



Centrale del Latte di Torino & C. s.p.A.



COMPANY PRESENTATION

STAR CONFERENCE 2010

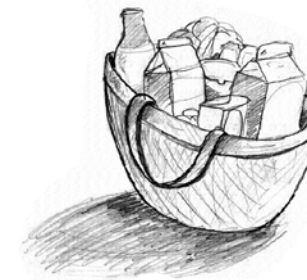
MILAN

2010, 17th March



AGENDA

1. *The group at a glance*
2. *Market overview*
3. *Financials*
4. *Share price*





SPEAKERS

LUIGI LUZZATI

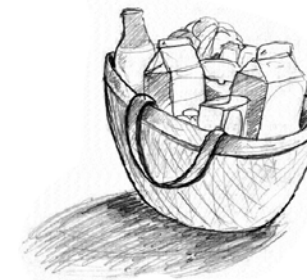
Chairman of Centrale del Latte di Torino & C. S.p.A.

NICOLA CODISPOTI

Chief Executive Officer of Centrale del Latte di Torino & C. S.p.A.

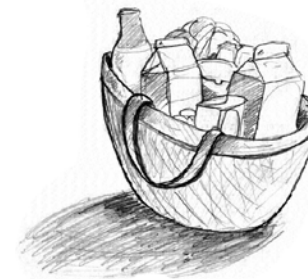
VITTORIO VAUDAGNOTTI

Chief Financial Officer of Centrale del Latte di Torino & C. S.p.A.





1. THE GROUP AT A GLANCE









1. THE GROUP AT A GLANCE

MISSION



1) *Producing and marketing high quality products in the following segments:*

-  *Fresh milk, long life (UHT) and ESL (Extended shelf life),*
-  *Ready-to-eat (salad),*
-  *Yogurt, Probiotic and Smoothie 100% Fruit ,*
-  *Fresh and UHT cream.*

2) *Developing and strengthening our role of interregional network among large groups and small-sized local players.*



1. THE GROUP AT A GLANCE

GROUP IDENTITY

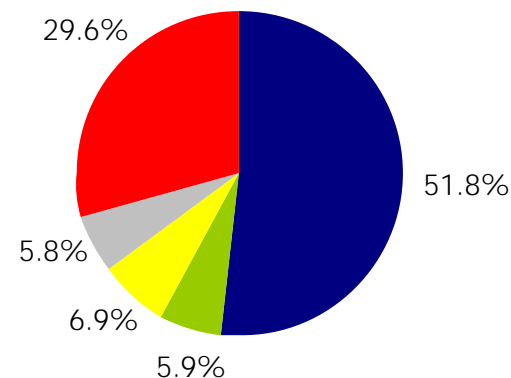
- ▶ Since 1950 Centrale del Latte is the leading brand of milk in Turin. During the years the Group experienced a day by day growth becoming a multiregional company active in the production and distribution of milk, milk derivatives and other fresh products



- ▶ High-quality production, strong diversification strategy and effective distribution network enabled the Group to become a leading regional player, always aiming to preserve its "daily and dairy" relationship with its customers

SHAREHOLDERS ¹

Source: Centrale del Latte di Torino & C. S.p.A.



Number of shareholders as at March 11th 2010: 3,196

- Finanziaria Centrale del Latte di Torino S.p.A.
- Lavia S.S.
- Other family groups
- B & E Equities S.p.A.
- Free float

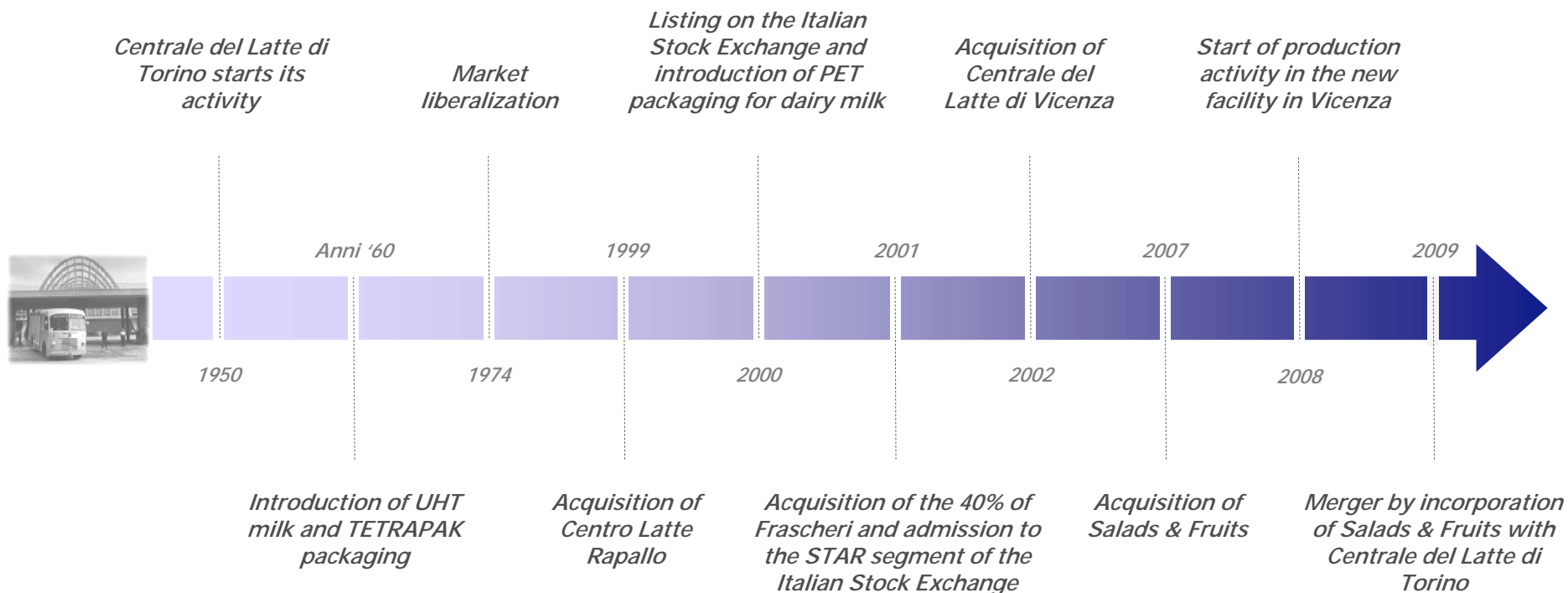
¹ Updated as of 11th march 2010.



1. THE GROUP AT A GLANCE

EQUITY STORY

Source: Centrale del Latte di Torino & C. S.p.A.





1. THE GROUP AT A GLANCE

GROUP STRUCTURE

Source: Centrale del Latte di Torino & C. S.p.A.



¹ Updated as of 11th march 2010.



1. THE GROUP AT A GLANCE

AN INTERREGIONAL POLE





1. THE GROUP AT A GLANCE

NEW CHARGES FROM 1st JULY 2009

- ✓ **Nicola Codispoti:**
Chief Executive Officer of Centrale del Latte di Torino & C. S.p.A., responsible for Turin operating facility and for Salads & Fruits Division (which operating activity is managed by Mr. Avanzi).
- ✓ **Alberto Bizzotto:**
General Manager of Centrale del Latte di Vicenza S.p.A.
- ✓ **New functional organization chart** for Centrale del Latte di Torino & C. S.p.A. and Centrale del Latte di Vicenza S.p.A.



1. THE GROUP AT A GLANCE

A FULL SET OF PRODUCTS

Source: Centrale del Latte di Torino & C. S.p.A.

FRESH AND UHT MILK



YOGURT AND DESSERT





1. THE GROUP AT A GLANCE

OTHER PRODUCTS

Source: Centrale del Latte di Torino & C. S.p.A.

CHEESE



READY-TO-EAT SALAD



EGGS



FRESH PASTA AND PESTO SAUCE



CREAM





1. THE GROUP AT A GLANCE

2009/2010 GROUP'S NEW PRODUCTS

NEW 1.5 LT SIZE FOR TAPPOROSSO AND LATTE TIGULLIO FRESH MILK



- ▶ Innovation: first Italian company commercializing fresh milk in 1.5 lt packaging
- ▶ Market placement: premium price. Price/litre in line with 1 lt product
- ▶ Target: numerous families with high level consumption of fresh milk
- ▶ First results: very encouraging (around 8% of Centrale del Latte di Torino's total sales)



1. THE GROUP AT A GLANCE

2009/2010 GROUP'S NEW PRODUCTS

CREAM



- ▶ Goal: to become one of the main player in bakeries distribution channel
- ▶ Product: long-life cream to be whipped, produced with milk coming from highest quality farms in Piedmont
- ▶ Main features: long-life, fresh taste, full-bodied consistence
- ▶ Target clients: mainly bakeries
- ▶ Market placement: premium price in line with Company's strategy

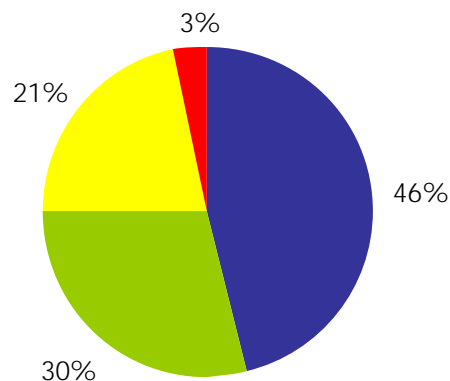


1. THE GROUP AT A GLANCE

2009 SALES BREAKDOWN

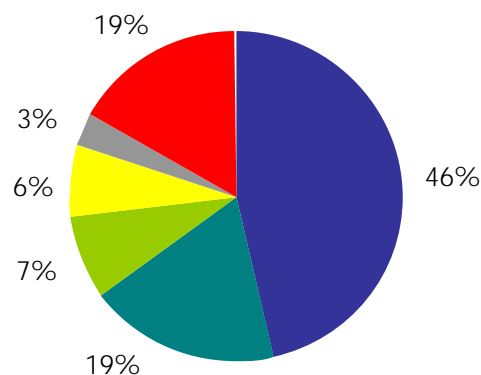
Source: Centrale del Latte di Torino & C. S.p.A.

By region



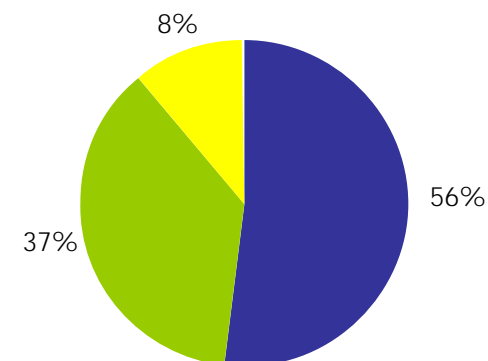
- Piedmont
- Liguria
- Veneto
- Other regions

By product



- Fresh milk
- UHT milk
- Yogurt
- Ready-to-eat salad
- Unbottled milk and cream
- Other packed products

By distribution channel



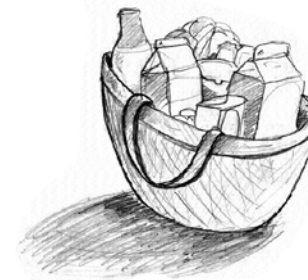
- Large-scale distribution ⁽¹⁾
- Shops ⁽²⁾
- Others

⁽¹⁾ Nearly 1.250 point of sale daily served

⁽²⁾ Nearly 8.000 point of sale daily served



2. MARKET OVERVIEW





2. MARKET OVERVIEW

SPOT MILK PRICES

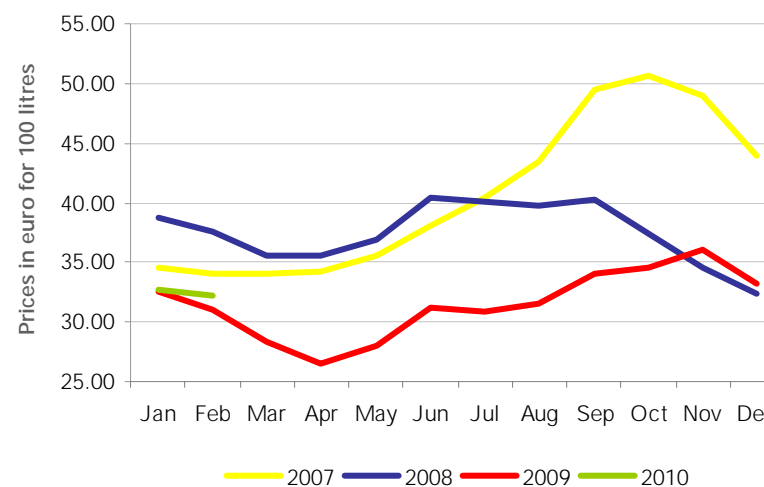
Source: Elaboration on CLAL data (www.clal.it)



*Spot milk minimum and maximum monthly prices ⁽¹⁾
(2007 - February 2010)*

Month	Prices in euro for 100 litres							
	2007		2008		2009		2010	
	min	max	min	max	min	max	min	max
January	34.02	35.05	37.63	39.69	31.99	33.03	31.99	33.56
February	33.51	34.54	37.12	38.15	30.52	31.56	30.41	34.02
March	33.51	34.54	34.02	37.12	26.81	29.90		
April	34.02	34.54	33.51	37.63	24.74	28.35		
May	35.07	36.10	36.09	37.63	26.51	29.60		
June	37.63	38.66	37.63	43.30	29.38	32.99		
July	39.69	41.22	39.14	41.17	28.87	32.99		
August	42.67	44.22	39.21	40.24	30.18	33.03		
September	48.46	50.52	39.18	41.24	32.99	35.05		
October	49.72	51.52	36.58	38.11	33.52	35.59		
November	48.46	49.49	33.51	35.57	35.05	37.12		
December	43.17	44.87	31.43	33.46	32.43	33.97		

*Trend of spot milk monthly prices (average between
minimum and maximum) ⁽¹⁾ (2007 - February 2010)*



⁽¹⁾ Spot prices of milk bulk in the tank, free destination. Prices are fixed by the Commission reporting to the Lodi Chamber of Commerce.



2. MARKET OVERVIEW

FARM-GATE RAW MILK PRICES

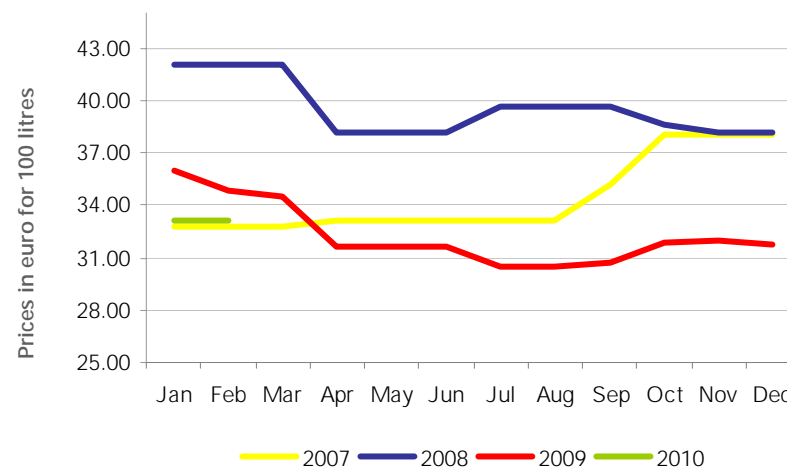
Source: Elaboration on CLAL data (www.clal.it)



*Farm-gate raw milk monthly prices ⁽¹⁾
(2007 - January 2010)*

Prices in euro for 100 litres				
Month	2007	2008	2009	2010
January	32.80	42.00	36.02 (e) ²	33.16
February	32.80	42.00	34.87 (e)	33.16
March	32.80	42.00	34.54 (e)	
April	33.16	38.09	31.66 (e)	
May	33.16	38.09	31.66 (e)	
June	33.16	38.09	31.66 (e)	
July	33.16	39.59	30.43 (e)	
August	33.16	39.59	30.45 (e)	
September	35.16	39.59	30.73 (e)	
October	38.00	38.59	31.83 (e)	
November	38.00	38.09	31.93 (e)	
December	38.00	38.09	31.78 (e)	

*Trend of the farm-gate raw milk monthly average price ⁽¹⁾
(2007 - January 2010)*



⁽¹⁾ Prices established in the Region of Lombardy. Given the substantial volume of milk produced, the prices fixed in Lombardy are considered as points of reference for negotiations in other locations.

⁽²⁾ Prices from January 2009 to December 2009 are "estimated", as they are an approximate estimation of the general trend deduced by CLAL according to industry commercial agreements and main market news.



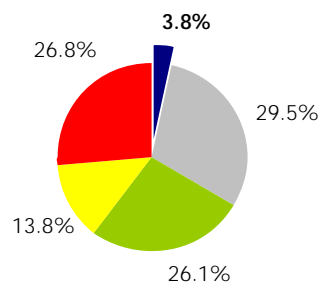
2. MARKET OVERVIEW: FRESH MILK

Source: IHA Italia – Family consumption

2009 COMPETITORS ANALYSIS (market share value)

TOTAL ITALIAN MARKET OF FRESH MILK

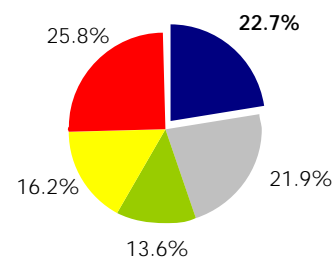
ITALY
 2009 Market value:
 € 1,819 million



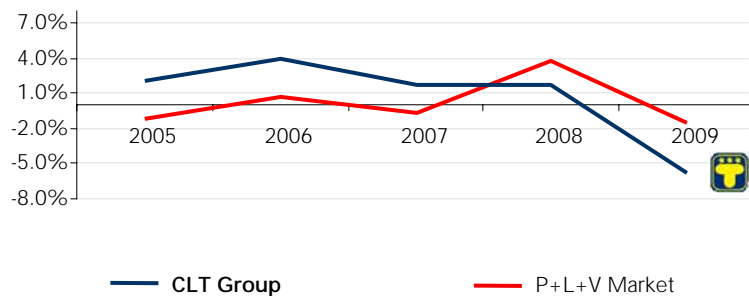
■ CLT Group
 ■ Parmalat
 ■ Granarolo
 ■ Private labels
 ■ Others

PIEDMONT+LIGURIA+VENETO (17.0% OF TOTAL ITALIAN MARKET)

PIED-LIG-VEN
 2009 Market value:
 € 309 million

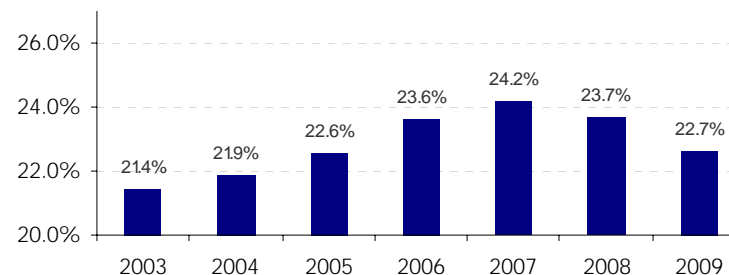


CLT VS MARKET* (2005-09 sales trend)



* Total value of Piedmont, Liguria and Veneto market

CLT MARKET SHARE **



** On total market value of Piedmont, Liguria and Veneto



2. MARKET OVERVIEW: FRESH MILK

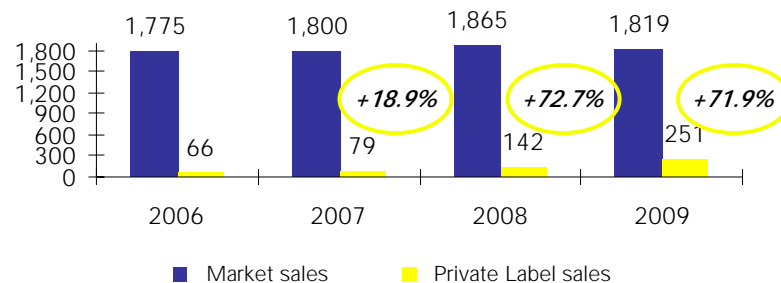
Source: IHA Italia – Family consumption

TREND OF PRIVATE LABEL SALES IN THE FRESH MILK MARKET

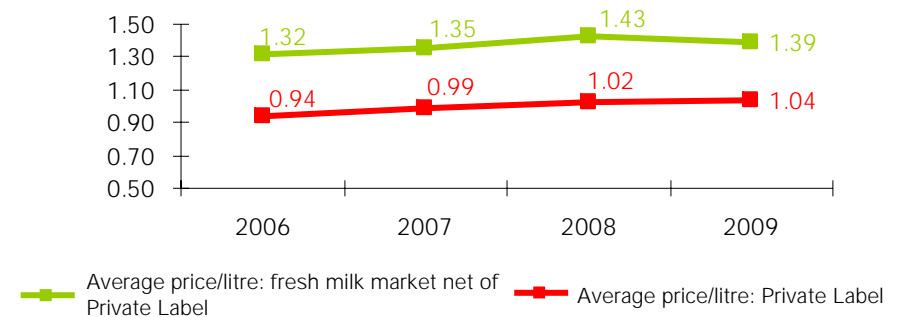
Figures in million Euro, except percentage and prices

- Private Labels's fresh milk sales strongly increased in the last three years. Share market trend: **3.7%** in 2006, **4.4%** in 2007, **7.6%** in 2008 and **13.8%** in 2009.

MARKET TREND



AVERAGE MARKET PRICE TREND



RAW MILK

- 1,394 raw milk delivering machines** are installed in Italy in 89 provinces, **407** of which in the operating areas of the Group (Piedmont, Liguria and Veneto). (source: www.milkmaps.it, March 2010).
- We observed a decrease in raw milk delivering machines market share mainly due to the government law introduced by the Department of Labour and Social Affairs. As an internal estimation, we foresee that raw milk market could amount to approximately 9 million litres/year accounting for 4% of total fresh milk produced in the operating areas of the Group.





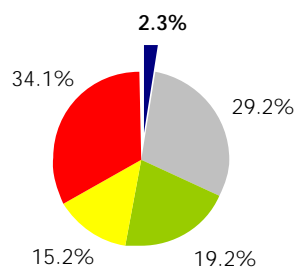
2. MARKET OVERVIEW: UHT MILK

Source: IHA Italia – Family consumption

2009 COMPETITORS ANALYSIS (market share value)

TOTAL ITALIAN MARKET OF UHT MILK

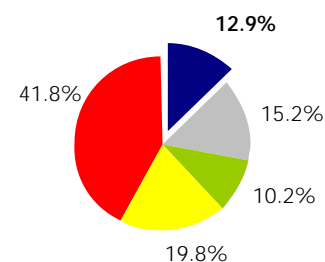
ITALY
 2009 Market value:
 € 1,549 million



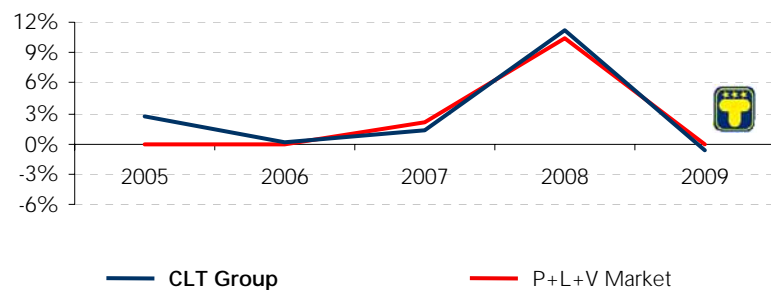
■ CLT Group
 ■ Parmalat
 ■ Granarolo
 ■ Private label
 ■ Others

PIEDMONT+LIGURIA+VENETO (17.8% OF TOTAL ITALIAN MARKET)

PIED-LIG-VEN
 2009 Market value:
 € 276 million

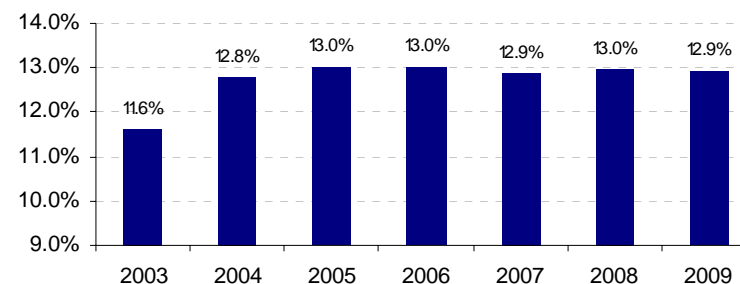


CLT VS MARKET* (sales trend 2005-09)



* CLT vs total market of Piedmont, Liguria and Veneto

CLT MARKET SHARE **



** On total market of Piedmont, Liguria and Veneto



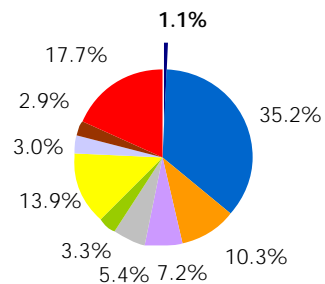
2. MARKET OVERVIEW: YOGURT

Source: IHA Italia – Family consumption

2009 COMPETITORS ANALYSIS (market share value)

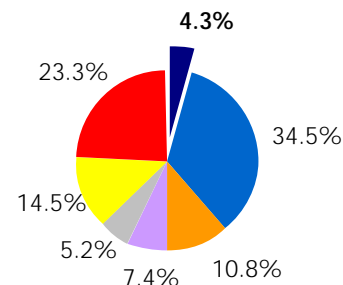
TOTAL ITALIAN MARKET OF YOGURT

ITALY
 2009 Market value:
 € 1,385 million



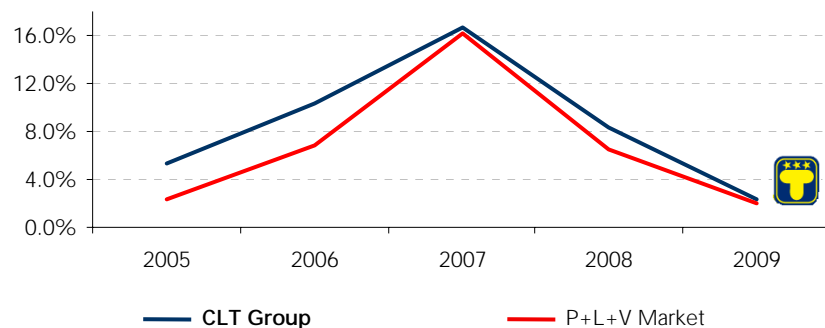
- CLT Group
- Danone
- Muller
- Yomo
- Parmalat
- Granarolo
- Private Label
- Nestlé
- Mila
- Others

PIEDMONT+LIGURIA+VENETO (25.7% OF TOTAL ITALIAN MARKET)



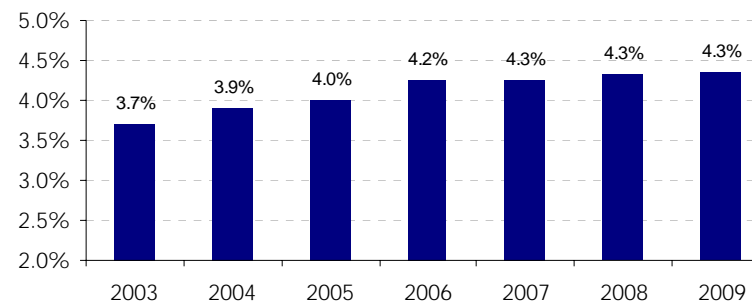
PIED-LIG-VEN
 2009 Market value:
 € 355 million

CLT VS MARKET* (sales trend 2005-09)



* CLT vs total market of Piedmont, Liguria and Veneto

CLT MARKET SHARE **



** On total market of Piedmont, Liguria and Veneto



2. MARKET OVERVIEW

MARKET PENETRATION

Source: GfK IHA

- The Group's main products market penetration⁽¹⁾ has been steady from 2007 to 2009, slightly growing for UHT milk and yogurt.

	2007	2008	2009
FRESH MILK	48%	48%	48%
UHT MILK	32%	34%	34%
YOGURT	23%	23%	24%

⁽¹⁾ Penetration % = $\frac{\text{n° of families buying Centrale del Latte brand}}{\text{total n° of brands marketing the same product class in Piedmont, Liguria and Veneto.}}$

2008 BRAND AWARENESS*

Source: Astra Demoscopea (quantitative research- CATI)

- The Group "Brand Awareness" reached almost 100%.



96%



91%



94%

* Brand awareness %: solicited awareness of the Group's brands in Piedmont, Liguria and Veneto



2. MARKET OVERVIEW

2009 MARKETING INITIATIVES

Source: Centrale del Latte di Torino & C. S.p.A.

- ▶ The Group reached a strong positioning in its interregional market also by exploiting **high marketing and communications investments**.

MARKETING INVESTMENTS

€ 3.4 milioni

(3.3% of 2008 turnover)

€ 2.9 milioni

(2.9% of 2009 turnover)





2. MARKET OVERVIEW

2009 MARKETING INITIATIVES

Source: Centrale del Latte di Torino & C. S.p.A.





2. IL MERCATO

ISO 22000 STANDARD – FOOD SAFETY

Source: Centrale del Latte di Torino & C. S.p.A.

Centrale del Latte di Torino and Centrale del Latte di Vicenza are the first two Italian companies, in the milk processing industry, to obtain ISO 22000 International Standard.

The Certification refines the former quality control system with a **preventive approach** aimed to improve products compliance in terms of **food safety towards customers**, ensuring a higher risk control.

The ISO 22000 Standard officially acknowledges the Group for its care and attention in breeding selection, treatment, conservation and distribution of the products and customers' services.





2. IL MERCATO

PLANS & STRATEGIES

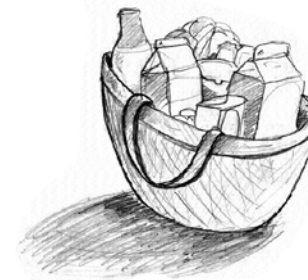
Source: Centrale del Latte di Torino & C. S.p.A.

Maintain the market leadership in core-business products. Marketing investment focused towards “immediate-return” activities.

- ▶ **Fresh & UHT Milk:** consolidate sales volume and market shares. Fresh milk: strategic pricing activities, if necessary.
- ▶ **High Digestibility and Probiotic:** support the growth of such innovative and profitable products.
- ▶ **Yogurt:** growth and efficiency due to the high quality production capacity set in the new Vicenza plant (research and development and production for the Group's companies).
- ▶ **Ready-to-eat salad:** strong expansion through branded and third companies production.
- ▶ **UHT cream:** become one of the main player also in bakeries distribution channel.
- ▶ **Third companies production:** further development of commercial partnerships in fresh and UHT milk and yogurt by Centrale del Latte di Vicenza.
- ▶ Persisting with **cost reduction** activity and start-up of **labour mobility** project in Turin plant.



3. FINANCIALS





3. FINANCIALS

CONSOLIDATED INCOME STATEMENT

Source: Centrale del Latte di Torino & C. S.p.A.

Euro million

IFRS compliant

	31-Dec-09	%	31-Dec-08	%
Sales	98,341	99.1%	104,493	98.2%
Total operating revenues	99,265	100.0%	106,388	100.0%
Services	(26,708)	(26.9%)	(28,538)	(26.8%)
Raw materials consumption	(47,819)	(48.2%)	(55,710)	(52.4%)
Other operating costs	(966)	(1.0%)	(952)	(0.9%)
Impairment on assets held for sale	0	-	(160)	(0.2%)
Cost of production	(75,493)	(76.1%)	(85,360)	(80.2%)
Personnel costs	(14,174)	(14.3%)	(14,275)	(13.4%)
EBITDA	9,599	9.7%	6,754	6.3%
Depreciation & Amortization	(5,949)	(6.0%)	(6,027)	(5.7%)
EBIT	3,650	3.7%	727	0.7%
Net financial income (expenses)	(1,181)	(1.2%)	(1,576)	(1.5%)
Impairment and losses on financial assets	(118)	(0.1%)	158	0.1%
Profit (loss) before tax	2,350	2.4%	(692)	(0.7%)
Tax	(1,679)	(1.7%)	(701)	(0.7%)
Profit (loss) after tax	671	0.7%	(1,393)	(1.3%)
Minority interest	129	0.1%	(172)	(0.2%)
Group's profit (loss) after tax	800	0.8%	(1,220)	(1.1%)

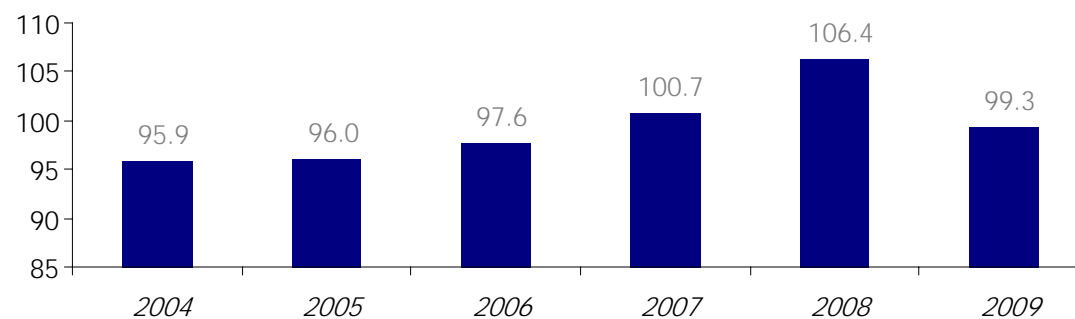


3. FINANCIALS

TOTAL OPERATING REVENUES TREND (2004-2009)

Source: elaboration on CLT data

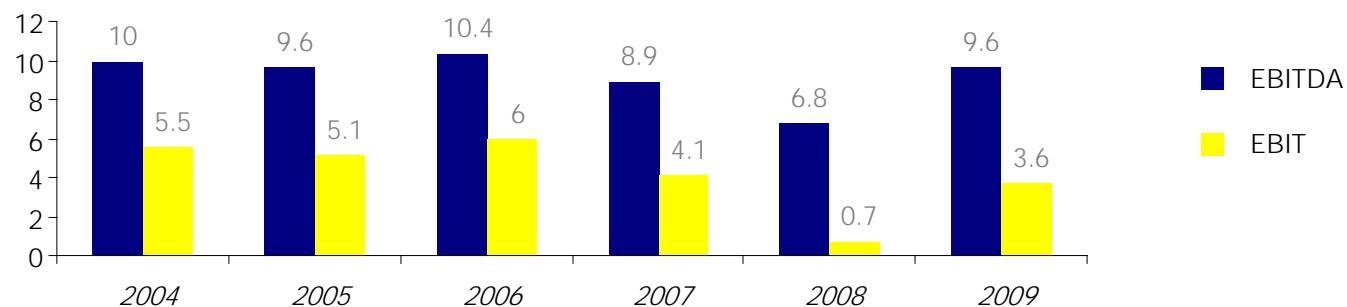
Euro million



EBITDA ed EBIT TREND (2004-2009)

Source: elaboration on CLT data

Euro million

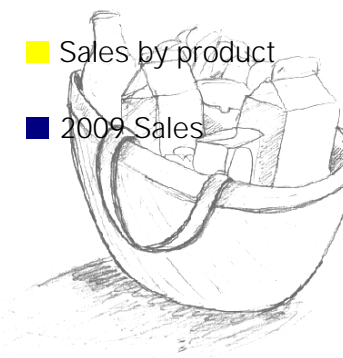
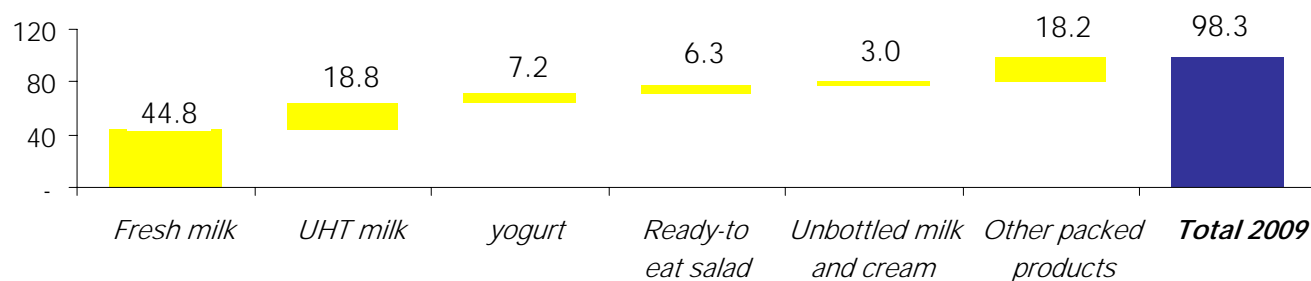




3. FINANCIALS

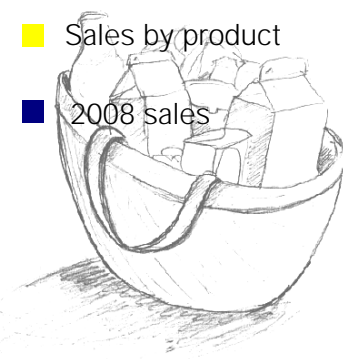
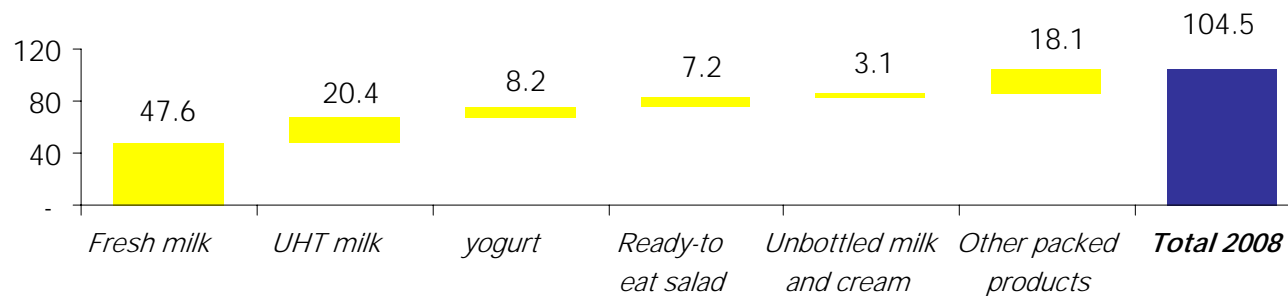
2009 SALES BREAKDOWN BY PRODUCT

Source: elaboration on CLT data, Euro million



2008 SALES BREAKDOWN BY PRODUCT

Source: elaboration on CLT data, Euro million

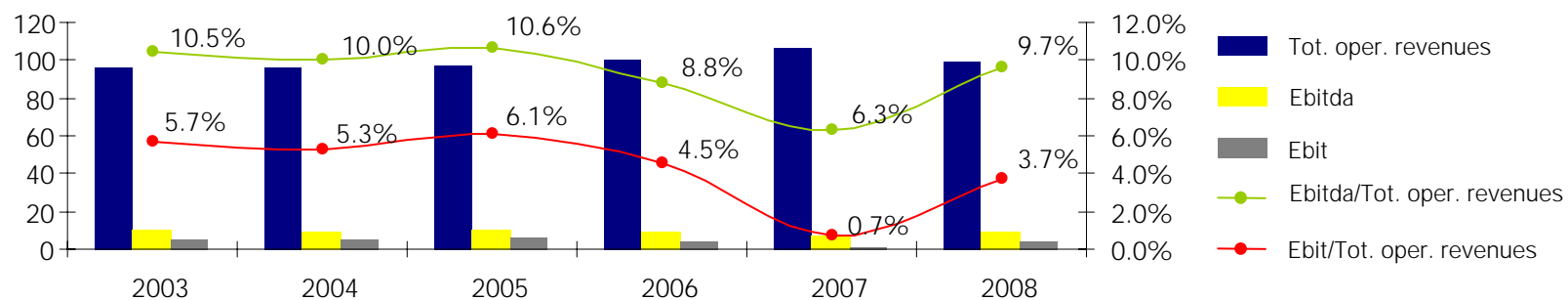




3. FINANCIALS

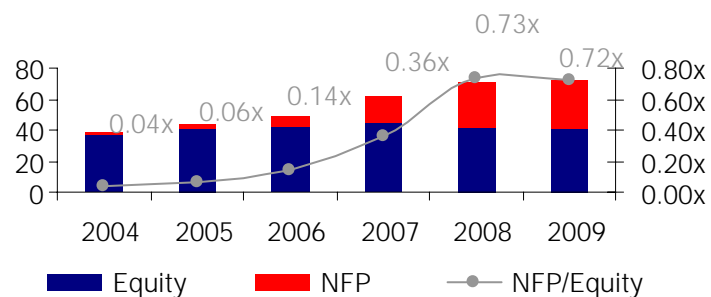
EBIT and EBITDA MARGINS

Source: elaboration on CLT data. Euro million



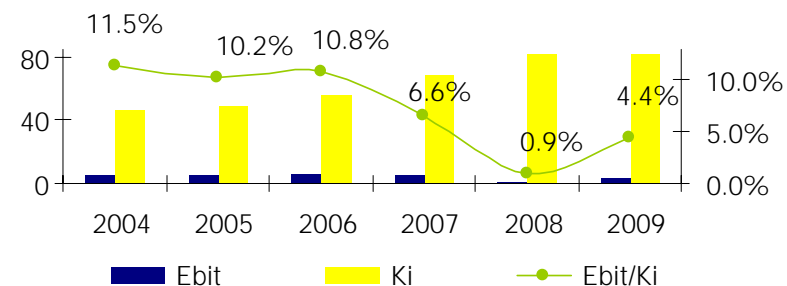
NFP/EQUITY

Source: elaboration on CLT data. Euro million



EBIT/CAPITAL INVESTED(Ki)

Source: elaboration on CLT data. Euro million





3. FINANCIALS

CONSOLIDATED BALANCE SHEET

Source: Centrale del Latte di Torino & C. S.p.A.

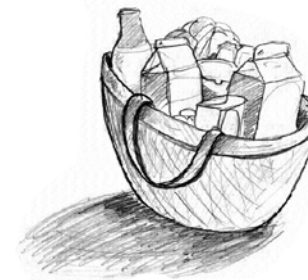
Euro million

IFRS compliant

	31-Dec-09	%	31-Dec-08	%
Tangible assets	63,113	76.7%	63,188	76.2%
Intangible assets	16,155	19.6%	17,714	21.4%
Financial assets	73	0.09%	28	0.0%
Fixed assets	79,342	96.4%	80,930	97.6%
Trade receivables	20,005	24.3%	20,880	25.2%
Inventories	3,193	3.9%	3,464	4.2%
Other assets	6,883	8.4%	8,349	10.1%
Trade payables	(20,692)	(25.1%)	(24,718)	(29.8%)
Other liabilities	(6,433)	(7.8%)	(6,025)	(7.3%)
Net working capital	2,957	3.6%	1,950	2.4%
NET ASSETS	82,299	100.0%	82,880	100.0%
Severance & other funds	10,521	12.8%	11,730	14.2%
Cash & equivalent	(7,195)	(8.7%)	(7,663)	(9.2%)
Financial debt	37,200	45.2%	37,704	45.5%
Net financial position	30,005	36.5%	30,041	36.2%
Share capital and reserves	39,380	47.9%	40,611	49.0%
Profit (loss) of the year	800	1.0%	(1,221)	(1.5%)
Shareholder's equity	40,180	48.8%	39,390	47.5%
Minorities	1,593	1.9%	1,719	2.1%
NET LIABILITIES	82,299	100.0%	82,880	100.0%



4. SHARE PRICE





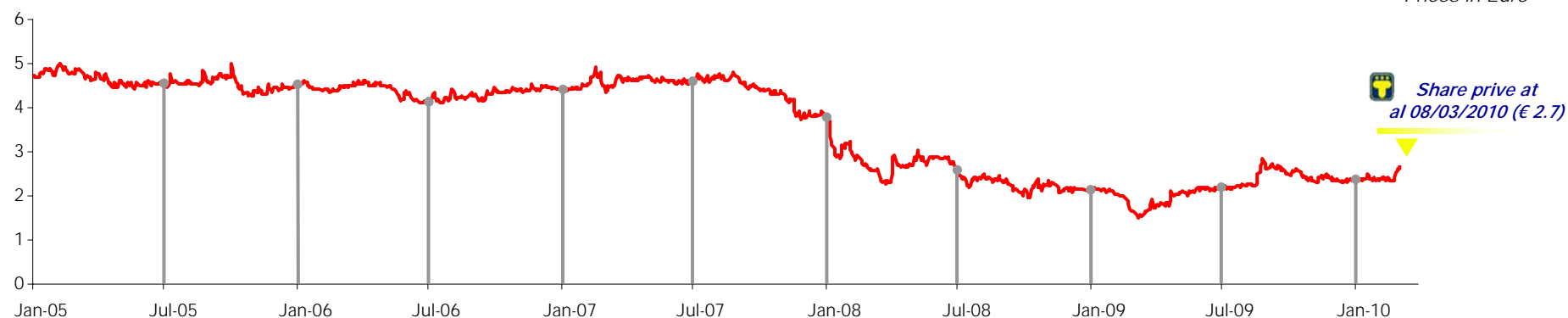
4. SHARE PRICE

SHARE PRICE (2005-2010 YTD)

 IPO price: € 6.80 per share (03/11/2000).

Source: elaboration on JCF and Bloomberg data

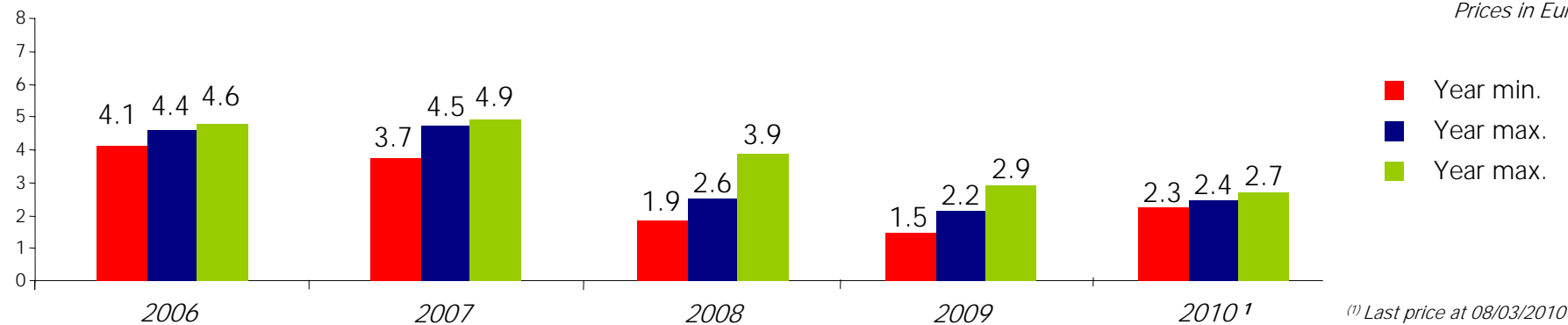
Prices in Euro



PRICE PER SHARE (2006-2010 YTD)

Source: elaboration on JCF and Bloomberg data

Prices in Euro



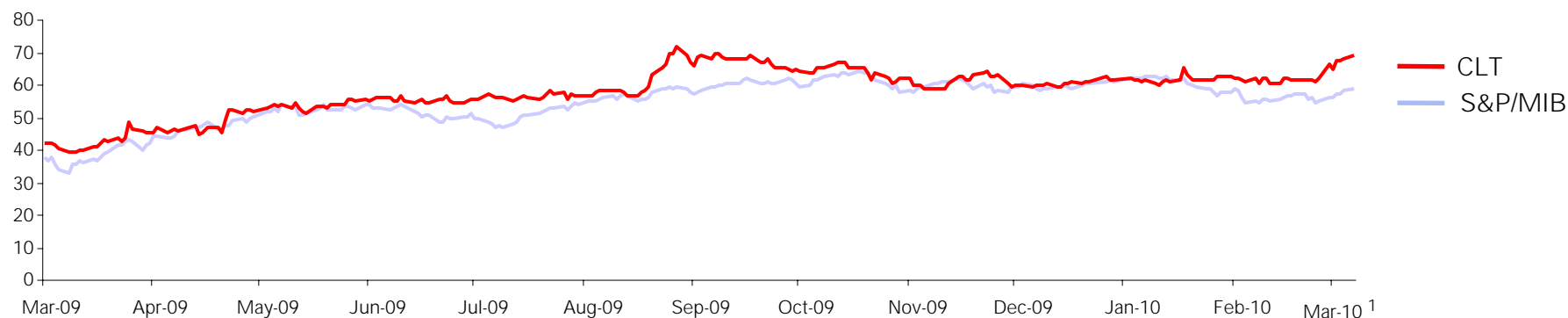


4. SHARE PRICE

LAST YEAR SHARE PRICE vs. S&P/MIB INDEX

Source: elaboration on JCF and Bloomberg data

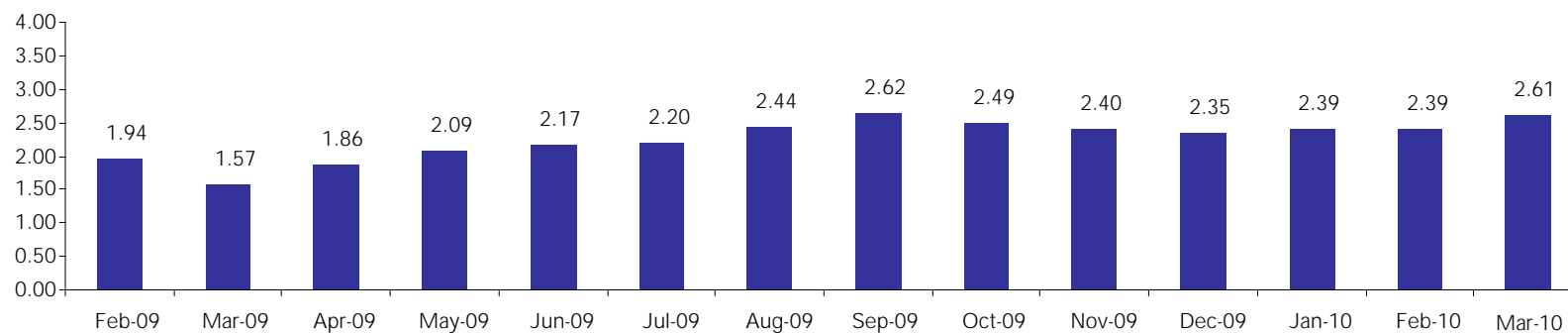
¹ Last price at 08/03/2010
Prices in Euro, base 100



LAST YEAR SHARE PRICE - MONTHLY ANALYSIS

Source: elaboration on JCF and Bloomberg data

¹ Price per share at the end of each month, last price at 08/03/2010
Prices in Euro





CONTACTS

THE GROUP



Centrale del Latte di Torino & C. s.p.a.

Via Filadelfia, 220

10137 Torino

ITALY

www.centralelatte.torino.it

Luigi Luzzati

Chairman

Vittorio Vaudagnotti

Investor Relator

Tel. +39 011 3240215

Fax. +39 011 3240300

vaudagnotti@centralelatte.torino.it

THE SPECIALIST



Via Gramsci, 7

10121 Torino

ITALY

www.gruppobim.it

Valentino Molino

Analyst

Tel. +39 011 0828 651

Fax. +39 011 0828 866

valentino.molino@gruppobim.it