by the IFRS and used by the company's management to monitor and assess its operational performance. The management believes that the EBITDA is an important parameter for measuring the Group's performance as it is not affected by the volatility due to the effects of various types of criteria for determining taxable items, the amount and characteristics of the capital employed and the relevant amortization and depreciation policies. The EBITDA (Earnings before interest, taxes, depreciation and amortization) is defined as the business year Profits/Losses gross of amortizations and depreciations, write downs and financial income and charges, non recurrent items and income tax.
- **EBIT** (Operating Result): is an economic indicator of the operational performance of the Group. The EBIT (Earnings before interest and taxes) is defined as the business year Profits/Losses gross of financial income and charges, non recurrent items and income tax.
- **Net Financial Position**: used as a financial indicator of debts is represented by the total of the following positive and negative components of the Balance sheet:
  - Positive short and long term components: cash and equivalents; items of net working capital collectables; financial assets; current financial receivables.
  - Negative short and long term components: payables to banks; payables to other financiers, payables to leasing companies and factoring companies; payables to shareholders for loans.