



PRESS RELEASE

THE CREMONINI GROUP: Agape, launches a new on-board train food service aimed at increasing the number of passengers served.

Agape, under its "Chef Express" brand, has launched for the summer a new food-service menu to be offered on-board trains. With the agreement of the Ferrovie dello Stato (Italian State Railways), the objective is to offer a varied and appetising choice to meet all the passengers' refreshment needs at all times during their journey, thus expanding the customer base.

Agape, which has the exclusive mandate to provide refreshments and meals on board-trains in Italy, presently serves **30%** of potential customers (1 traveller in 3 uses the Chef Express refreshment service) and the new menus are expected to increase this percentage to **50%** (1 customer out of every 2 passengers).

In order to guarantee existing quality standards to this increased target Cremonini has created a very efficient operative organisation and logistical structure. This consists of over 1,000 operators (direct and indirect) on-board trains, 2 completely renovated principal terminals (Milan and Rome), 14 peripheral logistical terminals, constituting the bases of a logistical system designed by Agape to ensure product freshness and to insure proper conservation of perishable foodstuffs. This allows the daily loading of over 3,500 product "modules". The system supplies annually on-board trains: 70 tonnes of pasta, 130 tonnes of fruit, 47 tonnes of cheese, 6,5 million bottles of water and 300,000 bottles of wine.

The variety of refreshments offered by Agape and the company's innovative and entrepreneurial flair has recently been recognised by an award from the **I.R.C.G.** (The International Rail Catering Group) the international association of all railway refreshment suppliers. The I.R.C.G. has in fact conferred upon the Cremonini S.p.A.'s Railway Division the title of "**The most innovative rail caterer**", confirming Cremonini's role as Europe's leading on-board train refreshment supplier.

Agape, a business-unit of Cremonini S.p.A., has provided refreshment services on-board the Italian Ferrovie dello Stato trains from 1990 under the "Chef Express" brand name. The financial and statistical results from these activities over the last nine years have been brilliant: turn-over has tripled from **Lire 36 billion in 1990 to 105 billion in 1998** (excluding franchising) and the number of customers served increased from **3 million in 1990 to 22 million in 1998**. An extremely positive achievement which is reconfirmed by the results of the first 5 months of 1999, already revealing an increase of till-receipts of **15%** with respect to the same period of the previous year.

Agape also supplies refreshment services on-board numerous foreign trains. From 1996 these include four French TGVs on the Milan/Paris and Milan/Turin/Lyon routes and on all the "Cisalpino" (trans-Alp) trains connecting Italy with Switzerland.

The contract with Cremonini S.p.A. has recently been renewed by the S.N.C.F. (French State Railways) for the period ended 2001, confirming the good results attained.

The results on the "**Cisalpino**" trains are also very satisfying: in fact services increased by **60%** over the first 5 months of '98, thanks to the development of the franchising "formula".

The European on-train refreshment market represents an enormous potential for Agape, which today already serves about 2 million passengers per annum. Agape intends to participate in future tender offers for on-train refreshment services in France, England, Portugal, Spain, Belgium, Austria and other European

countries.

Agape likewise supplies refreshments in railway stations and leads the Italian market with a 23% share. It manages refreshment points in 13 stations of primary importance (amongst which are Rome Termini, Rome Tiburtina, Florence, Turin, Genoa and Venice Mestre).

In April Agape was also awarded the international tender to manage refreshment services at the French railway station of Lyon Perrache. This is the first step of a development strategy within the European railway refreshment sector.

In aggregate, the Agape restaurant business unit achieved total revenues of Lire **194 billion** in 1998 (excluding franchising). Agape has over 1,000 employees and served **52 million customers** in 1998.

Cremonini S.p.A., which employs 3,000 persons and had a total consolidated turnover of **Lire 2,019 billion** in 1998, is one of the Europe's largest food groups, with activities focused in three fully integrated business areas: production, distribution and the restaurant sector.