



PRESS RELEASE

Cremonini Group: positive half-year results

Consolidated profit before taxation: Lire 32.6 billion (up 47%)

The Cremonini Group – Europe's leading food company – has produced positive results for the first six months of 1999, achieving an increase of 7.6% in consolidated revenues, which improved from Lire 974 billion (Euro 503 million) for the first half of 1998 to Lire 1,048 billion (Euro 541.2 million) for the same period of 1999.

The profit before taxation grew by 47% to Lire 32.6 billion (about Euro 16.8 million) compared with Lire 22.2 billion (Euro 11.4 billion) in 1998..

Additional details disclose that the consolidated gross operating margin totalled Lire 89 billion (Euro 46 million), a slight increase over Lire 88 billion (Euro 45.4 million) for 1998.

The operating result decreased from Lire 55 billion (28,4 million di Euro) in 1998 to Lire 48 billion (Euro 24.8 million) in 1999, principally due to the greater amortization relative to the acquisition of control of Marr and the costs of the Stock Market flotation.

The half-year results do not include the effects deriving from the acquisition of Guardamiglio Carni and the opening of the new Ospedaletto Lodigiano factory as both these operations took place in the second half of 1999.

The Parent Company, Cremonini S.p.A., achieved total revenues of Lire 113 billion (Euro 58.4 million) and a profit before taxation of Lire 11 billion (Euro 5.7 million). These results are not comparable to those of 1998, due to the merger that took place with Agape and other companies, which were previously subsidiaries.

These, in brief, are the figures, which arose from a meeting of the Directors of Cremonini S.p.A., which was held at Castelvetro di Modena today to examine the 1999 half-year report. With regard to further details, the distribution sector registered the greater growth. Total revenues of this sector equalled Lire 459 billion di lire (Euro 237.1 million), an increase of 17.4% with respect to the first half of 1998.

Production, which represents the most important sector of the Group in terms of turnover (46% of consolidated revenues), maintained a substantially stable position, with total revenues of Lire 486 billion (Euro 251 million).

Turnover of the restaurant sector, however, grew by 9.8%, with total revenues increasing from Lire 102 billion (Euro 52.7 million) in 1998 to Lire 112 billion (Euro 57.8 million) in 1999.

Cremonini, with over 3.000 employees and a 1998 consolidated turnover of Lire 2,019 billion (Euro 1.04 billion), is one of Europe's leading food groups, with activities focussed in three integrated business areas: production (beef and cured meats), distribution (to the catering sector and door-to-door) and the restaurant sector.

The Group is Italy's absolute leader in the production of beef and food distribution to the catering sector. It also has an important presence in the restaurant sector, including, in particular, the leadership in Italy in the provision of restaurant services on-board trains and in railway stations.

Modena, 30 September 1999