

QUARTERLY REPORT  
AS AT 31 DECEMBER **2007**





## Quarterly Report as at 31 December 2007

Cremonini S.p.A.  
Via Modena, 53  
41014 Castelvetro di Modena (Mo) Italy  
Share Cap. €73.746.400  
Reg. Imp. Modena N. 00162810360  
REA Modena N. 126967  
Fisc. Code and P. IVA 00162810360

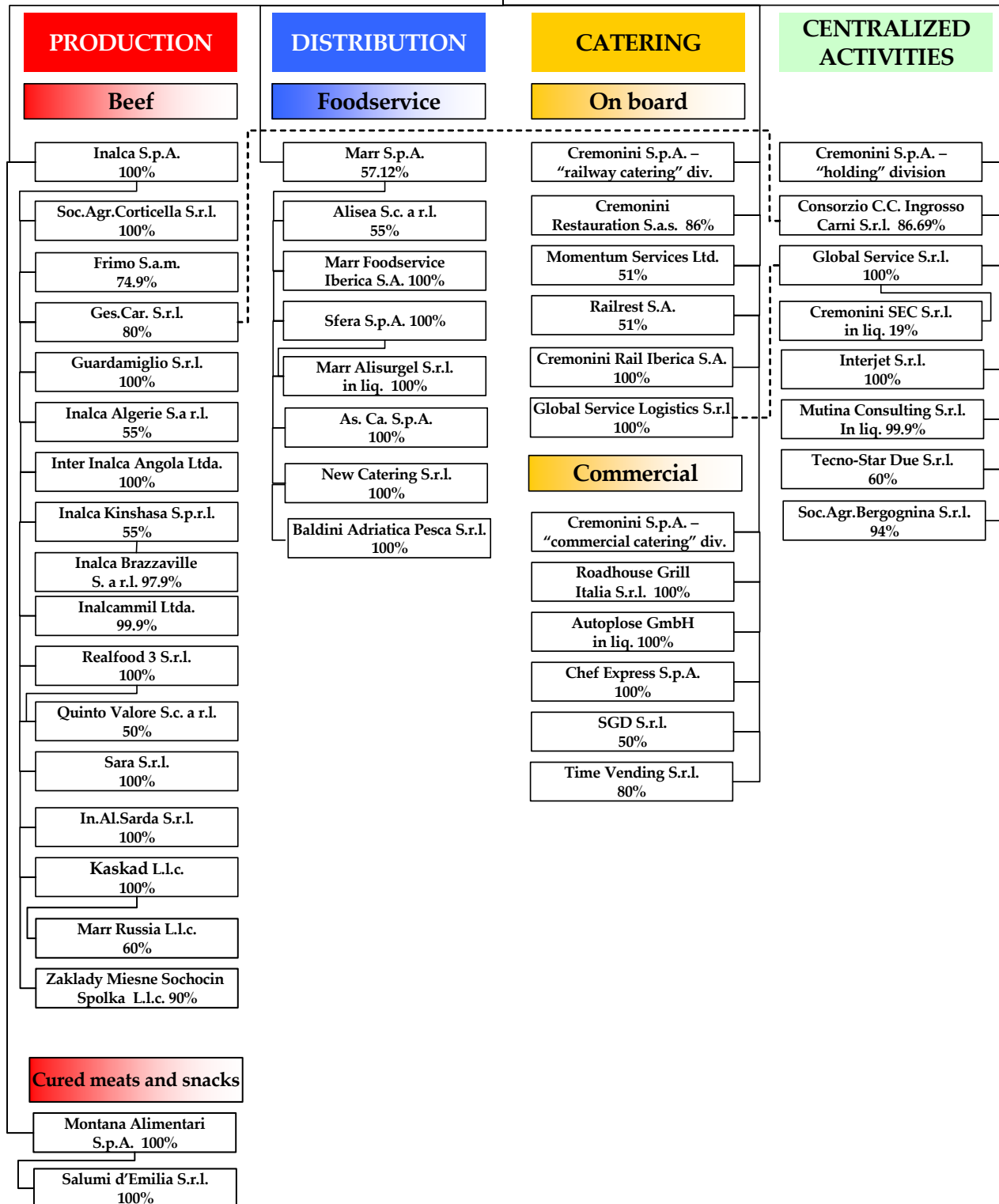


## TABLE OF CONTENTS

Cremonini Group Organization	2
Corporate bodies of Cremonini S.p.A	3
Quarterly report as at 31 December 2007	4
- Directors' Report	
- Consolidated financial statements	
- Notes to the consolidated financial statements	

## CREMONINI GROUP ORGANIZATION

SCOPE OF CONSOLIDATION AS AT 31 DECEMBER 2007



## CORPORATE BODIES OF CREMONINI S.P.A.

### Board of Directors

<i>Chairman</i>	Luigi	Cremonini
<i>Vice Chairman</i>	Paolo	Sciumè <sup>° α</sup>
<i>Chief Executive Officer</i>	Vincenzo	Cremonini
<i>Directors</i>	Valentino Giorgio Edoardo Mario Paolo	Fabbian* Pedrazzi Rossini <sup>° α</sup> Rossetti <sup>° α Δ</sup> Lualdi

### Board of Statutory Auditors

<i>Chairman</i>	Alessandro	Artese
<i>Statutory Auditors</i>	Giovanni Ezio Maria	Zanasi Simonelli
<i>Alternates</i>	Claudio Alberto	Malagoli Baraldi

*Independent Auditors* Reconta Ernst & Young S.p.A.

<sup>°</sup> Member of the Remuneration Committee

<sup>α</sup> Member of the Internal Auditing and Corporate Governance Committee

\* Chief Executive Officer of the Catering business unit

Δ Lead Independent Director

## Directors' Report

The quarterly report as at 31 December 2007 was drawn up in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedure in art. 6 of Regulation (EC) No. 1606/2002 of the European Parliament and Council of 19 July 2002, while for the purpose of the information in this report reference was made to article 82 and annex 3D of Consob (Italian Stock Market Regulator) resolution 11971/99 and subsequent changes.

### Group performance and analysis of the results for the fourth quarter of 2007

In the fourth quarter of 2007 the total consolidated revenues amounted to 613.6 million Euros against 574.6 million in 2006, registering an increase of 39.0 million Euros (+6.8%). The gross operating margin amounted to 33.2 million Euros with respect to 33.8 million in 2006, down by 0.6 million Euros (-1.8%) and the operating result was 18.0 million Euros compared to 20.7 million in 2006, with a decrease of 2.8 million (-13.3%).

The profit from ordinary activities, which amounted to 1.3 million Euro compared to 10.9 million in the same period of 2006, decreased by 9.6 million mainly due to the unfavourable trend of the Euro/Dollar exchange rate.

The net profit attributable to the Group, which amounted to 3.3 million Euro, was up by 0.9 million with respect to 2.4 million in the fourth quarter of 2006, which includes the effect of re-assessment of the deferred taxes consequent to the reduction in tax rates.

The total consolidated revenues for the twelve months of 2007, which amounted to 2,482.4 million Euro against 2,348.8 million in 2006, recorded an increase of 133.6 million Euro (+5.7%). The gross operating margin amounted to 148.8 million Euro with respect to 139.1 million in 2006, up by 9.7 million Euro (+7.0%) and the operating result was 93.8 million Euro compared to 87.8 million in 2006, a rise of 6.0 million (+6.8%).

The Group's net profit was 10.0 million Euros compared to 11.6 million Euros in 2006.

Below is a summary of the consolidated economic and financial data for the fourth quarter and business year at 31 December 2007, compared to the corresponding periods of the previous business year. For a more complete analysis of the Group's results, details have been set out below, which are broken down by sector.

*Consolidated Income Statement*

<i>(in thousands of Euros)</i>	4 <sup>th</sup> quarter '07 (3 months)	4 <sup>th</sup> quarter '06 (3 months)	Chg. %	31 December '07 (12 months)	31 December '06 (12 months)	Chg. %
<b>Total revenues</b>	<b>613,602</b>	<b>574,606</b>	<b>6.79</b>	<b>2,482,439</b>	<b>2,348,842</b>	<b>5.69</b>
Changes in inventories of work in progress, semi-finished and finished goods	(10,309)	3,214		(11,661)	1,792	
<b>Value of production</b>	<b>603,293</b>	<b>577,820</b>	<b>4.41</b>	<b>2,470,778</b>	<b>2,350,634</b>	<b>5.11</b>
Cost of production	(507,944)	(486,541)		(2,081,223)	(1,993,459)	
<b>Value added</b>	<b>95,349</b>	<b>91,279</b>	<b>4.46</b>	<b>389,555</b>	<b>357,175</b>	<b>9.07</b>
Personnel costs	(62,119)	(57,434)		(240,722)	(218,066)	
<b>Gross operating margin<sup>a</sup></b>	<b>33,230</b>	<b>33,845</b>	<b>(1.82)</b>	<b>148,833</b>	<b>139,109</b>	<b>6.99</b>
Amortization, depreciation and write-downs	(15,265)	(13,124)		(55,053)	(51,329)	
<b>Operating income<sup>b</sup></b>	<b>17,965</b>	<b>20,721</b>	<b>(13.30)</b>	<b>93,780</b>	<b>87,780</b>	<b>6.84</b>
Net financial income (charges)	(16,637)	(9,778)		(47,431)	(31,359)	
<b>Profit from ordinary activities</b>	<b>1,328</b>	<b>10,943</b>	<b>(87.86)</b>	<b>46,349</b>	<b>56,421</b>	<b>(17.85)</b>
Net income (charges) from investments	(41)	183		(43)	352	
Net extraordinary financial income (charges)	0	(1,337)		0	(1,337)	
<b>Result before taxes</b>	<b>1,287</b>	<b>9,789</b>	<b>(86.85)</b>	<b>46,306</b>	<b>55,436</b>	<b>(16.47)</b>
Income taxes for the financial year	3,972	(4,951)		(21,063)	(29,297)	
<b>Result before minority interests</b>	<b>5,259</b>	<b>4,838</b>	<b>8.70</b>	<b>25,243</b>	<b>26,139</b>	<b>n.a.</b>
(Profit) Loss attributable to minority interests	(2,008)	(2,437)		(15,203)	(14,512)	
<b>Net profit attributable to the Group</b>	<b>3,251</b>	<b>2,401</b>	<b>n.a.</b>	<b>10,040</b>	<b>11,627</b>	<b>n.a.</b>

a -Ebitda (Gross operating margin) is an economic indicator not defined in the International Accounting Principles and the IFRS. Ebitda is the measurement used by the company's management to monitor and evaluate its operations. The management retains that Ebitda is an important indicator for measuring the Group's performance as it is not affected by the volatile nature of the effects of the various criteria of calculating taxable income, the amount and characteristics of the invested capital as well as the relative depreciation criteria. At present, subject to a later in depth study regarding the evolution of the IFRS accounting practices, Ebitda is defined by Cremonini Group as the Profit/Loss gross of the depreciation and amortization, respectively, of tangible and intangible assets, allocations and write-downs, financial expenses and income and income taxes.

b - The operating profit (Ebit) is defined by Cremonini Group as the Profit/Loss for the year gross of financial charges and income, non-recurring items and income taxes.

Consolidated Balance Sheet

(in thousands of Euros)	31.12.2007	31.12.2006	Chg. %
Intangible assets	157,178	147,246	
Tangible assets	637,886	595,242	
Equity investments and other financial assets	19,857	12,211	
<b>Total fixed assets</b>	<b>814,921</b>	<b>754,699</b>	<b>7.98</b>
<i>Trade net working capital</i>			
- Trade receivables	409,866	389,713	
- Inventories	234,799	252,056	
- Trade payables	(376,426)	(337,433)	
Total trade net working capital	268,239	304,336	
Other current assets	55,401	56,881	
Other current liabilities	(71,657)	(70,912)	
<b>Net working capital</b>	<b>251,983</b>	<b>290,305</b>	<b>(13.20)</b>
<b>Staff Severance Provision and other medium to long-</b>	<b>(101,695)</b>	<b>(112,094)</b>	
<b>Net invested capital</b>	<b>965,209</b>	<b>932,910</b>	<b>3.46</b>
Shareholders' Equity attributable to the Group	281,649	282,499	
Shareholders' Equity attributable to minority interests	70,525	66,187	
<b>Total Shareholders' Equity</b>	<b>352,174</b>	<b>348,686</b>	<b>1.00</b>
Net medium/long-term debt	315,467	367,628	
Net short-term debt	297,568	216,596	
<b>Net debt</b>	<b>613,035</b>	<b>584,224</b>	<b>4.93</b>
<b>Net equity and net debt</b>	<b>965,209</b>	<b>932,910</b>	<b>3.46</b>

Net consolidated debt <sup>(c)</sup>

(in thousands of Euros)	31.12.2007	30.09.2007	30.06.2007	31.03.2007	31.12.2006
Payables to banks, bonds and other financial institutions					
- due within 12 months	(432,646)	(404,458)	(384,571)	(398,888)	(325,403)
- due between 1 and 5 years	(247,414)	(236,115)	(239,277)	(266,203)	(265,210)
- due beyond 5 years	(68,053)	(84,499)	(86,450)	(98,982)	(102,417)
<b>Total payables to banks, bonds and other financial</b>	<b>(748,113)</b>	<b>(725,072)</b>	<b>(710,298)</b>	<b>(764,073)</b>	<b>(693,030)</b>
Liquidity					
- cash and cash equivalents	128,474	94,596	86,157	120,824	107,168
- other financial assets	6,604	6,554	2,841	2,603	1,638
<b>Total liquidity</b>	<b>135,078</b>	<b>101,150</b>	<b>88,998</b>	<b>123,427</b>	<b>108,806</b>
<b>Total net debt</b>	<b>(613,035)</b>	<b>(623,922)</b>	<b>(621,300)</b>	<b>(640,646)</b>	<b>(584,224)</b>

The Group's net debt as at 31 December 2007 was 613.0 million Euro, decreasing of 10.9 million compared to 623.9 million as at 30 September 2007.

The net debt with respect to 31 December 2006 increased by 28.8 million Euro, as an effect of the distribution of dividends of 22.1 million and investments made during the period of 107.3 million Euros, of which 51.3 million related to acquisitions and extraordinary investments. Amongst the latter we would note the acquisition of New Catering, acquisition of the CATER Roma business branch and the programmed payments deriving from the acquisition of the Sfera business branch, Mokà and Cremonini Rail Iberica.

c – The Net Debt, utilised as a financial indicator of the indebtedness, is shown as a summary of the following positive and negative components of the Balance Sheet pursuant to CONSOB communication no. 6064293 of 28 July 2006. Positive components: cash and cash equivalents; current securities due for sale; short-term financial receivables; derivative instruments. Negative components: due to banks; due to other financiers, leasing and factoring companies; derivative instruments and bonds.

## Financial results by sector of activity

The Group operates within the food sector with a position of market leader in three macro business areas:

- production;
- distribution;
- catering.

The Parent Company, both directly and through its subsidiaries, carries out activities of support to the operational sectors, mainly providing services in the following areas: finance, corporate and fiscal, human resources and insurance, IT system.

### Breakdown of results by sector

(in thousands of Euros)	4 <sup>th</sup> quarter '07 (3 months)	4 <sup>th</sup> quarter '06 (3 months)	Difference in absolute value	Chg. %	31.12.2007 (12 months)	31.12.2006 (12 months)	Difference in absolute value	Chg. %
<b>Production</b>								
Total revenues	274,720	272,714	2,006	0.74	1,041,240	1,044,481	(3,241)	(0.31)
Gross operating margin	16,439	16,936	(497)	(2.93)	51,003	50,078	925	1.85
Amortization, depreciation and write-downs	(8,866)	(7,966)	(900)	11.30	(31,634)	(30,535)	(1,099)	3.60
Operating profit (loss)	7,573	8,970	(1,397)	(15.57)	19,369	19,543	(174)	(0.89)
<b>Distribution</b>								
Total revenues	243,181	215,114	28,067	13.05	1,064,702	972,735	91,967	9.45
Gross operating margin	10,356	9,640	716	7.43	69,470	61,575	7,895	12.82
Amortization, depreciation and write-downs	(2,682)	(1,702)	(980)	57.58	(9,757)	(8,177)	(1,580)	19.32
Operating profit (loss)	7,674	7,938	(264)	(3.33)	59,713	53,398	6,315	11.83
<b>Catering</b>								
Total revenues	114,097	102,821	11,276	10.97	444,124	397,040	47,084	11.86
Gross operating margin	7,872	7,667	205	2.67	31,391	30,095	1,296	4.31
Amortization, depreciation and write-downs	(2,949)	(2,595)	(354)	13.64	(10,754)	(8,667)	(2,087)	24.08
Operating profit (loss)	4,923	5,072	(149)	(2.94)	20,637	21,428	(791)	(3.69)
<b>Holding company, property and services</b>								
Total revenues	3,327	3,521	(194)	(5.51)	13,871	18,729	(4,858)	(25.94)
Gross operating margin	(1,418)	(427)	(991)	232.08	(2,820)	(2,556)	(264)	10.33
Amortization, depreciation and write-downs	(768)	(861)	93	(10.80)	(2,908)	(3,950)	1,042	(26.38)
Operating profit (loss)	(2,186)	(1,288)	(898)	69.72	(5,728)	(6,506)	778	(11.96)
<b>Consolidation adjustments</b>								
Total revenues	(21,723)	(19,564)			(81,498)	(84,143)		
Gross operating margin	(19)	29			(211)	(83)		
Amortization, depreciation and write-downs	-	-			-	-		
Operating profit (loss)	(19)	29			(211)	(83)		
<b>Total</b>								
Total revenues	613,602	574,606	38,996	6.79	2,482,439	2,348,842	133,597	5.69
Gross operating margin	33,230	33,845	(615)	(1.82)	148,833	139,109	9,724	6.99
Amortization, depreciation and write-downs	(15,265)	(13,124)	(2,141)	16.31	(55,053)	(51,329)	(3,724)	7.26
Operating profit (loss)	17,965	20,721	(2,756)	(13.30)	93,780	87,780	6,000	6.84

## Breakdown of revenues from sales and services by market

 Comparison figures 4<sup>th</sup> quarter 2007 - 4<sup>th</sup> quarter 2006 (3 months)

<i>4<sup>th</sup> quarter 2007 - (in thousands of Euros)</i>										
	Production	%	Distribution	%	Catering	%	Other	%	Total	%
Italy	167,710	64.7	209,432	90.7	73,479	64.7	697	81.1	451,318	74.6
European Union	42,009	16.2	14,729	6.4	40,114	35.3	0	-	96,852	16.0
Extra-EU countries	49,686	19.1	6,756	2.9	48	0.0	162	18.9	56,652	9.4
<b>Total</b>	<b>259,405</b>	<b>100.0</b>	<b>230,917</b>	<b>100.0</b>	<b>113,641</b>	<b>100.0</b>	<b>859</b>	<b>100.0</b>	<b>604,822</b>	<b>100.0</b>

<i>4<sup>th</sup> quarter 2006 - (in thousands of Euros)</i>										
	Production	%	Distribution	%	Catering	%	Other	%	Total	%
Italy	157,748	61.6	185,772	90.7	65,141	64.7	1,152	70.9	409,813	72.8
European Union	40,405	15.8	14,993	7.3	35,508	35.3	444	27.3	91,350	16.2
Extra-EU countries	57,888	22.6	4,105	2.0	35	0.0	29	1.8	62,057	11.0
<b>Total</b>	<b>256,041</b>	<b>100.0</b>	<b>204,870</b>	<b>100.0</b>	<b>100,684</b>	<b>100.0</b>	<b>1,625</b>	<b>100.0</b>	<b>563,220</b>	<b>100.0</b>

Comparison figures as at 31 December 2007 - 31 December 2006 (12 months)

<i>At 31 December 2007 - (in thousands of Euros)</i>										
	Production	%	Distribution	%	Catering	%	Other	%	Total	%
Italy	627,129	63.9	926,023	90.7	288,792	65.9	4,411	92.6	1,846,355	75.5
European Union	154,610	15.7	65,332	6.4	149,353	34.1	0	-	369,295	15.1
Extra-EU countries	199,994	20.4	29,394	2.9	89	0.0	354	7.4	229,831	9.4
<b>Total</b>	<b>981,733</b>	<b>100.0</b>	<b>1,020,749</b>	<b>100.0</b>	<b>438,234</b>	<b>100.0</b>	<b>4,765</b>	<b>100.0</b>	<b>2,445,481</b>	<b>100.0</b>

<i>At 31 December 2006 - (in thousands of Euros)</i>										
	Produzione	%	Distribuzione	%	Ristorazione	%	Altro	%	Totale	%
Italy	641,641	65.4	854,122	91.7	264,664	68.1	9,325	93.9	1,769,752	76.6
European Union	152,174	15.5	52,630	5.7	124,173	31.9	444	4.5	329,421	14.3
Extra-EU countries	187,365	19.1	24,417	2.6	133	0.0	167	1.6	212,082	9.1
<b>Total</b>	<b>981,180</b>	<b>100.0</b>	<b>931,169</b>	<b>100.0</b>	<b>388,970</b>	<b>100.0</b>	<b>9,936</b>	<b>100.0</b>	<b>2,311,255</b>	<b>100.0</b>

Consolidated balance sheet by sector

<i>At 31 December 2007</i> <i>(in thousands of Euros)</i>	<i>Production</i>	<i>Distribution</i>	<i>Catering</i>	<i>Holding and centralized act.</i>	<i>Intercompany revenues</i>	<i>Total</i>
Intangible assets	19,719	83,983	52,998	478		157,178
Tangible assets	435,810	59,603	62,480	79,993		637,886
Equity investments and other financial assets	7,089	509	2,323	9,936		19,857
<b>Total fixed assets</b>	<b>462,618</b>	<b>144,095</b>	<b>117,801</b>	<b>90,407</b>	<b>0</b>	<b>814,921</b>
<i>Trade net working capital</i>						
- <i>Trade receivables</i>	118,173	258,686	45,234	9,945	(22,172)	409,866
- <i>Inventories</i>	136,258	88,266	9,810	252	213	234,799
- <i>Trade payables</i>	(151,781)	(180,263)	(65,459)	(2,133)	23,210	(376,426)
Total trade and net working capital	102,650	166,689	(10,415)	8,064	1,251	268,239
Other current assets	22,364	20,460	12,225	26,063	(25,711)	55,401
Other current liabilities	(18,684)	(18,617)	(33,294)	(25,522)	24,460	(71,657)
<b>Net working capital</b>	<b>106,330</b>	<b>168,532</b>	<b>(31,484)</b>	<b>8,605</b>	<b>0</b>	<b>251,983</b>
<b>Staff Severance Provision and other medium to</b>	<b>(54,481)</b>	<b>(20,881)</b>	<b>(13,726)</b>	<b>(12,607)</b>		<b>(101,695)</b>
<b>Net invested capital</b>	<b>514,467</b>	<b>291,746</b>	<b>72,591</b>	<b>86,405</b>	<b>0</b>	<b>965,209</b>
<i>At 30 September 2007</i> <i>(in thousands of Euros)</i>	<i>Production</i>	<i>Distribution</i>	<i>Catering</i>	<i>Holding and centralized act.</i>	<i>Intercompany revenues</i>	<i>Total</i>
Intangible assets	18,797	87,809	52,297	480		159,383
Tangible assets	432,214	59,644	59,944	79,194		630,996
Equity investments and other financial assets	7,770	495	1,637	8,749	0	18,651
<b>Total fixed assets</b>	<b>458,781</b>	<b>147,948</b>	<b>113,878</b>	<b>88,423</b>	<b>0</b>	<b>809,030</b>
<i>Trade net working capital</i>						
- <i>Trade receivables</i>	126,263	310,985	41,423	6,331	(21,266)	463,736
- <i>Inventories</i>	147,130	89,834	8,547	327	65	245,903
- <i>Trade payables</i>	(141,191)	(225,759)	(63,016)	(2,515)	21,322	(411,159)
Total trade and net working capital	132,202	175,060	(13,046)	4,143	121	298,480
Other current assets	22,194	29,696	14,535	16,482	(9,875)	73,032
Other current liabilities	(16,903)	(20,978)	(36,214)	(14,246)	11,186	(77,155)
<b>Net working capital</b>	<b>137,493</b>	<b>183,778</b>	<b>(34,725)</b>	<b>6,379</b>	<b>1,432</b>	<b>294,357</b>
<b>Staff Severance Provision and other medium to</b>	<b>(62,447)</b>	<b>(40,134)</b>	<b>(14,161)</b>	<b>(13,322)</b>	<b>(1,432)</b>	<b>(131,496)</b>
<b>Net invested capital</b>	<b>533,827</b>	<b>291,592</b>	<b>64,992</b>	<b>81,480</b>	<b>0</b>	<b>971,891</b>
<i>At 31 December 2006</i> <i>(in thousands of Euros)</i>	<i>Production</i>	<i>Distribution</i>	<i>Catering</i>	<i>Holding and centralized act.</i>	<i>Intercompany revenues</i>	<i>Total</i>
Intangible assets	18,895	77,456	50,390	505		147,246
Tangible assets	416,796	58,472	39,708	80,266		595,242
Equity investments and other financial assets	5,994	453	1,354	4,410		12,211
<b>Total fixed assets</b>	<b>441,685</b>	<b>136,381</b>	<b>91,452</b>	<b>85,181</b>	<b>0</b>	<b>754,699</b>
<i>Trade net working capital</i>						
- <i>Trade receivables</i>	149,621	217,985	37,263	5,381	(20,537)	389,713
- <i>Inventories</i>	162,407	80,508	8,706	353	82	252,056
- <i>Trade payables</i>	(138,973)	(156,177)	(59,252)	(2,702)	19,671	(337,433)
Total trade and net working capital	173,055	142,316	(13,283)	3,032	(784)	304,336
Other current assets	21,205	19,358	8,771	25,907	(18,360)	56,881
Other current liabilities	(16,548)	(15,199)	(35,353)	(22,006)	18,194	(70,912)
<b>Net working capital</b>	<b>177,712</b>	<b>146,475</b>	<b>(39,865)</b>	<b>6,933</b>	<b>(950)</b>	<b>290,305</b>
<b>Staff Severance Provision and other medium to</b>	<b>(63,545)</b>	<b>(21,549)</b>	<b>(13,829)</b>	<b>(13,171)</b>		<b>(112,094)</b>
<b>Net invested capital</b>	<b>555,852</b>	<b>261,307</b>	<b>37,758</b>	<b>78,943</b>	<b>(950)</b>	<b>932,910</b>

## Net consolidated debt broken down by sector

<i>At 30 December 2007</i> <i>(in thousands of Euros)</i>	<i>Production</i>	<i>Distribution</i>	<i>Catering</i>	<i>Holding and centralized act.</i>	<i>Total</i>
<u>Payables to banks, bonds and other financial institutions</u>					
- due within 12 months	(187,056)	(141,059)	(5,751)	(98,780)	(432,646)
- due between 1 and 5 years	(91,211)	(33,609)	(6,094)	(116,500)	(247,414)
- due beyond 5 years	(43,049)	(2,088)	(1,746)	(21,170)	(68,053)
<b>Total payables to banks, bonds and other financial</b>	<b>(321,316)</b>	<b>(176,756)</b>	<b>(13,591)</b>	<b>(236,450)</b>	<b>(748,113)</b>
<u>Liquidity</u>					
- cash and cash equivalents	43,094	48,319	17,690	19,371	128,474
- other financial assets	1,305	4,166	1,127	6	6,604
<b>Total liquidity</b>	<b>44,399</b>	<b>52,485</b>	<b>18,817</b>	<b>19,377</b>	<b>135,078</b>
<u>Securitization and internal treasury current accounts</u>	<u>(8,513)</u>	<u>1,334</u>	<u>(59,050)</u>	<u>66,229</u>	
<b>Total net debt</b>	<b>(285,430)</b>	<b>(122,937)</b>	<b>(53,824)</b>	<b>(150,844)</b>	<b>(613,035)</b>

<i>At 30 September 2007</i> <i>(in thousands of Euros)</i>	<i>Production</i>	<i>Distribution</i>	<i>Catering</i>	<i>Holding and centralized act.</i>	<i>Total</i>
<u>Payables to banks, bonds and other financial institutions</u>					
- due within 12 months	(194,698)	(123,031)	(4,682)	(82,047)	(404,458)
- due between 1 and 5 years	(90,224)	(38,293)	(1,986)	(105,612)	(236,115)
- due beyond 5 years	(52,465)	(2,631)	(5,988)	(23,415)	(84,499)
<b>Total payables to banks, bonds and other financial</b>	<b>(337,387)</b>	<b>(163,955)</b>	<b>(12,656)</b>	<b>(211,074)</b>	<b>(725,072)</b>
<u>Liquidity</u>					
- cash and cash equivalents	38,430	33,840	18,338	3,988	94,596
- other financial assets	490	4,231	1,827	6	6,554
<b>Total liquidity</b>	<b>38,920</b>	<b>38,071</b>	<b>20,165</b>	<b>3,994</b>	<b>101,150</b>
<u>Securitization and internal treasury current accounts</u>	<u>(8,446)</u>	<u>291</u>	<u>(55,626)</u>	<u>63,781</u>	
<b>Total net debt</b>	<b>(306,913)</b>	<b>(125,593)</b>	<b>(48,117)</b>	<b>(143,299)</b>	<b>(623,922)</b>

<i>At 31 December 2006</i> <i>(in thousands of Euros)</i>	<i>Production</i>	<i>Distribution</i>	<i>Catering</i>	<i>Holding and centralized act.</i>	<i>Total</i>
<u>Payables to banks, bonds and other financial institutions</u>					
- due within 12 months	(132,742)	(42,473)	(4,248)	(145,940)	(325,403)
- due between 1 and 5 years	(94,443)	(34,466)	(1,238)	(135,063)	(265,210)
- due beyond 5 years	(63,813)	(3,972)	(1,899)	(32,733)	(102,417)
<b>Total payables to banks, bonds and other financial</b>	<b>(290,998)</b>	<b>(80,911)</b>	<b>(7,385)</b>	<b>(313,736)</b>	<b>(693,030)</b>
<u>Liquidity</u>					
- cash and cash equivalents	14,908	35,751	17,367	39,142	107,168
- other financial assets		903	735		1,638
<b>Total liquidity</b>	<b>14,908</b>	<b>36,654</b>	<b>18,102</b>	<b>39,142</b>	<b>108,806</b>
<u>Securitization and internal treasury current accounts</u>	<u>(45,276)</u>	<u>(54,221)</u>	<u>(26,927)</u>	<u>126,424</u>	
<b>Total net debt</b>	<b>(321,366)</b>	<b>(98,478)</b>	<b>(16,210)</b>	<b>(148,170)</b>	<b>(584,224)</b>

## The operating sectors of the Group

### Production

This sector includes the following areas of business and companies within the scope of consolidation:

Companies	Business carried out
-----------	----------------------

#### a) Beef and meat-based products

INALCA S.p.A. - Via Spilamberto n. 30/C Castelvetro di Modena (MO)	Slaughtering, processing and marketing of beef-based products.
GES.CAR. S.r.l. - Via Spilamberto n. 30/C Castelvetro di Modena (MO)	Service provision connected to beef processing and treatment at the INALCA plant in Ospedaletto Lodigiano.
GUARDAMIGLIO S.r.l. - Via Coppalati n. 52 Piacenza	Retail outlet management (butcher's and charcuterie shops).
SOC. AGR. CORTICELLA S.r.l. - Via Corticella n. 15 Spilamberto (MO)	Breeding cattle, both directly and by means of agistment contracts.
FRIMO S.a.m. - 1, Rue du Gabian "Le Thales" Principality of Monaco	Food marketing.
QUINTO VALORE S.c.a r.l. – Via Due Canali n.13 Reggio Emilia ( 50% consolidated on a proportional basis)	Sale of beef. Slaughtering by-products (leathers).
SARA S.r.l. - Via Spilamberto n. 30/C Castelvetro di Modena (MO)	Recovery and processing of agricultural and livestock waste.
REALFOOD 3 S.r.l. - Via Spilamberto n. 30/C Castelvetro di Modena (MO)	Slaughtering, processing and marketing of beef-based products.
INALCAMIL Ltda. – Rua Deolinda Rodrigues n. 563 - Luanda - Angola	Food marketing.
INALCA ALGERIE S.ar.l. – 08, Rue Cherif Hamani - Algiers – Algeria	Food marketing.
INTER INALCA ANGOLA Ltda. - Rua Major Kayangulo n. 504 - Luanda - Angola	Food marketing.
IN.AL.SARDA S.r.l. – Via Guicciardini n. 9 Cagliari	Processing and marketing of beef-based products.
INALCA KINSHASA S.p.r.l. - Kinshasa 11eme Rue Limete Industriel n. 112, Limete (Kinshasa) Democratic Republic of the Congo	Food marketing.
KASKAD OOO L.l.c. Via Vostochnaya n. 5, Odincovo (Moscow) - Russia	Real estate services.
MARR RUSSIA L.l.c. - Ryabinovaja Str. 43 121471 - Moscow - Russia	Food marketing.
INALCA BRAZZAVILLE S.a r.l. – 64, Avenue de France Poto-Poto (Brazzaville) Republic of the Congo	Food marketing.
ZAKLADY MIESNE SOCH. S.p.z.o.o. L.l.c. Al. Jana Pawła II n. 80, Warsaw – Poland	Not operating.

#### b) Cured meats and snacks

MONTANA ALIMENTARI S.p.A. – Via Europa n. 14, Busseto (PR)	Production and marketing of food products (cured meats and delicatessen).
SALUMI D'EMILIA S.r.l. - Via Modena n. 53 Castelvetro di Modena (MO)	Production and marketing of cured meats.

In the fourth quarter 2007 revenues from production sector amounted to 274.7 million Euros against 272.7 million Euros in 2006, increasing by 2.0 million Euros. Gross operating margin instead decreased from 16.9 to 16.4 million, down by 0.5 million Euros and operating income decreased from 9.0 million to 7.6 million Euro, with an decrease of 1.4 million.

#### Beef business

In the fourth quarter of 2007 the beef division registered a slight drop compared to the figures of the same period of 2006 as an effect of the fall in consumption of beef that characterised the whole financial year and the transport strike that, in December, prevented the normal conduct of commercial activities, mainly penalizing the fresh meat division.

The latter factor, associated with pressure on the cost of veal purchases, penalized the marginality of the quarter despite the extreme attention paid to marketing.

Consistently with the investment plan, the construction continued on the production/distribution platform in Russia and the factory of the subsidiary Guardamiglio S.r.l. in Piacenza.

Amongst the significant events that marked the period it is noted that Cremonini S.p.A. and JBS S.A., the largest beef producer in the world, signed a contract for a strategic alliance between the two groups on 21 December 2007. The alliance provides for JBS S.A.'s 50% holding in the Cremonini Group's production sector (Inalca S.p.A. and Montana Alimentari S.p.A., 100% held subsidiaries). Execution of the contract and conclusion of the agreements will be take place by March 2008, subject to the obtainment of the relative authorisations from the relevant Anti-trust Authorities.

#### Cured meats and snack business

Though with a demand that continues to be stagnant, the sector succeeded in increasing sales thanks to the continuous growth of the snack division and thanks to the growth in the cured meats division, which continues to register good results in the sale of products with high services content (sliced and portioned).

Investments made in the period were mainly for machinery and slicing plant.

## Distribution

This sector includes the following companies within the scope of consolidation:

Companies	Business carried out
<b>Foodservice (distribution to catering)</b>	
MARR S.p.A. - Via Spagna n. 20 Rimini	Marketing and distribution of fresh, dried and frozen foodstuffs for catering operators.
MARR ALISURGEL S.r.l. in liquidation – Via del Carpino n. 4, Santarcangelo di Romagna (RN)	Non-operating company, now being liquidated.
MARR FOODSERVICE IBERICA S.A. – Calle Goya n. 99, Madrid – Spain	Marketing and distribution on the Spanish market of fresh, dried and frozen foodstuffs for catering operators.
ALISEA S.c.a r.l. – Via Imprunetana per Tavernuzze n. 231/b, Impruneta (FI)	Hospital catering.
SFERA S.p.A. Via del Carpino n.4, Santarcangelo di Romagna (RN)	Marketing and distribution of fresh, dried and frozen foodstuffs for catering operators.
AS. CA. S.p.A. Via del Carpino n. 4 Santarcangelo di Romagna (RN)	Marketing and distribution of fresh, dried and frozen foodstuffs for catering operators.
NEW CATERING S.r.l. Via Massimiliano Kolbe n. 5/7 - Forlì	Distribution of food products to the bars and fast-food catering
BALDINI ADRIATICA PESCA S.r.l. Via del Carpino n. 4 Santarcangelo di Romagna (RN)	Marketing of fresh and frozen fish products

In the fourth quarter of 2007, the distribution sector showed a growth in revenues that rose from 215.1 million Euro to 243.2 million with an increase of 28.1 million, confirming the positive result achieved in the first part of the year. The operating margin rose from 9.6 to 10.4 million Euro with an increase of 0.7 million. The operating result amounted to 7.7 million Euro compared to 7.9 million in 2006, down by 0.3 million.

The revenues growth in the quarter involved all the clientele segments. The “Street Market” category recorded progress of 9.1% in the quarter. The “National Account” category recorded an increase of 31.1% in the fourth quarter of 2007, which was particularly fuelled by collective catering sales that, with the acquisition of CATER (September 2007), grew by 29.9%.

Amongst the significant events that characterised the period we note the following:

- on 17 October 2007 a contract for the lease of the business situated in Arco (TN) was stipulated with the subsidiary Sfera S.p.A. The lease commenced from 12 November and the new “MARR Arco” branch was activated from the same date;

- following the preliminary contract signed on 31 October, on 3 December 2007 the acquisition of the business branch situated in Valdagno (VI), owned by Jolly Hotels S.p.A., which is dedicated to the purchase, stocking, handling and distribution of food commodities on behalf of the Jolly hotel chain in Italy was finalised;

- on 17 December 2007 the transactions were completed for restitution to Cecosa Supermercados S.L.U. (formerly Distribution Mercat S.A.) of the business managed by Marr Foodservice Iberica S.A, together with the property where the business is situated. The effects of the restitution commenced from 31/12/2007.

## Catering

The business conducted in this sector is divided into two business areas, through the following companies and/or company divisions:

Companies	Business carried out
<b>a) On-board catering</b>	
CREMONINI S.p.A. – Railway Division Registered and administrative offices, Via Modena n. 53 - Castelvetro di Modena (MO) “Agape” commercial offices, Via Giolitti n. 50 - Rome	Operating, under contract, on-board railway catering in Italy.
MOMENTUM SERVICES Ltd. Parklands Court, 24 Parklands Birmingham Great Park Rubery, Birmingham – Great Britain	Operating, under contract, on-board catering on the trains that connect London with Paris and Brussels through the Euro tunnel.
CREMONINI RESTAURATION S.a.s. – 83, Rue du Charolais, Paris – France	Operating, under contract, on-board catering in France. Management of logistics services in railway stations.
RAILREST S.A. Frankrijkstraat, n. 95 - Brussels - Belgium	Operating, under contract, on-board catering on Thalys high speed trains connecting Belgium with France, Holland and Germany.
CREMONINI RAIL IBERICA S.A.– (ex Rail Gourmet España S.A.) Calle Comercio, n. 12 - Madrid - Spain	Operating under contract, on board catering on the high speed trains (AVE) in Spain.

### **b) Commercial catering**

CREMONINI S.p.A. – Commercial Division Via Modena n. 53, Castelvetro di Modena (MO)	Operator in the sector of commercial contracted catering. Specifically operating buffet services in major Italian railway stations, airports, ports and other areas.
ROADHOUSE GRILL ITALIA S.r.l. - Via Modena n. 53, Castelvetro di Modena (MO)	Operating a chain of steakhouses in Italy.
CHEF EXPRESS S.p.A. Via Modena n. 53, Castelvetro di Modena (MO)	Operating, under contract, catering services in the service stations on the motorway network
AUTOPLOSE GmbH in liquidation 6143 Matrei am Brenner – Brennerautobahn - Austria	Operating, under contract, catering services in the service stations on the motorway network.
SGD S.r.l. - Via Modena n. 53, Castelvetro di Modena (MO)	Management of commercial areas set aside for catering services.
TIME VENDING S.r.l. - Via Modena n. 53, Castelvetro di Modena (MO)	Operation of automatic distributors for drinks, cooked food and non- food products.

In the fourth quarter of 2007 the catering sector showed an increase in revenues from 102.8 million Euro to 114.1 million, with an increase of 11.3 million. The gross operating margin amounted to 7.9 million Euro, up by 0.2 million Euro compared to 7.7 million in the same period of 2006. The operating result that amounted to 4.9 million Euro resulted in line compared to 5.1 million in the same period of 2006.

The sector also registered improved results in the fourth quarter, confirming the trend of the first nine months despite the progressive erosion of the margins determined by the contract with Trenitalia. This contract, which expired in September 2007, was extended on Trenitalia's request to 31 July 2008, the date by which a new tender will be placed.

Amongst the principal events that characterised the quarter, we note the following:

- the award to Cremonini Restauration Sas of the international tender placed by the French SNCF railways for the management of the passenger reception and cleaning services on-board the 24 'Lunea' night trains, which connect all the major French cities. The contract, which commences on 9 December 2007, is for a 3 year term and expires on 12 December 2010;
- the re-awarding to Cremonini S.p.A., for the third consecutive time, of the international tender placed by Cisalpino AG for the management of the catering services on-board 22 trains, 18 ETR and 4 Eurocity, which connect Switzerland with Italy daily. The contract is for a 3 year term and expires in December 2010, with the possibility of an extension for another two years;
- the inauguration of the new Madrid–Malaga high speed line that, by reducing travel time from 4 hours to 2 hours and 30 minutes, will make the choice of the train particularly convenient for these journeys where Cremonini Rail Iberica manages the catering services;
- the acquisition of 3 new sales outlets within the Empoli, Rapallo and Turin Porta Susa railway stations;
- the opening to the public of the new Aprilia service area on the Pontina SS 148 (direction Rome), near the Rome circular motorway, and a sales outlet within Parma's G. Verdi airport;
- the opening of a new steakhouse in Verona, thus taking the number of Roadhouse Grill brand premises opened by the Group to 12.

### Centralized activities (holding, real estate and services)

The activities carried out in this area are mainly connected to the provision of specialised services in support of the activities in the operating sectors and management of real estate assets, and include the following companies and/or company divisions:

<b>Companies</b>	<b>Business carried out</b>
CREMONINI S.p.A. – Holding Division Via Modena n. 53, Castelvetro di Modena (MO)	Provides support services to Group companies in the areas of finance, insurance, legal and management/administration. It also manages the Group's real estate assets.
GLOBAL SERVICE S.r.l. - Via Modena n. 53 Castelvetro di Modena (MO)	<i>IT services:</i> centralized management of the Group's hardware and software. <i>Personnel services:</i> processing and administrative management of payrolls.
GLOBAL SERVICE LOGISTICS S.r.l. Via Modena n. 53 Castelvetro di Modena (MO)	Logistics, management and handling of goods in general.
INTERJET S.r.l. - Via Belvedere n. 23 Castelvetro di Modena (MO)	Air transport services (t.p.p.) and owner of the license for rail transport.
CONS. CENTRO COMM. INGROSSO CARNI S.r.l. - Via Fantoni n. 31, Bologna	Real estate services.
CREMONINI SEC S.r.l. in liquidation Via Modena n. 53, Castelvetro di Modena (MO)	Vehicle company for the securitization transaction concerning trade receivables.
MUTINA CONSULTING S.r.l. in liquidation - Via Modena n. 53, Castelvetro di Modena (MO)	Company in liquidation.
SOCIETÀ AGRICOLA BERGOGNINA S.r.l. Via Modena n. 53 Castelvetro di Modena (MO)	Management of agricultural lands.
TECNO-STAR DUE S.r.l. – Via Prampolini n. 12, Formigine (MO)	Design of buildings and plants, management of maintenance and restructuring activities.

### Events subsequent to the closure of the of the fourth quarter of 2007

Below are the events which occurred after the end of the quarter:

- on 4 February 2008 MARR stipulated the lease contract, with an acquisition option, for the business branch owned by AGRIFAP S.R.L. (which has merged with “MINERVA S.r.l.”) operating at the Costermano (VR) factory and dedicated to the marketing of fresh and frozen fish products. The contract provides for the lease of the business branch, which expires on 31 January 2009, with the possibility of exercising the free option by 31 December 2008 to acquire the business branch for a consideration estimated as 700,000 Euro including goodwill and equipment;
- the acquisition of a new sales outlet within the Macerata railway station;
- the agreement with Centostazoni S.p.A. for management of the catering activities within the Modena and Pavia stations, with a contract term of 15 years (9+6).

### Outlook

The results achieved in the fourth quarter and in the twelve months of 2007 are in line with management’s estimates and confirm the reliability of the forecasts for the 2008 financial year, in which an improvement in profitability is expected.

*Quarterly report as at 31 December 2007 – Cremonini Group*

**Financial statements - Income Statement**

(in thousands of Euros)	Note	4 <sup>th</sup> quarter '07 (3 months)	4 <sup>th</sup> quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Revenues	1	604,822	563,219	2,445,481	2,311,254
Other revenues	2	8,780	11,386	36,958	37,587
Change in inventories of finished and semi-finished goods		(10,589)	2,942	(12,652)	1,076
Capitalisation of internal construction costs		280	273	991	717
Costs for purchases	3	(408,092)	(391,862)	(1,690,464)	(1,616,867)
Other operating costs	4	(99,852)	(94,679)	(390,759)	(376,592)
Personnel costs	5	(62,120)	(57,434)	(240,723)	(218,066)
Amortization and depreciation	6	(11,700)	(10,347)	(44,633)	(41,271)
Write-downs and provisions	6	(3,564)	(2,777)	(10,419)	(10,058)
Revenues from equity investments		(41)	183	(43)	352
Financial (Income)/Charges	7	(16,637)	(11,115)	(47,431)	(32,696)
<b>Result before taxes</b>		<b>1,287</b>	<b>9,789</b>	<b>46,306</b>	<b>55,436</b>
Income taxes	8	3,972	(4,951)	(21,063)	(29,297)
<b>Result before minority interests</b>		<b>5,259</b>	<b>4,838</b>	<b>25,243</b>	<b>26,139</b>
Result attributable to minority interests		(2,008)	(2,437)	(15,203)	(14,512)
<b>Result for the period attributable to the Group</b>		<b>3,251</b>	<b>2,401</b>	<b>10,040</b>	<b>11,627</b>
Basic earning per share				0.0780	0.0903
Diluted earning per share				0.0780	0.0903

**Financial statements - Balance Sheet - Assets**

(in thousands of Euros)	Note	31.12.2007	31.12.2006
<b>Non-current assets</b>			
Tangible assets	9	637,886	595,242
Goodwill	10	148,382	139,894
Other intangible assets		8,796	7,352
Investments valued at equity	11	11,950	3,887
Investments in other companies		2,686	5,513
Financial assets held for sale		-	-
Financial instruments / Derivatives		-	2,339
Non-current financial receivables		3,691	1,833
Deferred tax assets	12	11,706	14,965
Other non-current assets		9,420	8,496
<b>Total non-current assets</b>		<b>834,517</b>	<b>779,521</b>
<b>Current assets</b>			
Inventories	13	225,115	234,248
Biological assets	14	9,684	17,808
Current financial receivables		7,116	2,173
Current trade receivables	15	415,038	395,400
Current tax assets		17,164	11,031
Financial assets held for sale		6	-
Financial instruments / Derivatives		3,265	-
Cash and cash equivalents	16	128,474	107,169
Other current assets	17	52,342	53,964
<b>Total current assets</b>		<b>858,204</b>	<b>821,793</b>
<b>Total assets</b>		<b>1,692,721</b>	<b>1,601,314</b>

**Financial Statements - Balance Sheet - Liabilities**

(in thousands of Euros)	Note	31.12.2007	31.12.2006
<b>Shareholders' Equity</b>			
Share capital	18	67,074	66,918
Reserves		173,051	174,332
Retained earnings		31,484	29,621
Result for the period		10,040	11,627
<i>Shareholders' Equity attributable to the Group</i>		<u>281,649</u>	<u>282,498</u>
Minority interests' capital and reserves		55,322	51,676
Profit for the period attributable to minority interests		15,203	14,512
<i>Shareholders' Equity attributable to minority interests</i>		<u>70,525</u>	<u>66,188</u>
<b>Total Shareholders' Equity</b>		<b>352,174</b>	<b>348,686</b>
<b>Non-current liabilities</b>			
Non-current financial payables		315,467	364,355
Financial instruments / Derivatives	19	-	3,272
Employee benefits	20	36,585	42,265
Non-current provisions for risks and charges	21	7,153	5,979
Deferred tax liabilities		57,957	63,851
Other non-current liabilities	22	3,726	3,227
<b>Total non-current liabilities</b>		<b>420,888</b>	<b>482,949</b>
<b>Current liabilities</b>			
Current financial payables		434,901	325,969
Financial instruments / Derivatives	23	1,576	-
Current tax liabilities		12,117	15,396
Current trade liabilities	24	410,354	370,493
Other current liabilities	25	60,711	57,821
<b>Total current liabilities</b>		<b>919,659</b>	<b>769,679</b>
<b>Total liabilities</b>		<b>1,692,721</b>	<b>1,601,314</b>

## Financial statements – Income Statement

(in thousands of Euros)	31.12.2007	31.12.2006
<b>Net profit before minority interests</b>	<b>25,243</b>	<b>26,139</b>
Amortization and depreciation	44,633	41,271
Net change in Staff Severance Provision	0	2,206
Net change in other provisions and non-monetary income items	3,188	6,661
Reversal of the effects from extraordinary transactions	0	0
<b>Operating cash-flow</b>	<b>73,064</b>	<b>76,277</b>
(Increase) decrease in receivables from customers	(23,476)	(4,609)
(Increase) decrease in inventories	17,257	(29,809)
Increase (decrease) in payables to suppliers	38,993	27,823
(Increase) decrease in other items of the working capital	(5,605)	(4,257)
<b>Change in working capital</b>	<b>27,169</b>	<b>(10,852)</b>
<b>CASH-FLOW FROM OPERATING ACTIVITIES</b>	<b>100,233</b>	<b>65,425</b>
Net (investments) in intangible assets	(12,076)	(8,358)
Net (investments) in tangible assets	(82,665)	(60,267)
Change in financial assets	(12,548)	(28,980)
Net effects from the change in consolidation area	0	0
<b>CASH-FLOW FROM INVESTING ACTIVITIES</b>	<b>(107,289)</b>	<b>(97,605)</b>
<b>FREE - CASH FLOW BEFORE EXTRAORDINARY TRANSACTIONS</b>	<b>(7,056)</b>	<b>(32,180)</b>
<b>Cash-flow from extraordinary transactions</b>	<b>0</b>	<b>0</b>
Cash-flow from distribution of dividends	(22,399)	(39,802)
Capital increases, change in treasury stock and other changes, including those of	644	(158)
<b>Cash flow from (for) change in shareholders' equity</b>	<b>(21,755)</b>	<b>(39,960)</b>
<b>FREE - CASH FLOW</b>	<b>(28,811)</b>	<b>(72,140)</b>
Opening net financial debt	(584,224)	(512,084)
Cash-flow for the period	(28,811)	(72,140)
<b>Closing net financial debt</b>	<b>(613,035)</b>	<b>(584,224)</b>
Increase (Decrease) medium-long term borrowings	(48,888)	18,014
Increase (Decrease) medium-long term liabilities for derivatives	(3,272)	(3,055)
<b>Cash flow from (for) medium-long term financial activities</b>	<b>(52,160)</b>	<b>14,959</b>
<b>CASH FLOW SHORT TERM OF THE PERIOD</b>	<b>(80,971)</b>	<b>(57,181)</b>
Initial net short term indebtedness	(216,596)	(159,415)
Cash flow of the period	(80,972)	(57,181)
<b>Final net short term indebtedness</b>	<b>(297,568)</b>	<b>(216,596)</b>
Increase (Decrease) short term borrowings	108,931	75,598
Changes in other securities and other financial assets	(4,965)	997
Increase (Decrease) short term liabilities for derivatives	(1,690)	(1,448)
<b>Cash flow from (for) short term financial assets</b>	<b>102,276</b>	<b>75,147</b>
<b>INCREASE (DECREA.) CASH AND CASH EQUIVALENTS</b>	<b>21,305</b>	<b>17,966</b>
Cash and cash equivalents at the beginning of the period	107,169	89,203
Cash flow of the period	21,305	17,966
<b>Cash and cash equivalents at the end of the period</b>	<b>128,474</b>	<b>107,169</b>

**Financial statement – Statement of changes in the consolidated shareholders' equity**

	Share capital	Share value treasury stock in portfolio	Total Share capital	Share premium reserve	Legal reserve	Reserve for IAS adjustments	Reserve for trading treasury stock	Reserve translation differences	Cash flow hedge reserve	Total Reserves	Profits (Losses) carried forward	Result attributable to the Group	Shareholders' Equity attributable to the Group	Minority interests' capital and reserves	Result attributable to minority interests	Shareholders' Equity attributable to minority interests	Total
<b>Balance at 31 december 2005</b>	73,746	(6,783)	66,963	78,280	14,749	79,036	1,126	468	(61)	173,598	17,964	40,538	299,083	52,801	11,948	64,749	386,832
Allocation of the results for the previous financial year:																	
- retained earnings reserve											40,538	(29,077)	0	11,948	(11,948)	0	0
- distribution of dividends													(29,077)			(10,725)	(39,802)
Net effect purchases/sales treasury stock		(45)	(45)				(140)			(140)			(185)			(185)	(185)
Cash flow hedge - Inaika									1,351	1,351	214		1,351			1,351	1,351
Cash flow hedge - Inaika											214		214			214	214
Effect of the MARP Stock Option Plan											383		383			383	669
Changes in the translation reserve and other changes							(477)			(477)	(421)		(898)	(2,634)		(2,634)	(3,532)
Net profit (loss) for the financial year ended 31 december 2006												11,627	11,627		14,512	14,512	261,39
<b>Balance at 31 december 2006</b>	73,746	(6,828)	66,918	78,280	14,749	79,036	986	(19)	1,300	174,332	29,621	11,627	282,498	51,676	14,512	66,188	348,686
Allocation of the results for the previous financial year:																	
- retained earnings reserve											11,627	(11,627)	0	14,512	(14,512)		(21,073)
- distribution of dividends													(10,295)			(10,778)	
Cash flow hedge - Inaika									413	413			413			413	413
Cash flow hedge - Inaika											386		386			386	386
Effect of the MARP Stock Option Plan											38		38			38	66
Changes in the translation reserve and other changes							(716)			(716)	33		(743)			(250)	(493)
Net profit (loss) for the period ended 30 September 2007												6,789	6,789		13,195	13,195	19,984
<b>Balance 30 September 2007</b>	73,746	(6,828)	66,918	78,280	14,749	79,036	986	(95)	1,713	173,969	31,410	6,789	279,086	55,688	13,195	68,883	347,969
Allocation of the results for the previous financial year:																	
- distribution of dividends													0	(76)		(76)	(76)
Net effect purchases/sales treasury stock		156	156				485			485			641			641	641
Cash flow hedge - Inaika									(375)	(375)	98		(375)			(375)	(375)
Cash flow hedge - Inaika													98			98	98
Changes in the translation reserve and other changes							(1,028)			(1,028)	(24)		(1,052)	(290)		(290)	(1,342)
Net profit (loss) for the fourth quarter 2007												3,251	3,251		2,008	2,008	5,299
<b>Balance 31 December 2007</b>	73,746	(6,672)	67,074	78,280	14,749	79,036	1,471	(1823)	1,338	173,051	31,484	10,040	281,649	55,322	15,203	70,525	352,174

## Notes to the consolidated financial statements

### Form and content of the financial statements

The quarterly report as at 31 December 2007 was prepared in accordance with the accounting policies and measurement criteria laid down by the International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedure referred to in article 6 of the (EC) Regulation No. 1606/2002 of the European Parliament and Council of 19 July 2002, whilst for the disclosure and the purposes of this report, reference is made to article 82 and Annex 3D of Consob Resolution No. 11971/99 and its later amendments.

The international accounting principles adopted in preparing the quarterly report as at 31 December 2007 do not differ from those used in preparing the report as at 31 December 2006.

For the purposes of comparison, the consolidated financial statements as at 31 December 2007 show the income statement figures for the fourth quarter and year-to-date as at 31 December 2006, and the balances of the balance sheet for the financial year ended 31 December 2006.

### Scope of consolidation

The consolidated report for the fourth quarter of 2007 includes the report of the Parent Company Cremonini S.p.A. and those of the companies directly or indirectly controlled excluding the subsidiaries whose value is not of significance.

Those companies whose accounts show values which are both individually and cumulatively irrelevant with respect to the Group's consolidated financial statements have been excluded from the scope of consolidation. In particular, the following subsidiaries have been excluded:

#### Subsidiaries

Fernie S.r.l. in liquidation  
Ibis S.p.A.  
Inalca Hellas e.p.e. in liquidation  
Montana Farm S.p.zo.o.  
Inalca Brasil Comercio Ltda.  
Prometex S.a.m.

The equity investments in the above companies have been value at cost (in many cases having been completely written-down).

The list of companies included in the scope of consolidation as at 31 December 2007, as indicated on page 2, has undergone some changes, described hereinafter, compared to the previous year. The economic effects deriving from these changes are detailed, when significant, in the notes to the financial statements. On the contrary, these changes did not affect the comparison of the statement of assets and liabilities with the figures as at 31 December 2006.

In particular, with respect to 31 December 2006 the following companies now form part of the scope of the consolidation:

- New Catering S.r.l., a company 100% acquired by MARR, active in distribution (company acquired during the course of 2007);
- Società Agricola Bergognina S.r.l. (consolidated commencing from 1 January 2007);
- Global Service Logistics S.r.l. (consolidated commencing from 1 January 2007);
- Time Vending S.r.l. (consolidated commencing from 1 January 2007);
- Baldini Adriatica Pesca S.r.l. (company acquired during the course of 2007).

As an effect of the liquidation of Domogel S.r.l. during the course of the first quarter, the latter company was instead no longer included in the scope of consolidation.

Furthermore, with respect to 31 December 2006, the following has occurred:

- A change in the percentage of control in Marr S.p.A. from 57.19% to 57.12% as a combined effect of the dilution deriving from the exercise of part of a stock option originally assigned to the employees and the acquisition of a further 0.12% of MARR's share capital.

### **Valuation criteria**

The accounting standards used for preparing the consolidated report as at 31 December 2007 do not substantially differ from used to draw-up the consolidated financial statements as at 31 December 2006 to which reference is made for further details.

### **Presentation of the quarterly report**

The statements and tables appearing in this quarterly report are shown in thousand of Euros to facilitate its presentation and understanding.

## Details of the main items in the consolidated income statement

### 1. Revenues

These revenues are broken down as follows:

<i>(in thousands of Euros)</i>	4 <sup>th</sup> quarter '07 (3 months)	4 <sup>th</sup> quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Revenues from sales - Finished goods	210,406	203,962	802,843	821,137
Revenues from sales - Goods for resale	312,403	280,830	1,310,363	1,191,669
Revenues from sales - Oil	14,063	11,220	55,221	49,727
Revenues from sales - Others	13,519	12,271	48,091	42,136
Revenues from services	50,398	48,770	213,241	190,281
Advisory services to third parties	288	802	999	1,269
Rent income	1,479	2,744	5,504	6,686
Other revenues from ordinary activities	2,266	2,620	9,219	8,349
<b>Total</b>	<b>604,822</b>	<b>563,219</b>	<b>2,445,481</b>	<b>2,311,254</b>

The breakdown of revenues by geographical areas is as follows:

<i>(in thousands of Euros)</i>	4 <sup>th</sup> quarter '07 (3 months)	4 <sup>th</sup> quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Italy	451,319	409,812	1,846,355	1,769,751
European Union	96,852	91,350	369,295	329,421
Extra-EU countries	56,651	62,057	229,831	212,082
<b>Total</b>	<b>604,822</b>	<b>563,219</b>	<b>2,445,481</b>	<b>2,311,254</b>

### 2. Other revenues

The other revenues and income are detailed as follows:

<i>(in thousands of Euros)</i>	4 <sup>th</sup> quarter '07 (3 months)	4 <sup>th</sup> quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Contributions by suppliers and others	5,869	5,350	22,249	18,768
Operating grants	302	428	1,263	2,054
Other sundry revenues	2,609	5,608	13,446	16,765
<b>Total</b>	<b>8,780</b>	<b>11,386</b>	<b>36,958</b>	<b>37,587</b>

### Other sundry revenues

<i>(in thousands of Euros)</i>	4 <sup>th</sup> quarter '07 (3 months)	4 <sup>th</sup> quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Rent income	122	164	505	465
Insurance reimbursements	684	306	1,719	1,501
Capital gains on disposal of capital goods	51	365	373	1,002
Other cost reimbursements	(536)	1,061	2,672	4,001
Services, consultancy and other minor revenues	2,288	3,712	8,177	9,796
<b>Total</b>	<b>2,609</b>	<b>5,608</b>	<b>13,446</b>	<b>16,765</b>

### 3. Costs for purchases

<i>(in thousands of Euros)</i>	4 <sup>th</sup> quarter '07 (3 months)	4 <sup>th</sup> quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Costs for purchases - Raw materials	(132,861)	(146,910)	(523,240)	(579,032)
Costs for purchases - Goods for resale	(221,755)	(206,098)	(960,733)	(874,638)
Costs for purchases - Secondary materials, consumables, semi-finished goods, packages	(12,401)	(13,558)	(52,790)	(52,339)
Costs for purchases - Finished goods	(6,586)	(5,577)	(25,790)	(21,675)
Costs for purchases - Oil	(13,829)	(10,882)	(53,412)	(47,825)
Costs for purchases - Stationery and printed paper	(440)	(394)	(1,823)	(1,658)
Changes in inventories of raw materials, secondary materials, consumables and goods for resale	(221)	10,593	(4,232)	28,661
Other costs for purchases	(19,999)	(19,036)	(68,444)	(68,361)
<b>Total</b>	<b>(408,092)</b>	<b>(391,862)</b>	<b>(1,690,464)</b>	<b>(1,616,867)</b>

“Cost for purchases - Oil” refer to the sale of fuel in the motorway service stations and the related matching entry is “Revenues from sales – Oil”.

### 4. Other operating costs

<i>(in thousands of Euros)</i>	4 <sup>th</sup> quarter '07 (3 months)	4 <sup>th</sup> quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Costs for services	(85,275)	(82,382)	(333,445)	(326,366)
Costs for leases and rentals	(10,973)	(8,444)	(45,551)	(38,006)
Other operating charges	(3,604)	(3,853)	(11,763)	(12,220)
<b>Total</b>	<b>(99,852)</b>	<b>(94,679)</b>	<b>(390,759)</b>	<b>(376,592)</b>

### Costs for services

<i>(in thousands of Euros)</i>	4th quarter '07 (3 months)	4th quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Energy consumption and utilities	(6,027)	(5,969)	(24,117)	(23,965)
Maintenance and repairs	(3,974)	(4,458)	(16,405)	(15,849)
Transport on sales	(15,434)	(14,129)	(64,055)	(59,316)
Commissions, commercial and distribution services	(19,965)	(18,604)	(81,848)	(80,643)
Third-party services and outsourcing	(9,049)	(9,910)	(36,985)	(38,987)
Purchasing services	(12,074)	(10,234)	(36,165)	(34,953)
Franchising	(996)	(1,307)	(4,634)	(5,097)
Other technical and general services	(17,756)	(17,771)	(69,236)	(67,556)
<b>Total</b>	<b>(85,275)</b>	<b>(82,382)</b>	<b>(333,445)</b>	<b>(326,366)</b>

### Costs for leases and rentals

<i>(in thousands of Euros)</i>	4th quarter '07 (3 months)	4th quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Lease of business premises, royalties and others	(6,318)	(4,553)	(27,004)	(22,068)
Costs for leases	47	(31)	(37)	(154)
Leases and rentals related to real and personal property	(4,702)	(3,860)	(18,510)	(15,784)
<b>Total</b>	<b>(10,973)</b>	<b>(8,444)</b>	<b>(45,551)</b>	<b>(38,006)</b>

The increase in value of the item “Lease of business premises, royalties and others” can be explained by the increase in the number of premises and service stations managed by companies operating in the catering sector.

### Other operating charges

<i>(in thousands of Euros)</i>	4th quarter '07 (3 months)	4th quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Losses on receivables	(580)	(256)	(682)	(386)
Indirect taxes and duties	(1,325)	(796)	(4,652)	(4,428)
Capital losses on disposal of assets	(359)	(344)	(597)	(712)
Contributions and membership fees	(148)	(191)	(661)	(620)
Other minor costs	(1,192)	(2,266)	(5,171)	(6,074)
<b>Total</b>	<b>(3,604)</b>	<b>(3,853)</b>	<b>(11,763)</b>	<b>(12,220)</b>

### 5. Personnel costs

<i>(in thousands of Euros)</i>	4th quarter '07 (3 months)	4th quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Salaries and wages	(46,773)	(42,341)	(180,414)	(160,833)
Social security contributions	(13,199)	(12,597)	(52,759)	(47,851)
Staff Severance Provision	(1,941)	(1,721)	(5,886)	(8,020)
Pension and similar provisions	36	(49)	(83)	(241)
Other personnel costs	(243)	(726)	(1,581)	(1,121)
<b>Total</b>	<b>(62,120)</b>	<b>(57,434)</b>	<b>(240,723)</b>	<b>(218,066)</b>

## 6. Amortization and depreciation

<i>(in thousands of Euros)</i>	4th quarter '07 (3 months)	4th quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Depreciation of tangible assets	(11,017)	(9,920)	(42,488)	(39,395)
Amortization of intangible assets	(681)	(427)	(2,144)	(1,876)
Impairment test	(72)	58	(72)	(440)
Write-downs and provisions	(3,494)	(2,835)	(10,348)	(9,618)
<b>Total</b>	<b>(15,264)</b>	<b>(13,124)</b>	<b>(55,052)</b>	<b>(51,329)</b>

## 7. Financial income and charges

<i>(in thousands of Euros)</i>	4th quarter '07 (3 months)	4th quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Net exchange rate differences	(5,299)	(1,218)	(8,374)	(2,501)
Income (Charges) from management of derivatives	494	(256)	1,231	(1,283)
Net financial Income (Charges)	(11,832)	(9,641)	(40,288)	(28,912)
<b>Total</b>	<b>(16,637)</b>	<b>(11,115)</b>	<b>(47,431)</b>	<b>(32,696)</b>

### *Net exchange rate differences*

<i>(in thousands of Euros)</i>	4th quarter '07 (3 months)	4th quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Realized net exchange rate differences	(2,479)	405	(5,100)	404
Net exchange rates valuation differences	(1,840)	(1,998)	(2,785)	(4,720)
exchange rate	(980)	375	(489)	1,815
<b>Total</b>	<b>(5,299)</b>	<b>(1,218)</b>	<b>(8,374)</b>	<b>(2,501)</b>

“Net Exchange rate valuation differences” refer to the valuation of existing balance sheet items in foreign currency at the period end exchange rate.

### *Income (Charges) from management of derivatives*

<i>(in thousands of Euros)</i>	4th quarter '07 (3 months)	4th quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
Realized Income (Charges) from management of derivatives	(638)	(1,200)	(1,944)	(3,939)
Valuation Income (Charges) from management of derivatives	1,132	944	3,175	2,656
<b>Total</b>	<b>494</b>	<b>(256)</b>	<b>1,231</b>	<b>(1,283)</b>

*Net financial Income (Charges)*

<i>(in thousands of Euros)</i>	4th quarter '07 (3 months)	4th quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
<b>Financial Income (Charges) due to controlling companies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>75</b>
<i>Financial income</i>				
- Bank interest receivable	371	194	1,398	812
- Other financial income	891	582	2,168	1,438
<b>Total financial income</b>	<b>1,262</b>	<b>776</b>	<b>3,566</b>	<b>2,250</b>
<i>Financial charges</i>				
- Interest payable on loans	(4,635)	(3,680)	(17,194)	(11,678)
- Interest payable on factoring	(1,666)	(1,305)	(4,034)	(2,629)
- Interest payable on current accounts and others	(5,925)	(2,939)	(17,998)	(9,968)
- Other bank charges	(111)	(146)	(275)	(422)
- Interest on bonds	0	(1,732)	(1,615)	(4,839)
- Other sundry charges	(757)	(615)	(2,738)	(1,701)
<b>Total financial charges</b>	<b>(13,094)</b>	<b>(10,417)</b>	<b>(43,854)</b>	<b>(31,237)</b>
<b>Total</b>	<b>(11,832)</b>	<b>(9,641)</b>	<b>(40,288)</b>	<b>(28,912)</b>

**8. Income taxes**

<i>(in thousands of Euros)</i>	4th quarter '07 (3 months)	4th quarter '06 (3 months)	31 December '07 (12 months)	31 December '06 (12 months)
I.R.E.S. / Taxes on profit	(553)	(1,117)	(14,929)	(15,822)
I.R.A.P.	(1,823)	(2,448)	(9,346)	(10,103)
Net deferred tax assets/liabilities	6,348	(1,386)	3,212	(3,372)
<b>Total</b>	<b>3,972</b>	<b>(4,951)</b>	<b>(21,063)</b>	<b>(29,297)</b>

The re-assessment of deferred taxes, consequent to the reduction of the IRES and IRAP (corporate and provincial tax) rates defined in the 2008 Financial Law, has resulted in an overall income that was booked as an adjustment of the deferred taxes item.

## Details of the main items in the consolidated balance sheet

### ASSETS

#### Non-current assets

##### 9. Tangible assets

<i>(in thousands of Euros)</i>	31.12.2007	31.12.2006
Land and buildings	427,454	408,420
Plant and machinery	132,027	125,028
Industrial and business equipment	6,621	6,399
Other assets	28,969	26,904
Tangible assets under construction and advances	42,815	28,491
<b>Total</b>	<b>637,886</b>	<b>595,242</b>

##### *Land and buildings*

The increase in the item land and buildings mainly regarded the catering and production sectors. The increase in catering is ascribable to the acquisition of 3 new commercial catering premises, while production regarded investments in new productive departments and improvements in some factories.

##### *Other assets*

The increase in the item plant and machinery, which mainly concerned the production sector, refers to the new plant dedicated to the production of hamburgers for McDonald's and a new automated warehouse.

##### 10. Goodwill

The increase of 7.0 million Euros with respect to 31 December 2006 is attributable to the distribution sector for the acquisition of New Catering S.r.l. (2,1 million Euro) and the CATER Roma business branch (3.4 million Euros).

**11. Investments valued at equity***Equity investments in subsidiaries*

The balance mainly refers to the investments in Fernie S.r.l. in liquidation, Inalca Brasil Comercio Ltda., Time Vending S.r.l., Global Service Logistics S.r.l. and Società Agricola Bergognina.

*Equity investments in associated companies*

The increase in the item is mainly ascribable to the subscription to the share capital increase of Emilia Romagna Factor, which resulted in a disbursement of 5.6 million Euro in the quarter. This company, previously classified under other companies, is now classified under associated companies as 22.8% of the capital was held as at 31 December 2007.

**12. Deferred tax assets**

The amount of deferred taxes mainly refers to the tax effect (I.R.E.S. and I.R.A.P.) calculated on taxed provisions, on the impact of consolidation entries and on the write-downs of financial assets deductible for tax in subsequent financial years.

## Current assets

### 13. Inventories

<i>(in thousands of Euros)</i>	31.12.2007	31.12.2006
Raw materials, secondary materials and consumables	18,134	19,928
Work in progress and semi-finished goods	3,291	3,581
Finished goods and goods for resale	203,693	211,178
Advances	547	307
Provision for write-down of inventories	(550)	(746)
<b>Total</b>	<b>225,115</b>	<b>234,248</b>

### 14. Biological assets

The amount under biological assets refers entirely to the valuation of cattle owned by Società Agricola Corticella and Guardamiglio, the valuation made is compliance with IAS 41.

### 15. Current trade receivables

Trade receivables are broken down as follows:

<i>(in thousands of Euros)</i>	31.12.2007	31.12.2006
Receivables from customers	408,384	390,386
Receivables from unconsolidated subsidiaries	499	353
Receivables from associated companies	6,155	4,661
<b>Total</b>	<b>415,038</b>	<b>395,400</b>

The amount of receivables from associated companies mainly refers to trade receivables from the subsidiary of INALCA in Russia, A.O. Konservni, carrying out the activities of the production and marketing of canned meat. This receivable derives from transactions of a commercial nature, also representing financial support for the Russian company in relations to its requirements for working capital deriving from sales to public bodies and also the fact that the company itself has not had recourse to the local financial market on the basis that it was not considered economical.

### 16. Cash and cash equivalents

<i>(in thousands of Euros)</i>	31.12.2007	31.12.2006
Cash	25,061	30,846
Cheques	52	278
Bank and postal accounts	103,361	76,045
<b>Total</b>	<b>128,474</b>	<b>107,169</b>

## Net financial position

Below are the amount of the net financial debt and the details of its principal components as required by CONSOB recommendation no. 6064293 of 28 July 2006.

<i>(in thousands of Euros)</i>	31.12.2007	31.12.2006
A. Cash	25,061	30,846
B. Cash equivalent	103,413	76,323
C. Financial assets held for sale	6	0
<b>D. Liquidity (A) + (B) + (C)</b>	<b>128,480</b>	<b>107,169</b>
<b>E. Current financial assets</b>	<b>6,598</b>	<b>1,637</b>
F. Current bank liabilities	426,528	319,013
G. Current financial instruments	(1,689)	0
H. Other current financial liabilities	7,807	6,390
<b>I- Current financial liabilities</b>	<b>432,646</b>	<b>325,403</b>
<b>J. Current net debt (I) - (E) - (D)</b>	<b>297,568</b>	<b>216,597</b>
K. Non current bank liabilities	291,671	341,250
L. Bonds	0	0
M. Other non current financial liabilities	23,796	23,105
N. Non current financial instruments	0	3,272
<b>O. Non current debt (K) + (L) + (M) + (N)</b>	<b>315,467</b>	<b>367,627</b>
<b>P. Net Debt (J) + (O)</b>	<b>613,035</b>	<b>584,224</b>

Some loan contracts provide for certain financial covenants on the verification of which the banks reserve the facility of revoking the loan. The existing covenants on loan contracts at 31 December 2007, which have been broadly respected, are shown in the table below.

<i>(in thousands of Euros)</i>	Efibanca (b)	Carisbo (a)	BNL (a)	San Paolo Multiborr. (a)
Amount of the loans as at 31 December 2007	28,222	20,000	80,000	83,333
Expiry date	30/06/2011	16/10/2011	16/11/2014	25/03/2015
Covenants				
Net Debt/Equity	<= 1.5	<= 2	<= 2	<= 2
Net Debt/Ebitda	<= 3.6	<= 5.5	<= 5.5	<= 5.5

Compliance with the covenants is carefully verified annually based on the figures in the consolidated and audited financial statements as at 31 December and the contractual verification of these is not provided for during the course of the year.

(a) covenants calculated on the consolidated financial statements of the Cremonini Group;

(b) covenants calculated on the consolidated financial statements of the MARR Group.

**17. Other current assets**

<i>(in thousands of Euros)</i>	31.12.2007	31.12.2006
Accrued income and prepaid expenses	5,059	5,985
Other receivables		
Advances to suppliers	33,950	33,060
Receivables from insurance companies	835	2,661
Receivables for contributions to be collected	1,493	828
Receivables from social security institutions	833	1,060
Receivables from agents	2,433	1,883
Receivables from employees	450	589
Down payments	148	30
Guarantee deposits	294	298
Other sundry receivables	8,531	9,489
Provision for bad debts	(1,684)	(1,919)
<b>Total</b>	<b>52,342</b>	<b>53,964</b>

## **LIABILITIES**

### **18. Shareholders' equity**

The capital stock, amounting to 73,746,400 Euro, is represented by 141,820,000 ordinary shares of the parent company Cremonini S.p.A., with a par value of 0.52 Euro each, fully subscribed and paid-up, with regular enjoyment.

As at 31 December 2007, the parent company held 12,831,670 of treasury stock. Considerations paid and received concerning the trade of shares were entered directly under shareholders' equity and no profit was entered in the income statement.

The basic earning per share as at 31 December 2007 amounted to 0.0780 Euro (0.0903 Euro as at 31 December 2006) and has been calculated on the basis of the net profit divided by the weighted average number of ordinary shares in 2007. There is no difference between basic and diluted earnings per share.

### **Non-current liabilities**

#### **19. Liabilities from derivative instruments**

The Group uses the financial instruments offered by the market (including the so-called "derivatives") solely with a view to optimise debt costs and to hedge the risk of fluctuation in interest and exchange rates.

The quantification of estimated losses considering the valuation of the on-going transactions at their fair value and taking account of the forecast of future interest rates, led to the recognition of a liability of 189 thousand euros as at 31 December 2007 (3,272 thousand euros as at 31 December 2006). This liability, consistent with the maturities of the financial instruments, was reclassified under current liabilities (item 23).

#### **20. Employee benefits**

<i>(in thousands of Euros)</i>	31.12.2007	31.12.2006
Staff Severance Provision	36,555	42,184
Other benefits	30	81
<b>Total</b>	<b>36,585</b>	<b>42,265</b>

#### **21. Provisions for liabilities and charges**

"Provisions for liabilities and charges" mainly includes the provisions made due to the calculation of taxes for the period as required by IAS 34 and the supplementary clientele severance indemnity.

**22. Other non-current liabilities**

<i>(in thousands of Euros)</i>	31.12.2007	31.12.2006
Accrued expenses and deferred income	1,337	1,381
Payables for acquisition of equity investments	1,808	1,564
Payables to Social Security Institutions	3	3
Other minors	578	279
<b>Total</b>	<b>3,726</b>	<b>3,227</b>

## Current liabilities

### 23. Liabilities from derivative instruments

189 thousand Euro of the amount refers to the derivative transactions on the rates previously classified under non-current liabilities and 1,383 thousand Euro relates to the effects of INALCA's Euro/USD exchange rate transactions.

These options, while enabling the hedging of part of the EUR/US\$ exchange rate risk against receivables deriving from exports in US Dollars effected by the Company, do not satisfy all the conditions laid down for the accounting treatment of the hedging derivative financial instruments (hedge accounting). As a result they have been entered at their fair value against an entry in the income statement.

### 24. Current trade payables

<i>(in thousands of Euros)</i>	31.12.2007	31.12.2006
Receivables from customers	409,192	368,674
Receivables from controlled companies not consolidated	46	-
Receivables from associated companies	1,116	1,819
<b>Total</b>	<b>410,354</b>	<b>370,493</b>

### 25. Other current liabilities

<i>(in thousands of Euros)</i>	31.12.2007	31.12.2006
Accrued expenses and deferred income	2,434	1,836
Inps/Inail/Scau	6,242	5,447
Inpdai/Previndai/Fasi/Besusso	223	116
Enasarco/FIRR	590	589
Payables to other social security institutions	6,367	5,048
Other payables		
Advances and other payables to customers	5,441	6,098
Payables for employee remuneration	26,864	24,542
Payables for acquisition of equity investments	3,060	6,494
Guarantee deposits and down payments received	292	463
Payables to directors and auditors	817	1,196
Payables to agents	358	365
Other minor payables	8,023	5,627
<b>Total</b>	<b>60,711</b>	<b>57,821</b>

Payables due to employees include current salaries still to be paid as at 31 December 2007 and the allocations relating to deferred remuneration.

“Payable for acquisition of equity investments” mainly refers to the remaining debt for the acquisitions of CATER Roma (2.1 million euros). The decrease compared to 31 December 2006 is due to the payments contractually envisaged for Sfera S.p.A, Infer S.r.l. (Mokà) and Cremonini Rail Iberica (ex Rail Gourmet Espana S.A.).

\* \* \* \* \*

Castelvetro di Modena, 13 February 2008

THE CHAIRMAN  
OF THE BOARD OF DIRECTORS  
(Cav. Lav. Luigi Cremonini)  
Signed Luigi Cremonini

**DECLARATION OF THE MANAGER RESPONSIBLE FOR THE PREPARATION OF THE CORPORATE FINANCIAL STATEMENTS PURSUANT TO ART. 154-BIS, PARAGRAPH 2 OF LEGISLATIVE DECREE 24.2.1998, N. 58**

The undersigned Stefano Lalumera, in his position of manager responsible for the preparation of the corporate financial statements, certifies that the consolidated report as at 31 December 2007 – drawn up in accordance with Consob's indications – corresponds to the documentary result and the accounting books and records.

Castelvetro di Modena, 13 February 2008

(Stefano Lalumera)  
Signed Stefano Lalumera