



PRESS RELEASE

CREMONINI GROUP: 1999 Financial Statements approved by Shareholders Annual General Meeting.

Total consolidated revenues were Lire 2,544 billion (up 26%) and net profit up 23% on 1998.

Gross dividend 112,6 Lire per share (Euro 0.058).

The Cremonini Group – a European leader in the food sector – has closed the 1999 financial year with total consolidated revenues equal to Lire 2,544 billion (about Euro 1.314 billion), up by 26% with respect to Lire 2,019 billion in 1998 (about Euro 1.043 billion).

Consolidated net profit was equal to Lire 30 billion (Euro 15.49 million), up 23.3% with respect to Lire 24.3 billion (Euro 12.54 million) in 1998.

These in brief are the 1999 consolidated results disclosed at the Annual General Meeting of Cremonini S.p.A., at which the financial statements and the Directors' Report were approved.

The Annual General Meeting also approved the distribution to shareholders of a gross dividend of Lire 112,6 Lire per share (Euro 0.058), payable on 25 May to shareholders registered on 22 May. The dividend represents a payout ratio of about 50% of the consolidated net profit.

Normal operations produced a profit of Lire 53 billion (Euro 27.37 million), an increase of 32.5% with respect to 1998. The consolidated gross operating margin showed a 5.4% growth, increasing from Lire 185 billion in 1998 (Euro 95.54 million) to Lire 195 billion (Euro 100.71 million) in 1999.

The consolidated operating profit, instead, fell from Lire 113 billion in 1998 (Euro 58.36 million) to Euro 101 billion (Euro 52.16 million) in 1999, principally due to the amortization of the investments in the Ospedaletto Lodigiano production plant, while the consolidated net profit before tax was up 67.7%, increasing from Lire 47 billion (Euro 24.27 million) to Lire 79 billion (Euro 40.8 million) in 1999.

The consolidated operating cash flow also showed a positive trend, growing by 28% from Lire 97 billion (Euro 50.1 million) to Lire 124 billion (Euro 64.04 million).

The Parent Company, Cremonini S.p.A., also showed positive results with revenues of Lire 703 billion (Euro 363.07) and a net profit of Lire 24.2 billion (Euro 12.5 million)*.

The increase in total revenues was achieved thanks to growth in every single activity of the Cremonini Group: the production sector grew by 36% in 1999, with revenues increasing from Lire 991 billion (Euro 511.81 million) to Lire 1,343 billion (about Euro 693.6 million). This was due both to internal growth and as a consequence of the Guardamiglio S.p.A. acquisition, which took place in July 1999.

*Following the merger of Castelvetro S.p.A. (previously Inalca S.p.A.), the 1999 figures are not comparable with those of 1998.

Distribution revenues, consisting of those from food distribution to the catering industry and door-to-door distribution of frozen products and ice creams, were up by 20%, from Lire 849 billion (Euro 438.47 million) in 1998 to Lire 1,017 billion (Euro 525.24 million) in 1999.

The revenues from restaurant activities (which will benefit from a strong acceleration of the internationalization process during 2000) were equal to Lire 211 billion (Euro 108.97 million), a growth of 9% with respect to 1998.

The distribution and restaurant activities sectors today represent about 50% of the Group's total revenues and are the drivers of strategic development with the highest future potential for the Cremonini Group, both in business and market terms.

Cremonini, which has over 3,500 employees, is one of the largest food groups in Europe, focusing on three integrated business areas: production, distribution and restaurant activities. The Group is Italy's absolute leader in beef, and meat-based transformed products, production and in food distribution to the catering industry. It has, moreover, a major presence in the restaurant industry and, in particular, leadership in Italy in the provision of restaurant services on-board trains and at railway stations.

Summary of consolidated results (billions of Lire)

Statement of income	1998	1999
Total revenues	2,018.9	2,544.2
Gross operating margin	185.2	195.1
Operating profit	112.7	101.3
Pre-tax profit	47.1	78.8
Group net profit	24.3	30.0
 Balance sheet	 1998	 1999
Net equity	380.8	402.2
Fixed assets	939.3	1,106.0
Net financial indebtedness	762.9	900.5

Summary of principal results Cremonini S.p.A. (billions of Lire)

Statement of income	1998	1999
Total revenues	211.2	702.9
Gross operating margin	46.1	76.3
Operating profit	29.3	38.8
Pre-tax profit	6.2	53.1
Net profit	(0.4)	24.2
 Balance sheet	 1998	 1999
Net equity	365.0	395.6
Fixed assets	507.0	751.1
Net financial indebtedness	149.8	284.8

Castelvetro di Modena* 29 April 2000