



PRESS RELEASE

CREMONINI GROUP: Total consolidated revenues of Lire 1,275 billion (+21.6%) for the first half of 2000

The Cremonini Group - a leading European operator in the food sector - has closed the first six months of the 2000 financial year with a significant improvement in total consolidated revenues. These equalled Lire 1,275 billion (about Euro 658.6 million), up by 21.6% with respect to Lire 1,048 billion (Euro 541.4 million) in 1999.

The growth in revenues resulted principally from further development of distribution to the catering sector and, in the production sector, from the acquisition of Guardamiglio Carni, which took place in July 1999, as well as from sustained internal growth.

The consolidated gross operating margin was equal to Lire 80 billion (Euro 41.6 million) against Lire 89 billion (Euro 46.2 million) in 1999, while the operating profit was Lire 36 billion (Euro 18.8 million) compared with Lire 48 billion (Euro 24.9 million) in 1999.

The principle economic indicators of operating profitability were positive, although this showed a drop with respect to 1999 due principally to the costs sustained for the start-up of the new production plant at Ospedaletto Lodigiano and a changed revenues spread, in the restaurant services sector, relative to the new contract with the Italian State Railways. The latter contract provided, in 1999, for a concentration of revenues and profitability prevalently in the first half.

The consolidated pre-tax profit was Lire 9 billion (Euro 4.7 million) against Lire 26 billion (Euro 13.4 million) for the first half of 1999, net of Lire 7 billion of extraordinary income.

Profitability of the principal Group businesses in the second half, partly because of the effect of the seasonal nature of the revenues, should show an increase, in both percentage and absolute value terms, with respect to the first half-year.

The Parent Company, Cremonini S.p.A., recorded total revenues of Lire 105 billion (Euro 54 million) against Lire 113 billion (Euro 58.5 million) in 1999, and a pre-tax profit equal to Lire 1.5 billion (Euro 0.8 million).

This, in summary, is the announcement from today's meeting of the Board of Directors of Cremonini S.p.A., held at Castelvetro di Modena to examine the interim report for 2000 .

In further detail, the activity that recorded the highest growth was production with total revenues equal to Lire 683 billion (Euro 352.7 million), up by 40% with respect to the first half of 1999.

The distribution sector confirmed the growth trend of recent years with total revenues of Lire 506 billion (Euro 261.4 million) an increase of 10%.

The revenues from restaurant services recorded a fall from Lire 112 billion (Euro 58 million) in 1999 to Lire 104 billion (Euro 53.7 million) in 2000.

In the second half these figures should be positively influenced by the consolidation of the Momentum subsidiary, the company that from 1 June 2000 has managed the restaurant services on trains travelling through the Channel Tunnel, as well as by the even distribution of the revenues provided for in the contract with the Italian State Railways.

Cremonini, with over 4,300 employees, is one of Europe's largest food groups, with activities focussed in three areas of integrated business activities: production, distribution and restaurant services.

The Group, with total consolidated revenues Lire 2,544 billion (Euro 1.314 billion) in 1999, is Italy's absolute leader in the production of beef and meat-based transformed products and in food distribution to the catering sector. It has, moreover, an important presence in the restaurant services sector and, in particular, the leadership in Italy in restaurant services on-board trains and at railway stations.

Castelvetro di Modena, 12 September 2000