

PRESS RELEASE

CREMONINI GROUP: THE CATERING SERVICE ON ALL SPANISH TRAINS INAUGURATED TODAY

The value of the contract is 470 million Euro and consolidates the Group's European leadership in catering on-board trains.

The Cremonini Group, through its subsidiary Cremonini Rail Iberica S.A., started today the now activity of the catering services on-board all the trains of the Spanish high-speed (AVE), the long distance (Larga Distancia and Euromed) and night trains (Trenhotel, Elipsos and Lusitania), for a total of over 320 trains served per day.

The term of the contract is four years and it is renewable for a further two years. The envisaged overall revenues for the first four years are about 470 million Euro. This is the largest ever call for a tender from a European railway network in the field of on-board catering.

The tender, placed by the Spanish railway company RENFE, was subdivided into three lots according to the "Nordeste y Transversales", "Norte y Este Mediterraneo" and "Sur" geographic business areas: Cremonini was awarded all three, for a total of over 24 million customers served per annum.

The agreement provides for management of the catering services on the bar carriages of all the trains, the seat trays service for the "Club" and "Preferente" classes, management of the restaurant carriage and night services for the Trenhotel, Elipsos and Lusitania trains.

Cremonini Rail Iberica has operated in the Spanish market from 2006 and today has about 20% of the on-board trains catering market. Cremonini Rail Iberica has operated in the Spanish market from 2006 and today has about 20% of the on-board trains catering market. The company has managed the catering services on the Spanish high-speed trains during these years, guaranteeing an adequate offer to the target of the new passengers on the high-speed trains, thus preparing itself to gather new business opportunities.

According to Vincenzo Cremonini, CEO of the Group, *"thanks to the competences developed on all the European high-speed networks and the experience acquired in the last four years on the Spanish market, we have been successful in formulating the best economic/commercial proposal that has permitted us to win. I would also like to record that with the opening of the new Madrid-Valencia high-speed line, anticipated at the end of 2010, Spain will have the most extensive European network of high-speed trains and will further increase the number of travellers preferring the train to an aircraft. We have been the reference on-board catering operators in the international field for years: the award of this important tender today signals a decisive growth step, projecting us towards doubling the on-board revenues. We predict revenues higher than 650 million Euro in the catering sector for 2010, half of which only from the on-board catering division abroad"*.

With this tender there are about 1,200 trains served by Cremonini S.p.A. each day in 8 European countries with 5,400 employees, 2,300 of which in Spain. The Group, other than in Spain, is present on the English Eurostar trains connecting London, Paris and Brussels through the Eurotunnel, on the Belgian Thalys trains on the Brussels, Paris, Cologne, Dusseldorf and Amsterdam routes, the Italo-Swiss Cisalpino trains, and on over 80% of the French railway network (TGV and iTGV high-speed trains, and Corail trains).

Cremonini's catering division achieved total revenues of 474.7 million Euro in 2008, 198.6 million Euro of which from the *On Board* division.

Cremonini, with over 9,500 employees and 2008 revenues of 2,212.1 million Euro, is one of the largest food groups in Europe and operates in three business areas: production, distribution and catering.

The Group is the leader in Italy in the production of beef and meat-based transformed products (**Inalca JBS** and **Montana**) and the marketing and distribution of food products to the food service sector (**MARR**). It also has a significant presence in the concession catering sector on-board trains and in railway stations, airports and motorway service areas (**Chef Express**). Finally, it is present in commercial catering with its steakhouse chain (**Roadhouse Grill**).

INFORMATIVE NOTES ON THE CONTRACT

Lot 1 (“Nordeste + Transversales”) includes the AVE Madrid-Barcelona/Huascar/Saragossa routes, the “Larga Distancia” Barcelona-Malaga/Bilbao/Irun routes, and the domestic night “Trenhotel” routes, leaving Barcelona in the North and South directions.

Lot 2 (“Norte + Este Mediterraneo”) includes the “Larga Distancia” Madrid/Cartagena, Madrid/Alicante and Madrid/Pamplona routes, the “Trenhotel” night trains towards the North-east of Spain (Madrid-Medina/Vigo/Coruna) and towards Portugal (Madrid-Lisbon), the international “Elipsos” routes towards France and the “Euromed” Barcelona-Alicante line. Furthermore, the future **AVE Madrid-Valencia line** is in this lot. The inauguration of this is expected for the end of 2010 and will result in an increase in revenues of over 10% per annum.

Lot 3 (“Sur”) includes the AVE Madrid-Seville lines, which Cremonini has managed since 2006, and the “Larga Distancia” Madrid-Almeria/Granada/Algeciras/Cadiz/Huelva routes.

The product and service offer, which was a winner, contains many innovative elements, commencing from a new commercial image of the Cafeteria, valorisation of traditional Spanish food and a nutritional balance. The menus were developed on a concept of the gastronomical identity of the different regions over which the trains travel, seeking to conserve the traditional flavours of the local raw ingredients and presenting the product in accordance with modern trends. The offer proposed by Cremonini was studied in accordance with a sustainable development model, which envisages responsible consumption, utilisation of clean energy and correct disposal of waste.

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