



# Centrale del Latte di Torino & C. S.p.A.

## 1<sup>st</sup> Quarter Report as at 31<sup>st</sup> March 2004

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# 1. Consolidated financials statement

## 1.1 Consolidated Balance sheet

(thousand Euro)	March 31 04		March 31 03		December 31 03	
<b>Fixed assets</b>						
Tangible fixed assets	25,802		27,707		26,360	
Intangible fixed assets	20,243		22,353		20,739	
Investments and securities	1,603		1,790		1,603	
<b>Total fixed assets</b>	<b>47,648</b>	<b>94.3%</b>	<b>51,850</b>	<b>92.8%</b>	<b>48,702</b>	<b>96.8%</b>
<b>Working capital</b>						
Trade receivables	16,457		18,897		17,743	
Inventories	2,596		2,799		2,705	
Receivables from controlling companies	7,161		8,042		8,531	
Other current assets	490		318		195	
Prepaid expenses and accrued income	(16,693)		(17,018)		(20,193)	
Trade payables	(4,519)		(7,361)		(4,948)	
Other payables	(1,491)		(347)		(1,653)	
Taxes payable	(1,134)		(1,291)		(790)	
Accrued expenses and deferred income	<b>2,866</b>	<b>5.7%</b>	<b>4,039</b>	<b>7.2%</b>	<b>1,591</b>	<b>3.2%</b>
<b>Net working capital</b>	<b>50,514</b>	<b>100.0%</b>	<b>55,889</b>	<b>100.0%</b>	<b>50,292</b>	<b>100.0%</b>
<b>Reserves for long-term liabilities</b>						
Reserve for employee severance indemnity	3,668		3,560		3,622	
Other provisions	585		296		566	
Provision for deferred taxes	1,030		661		1,000	
<b>Total long-term liabilities and reserves</b>	<b>5,283</b>	<b>10.5%</b>	<b>4,517</b>	<b>8.1%</b>	<b>5,188</b>	<b>10.3%</b>
<b>Financial position</b>						
Cash, banks and securities	(9,630)		(3,133)		(7,585)	
Treasury stock	-		(316)		(751)	
Payables to banks	275		363		-	
Medium/long-term financing	13,982		16,431		14,529	
<b>Net financial position</b>	<b>4,627</b>	<b>9.2%</b>	<b>13,346</b>	<b>23.9%</b>	<b>6,193</b>	<b>12.3%</b>
<b>Shareholders' equity</b>						
Share capital	20,600		20,600		20,600	
Reserves	15,535		14,087		14,381	
Income (loss) for the year	(*) 1,713		(*) 446		(**) 1,148	
<b>Total shareholders' equity</b>	<b>37,848</b>	<b>74.9%</b>	<b>35,133</b>	<b>62.9%</b>	<b>36,130</b>	<b>71.8%</b>
Capital and reserves attributable to minority interests	2,756	5.5%	2,892	5.2%	2,782	5.5%
<b>TOTAL OWN AND MINORITIES CAPITAL EMPLOYED</b>	<b>50,514</b>	<b>100.0%</b>	<b>55,889</b>	<b>100.0%</b>	<b>50,292</b>	<b>100.0%</b>

(\*) Before tax

(\*\*) After tax

**1.2 Consolidated profit & loss account**

(thousands Euro)	March 31 04		March 31 03		December 31 03	
<i>Value of production</i>						
Revenues from sales and services	24,933	99.3%	23,825	99.6%	95,646	99.3%
Change in inventories	13	0.1%	(32)	-0.1%	20	0.0%
Other income and revenues	164	0.7%	129	0.5%	690	0.7%
<b>Value of production</b>	<b>25,110</b>	<b>100.0%</b>	<b>23,922</b>	<b>100.0%</b>	<b>96,356</b>	<b>100.0%</b>
<i>Costs of production</i>						
Services	(5,650)	-22.5%	(5,363)	-22.4%	(21,313)	-22.1%
Raw materials	(13,567)	-54.0%	(13,429)	-56.1%	(53,564)	-55.6%
Other operating costs	(400)	-1.6%	(281)	-1.2%	(1,460)	-1.5%
<b>Added value</b>	<b>5,493</b>	<b>21.9%</b>	<b>4,849</b>	<b>20.3%</b>	<b>20,019</b>	<b>20.8%</b>
Personnel costs	(2,530)	-10.1%	(2,522)	-10.5%	(9,702)	-10.1%
<b>Gross operating margin</b>	<b>2,962</b>	<b>11.8%</b>	<b>2,326</b>	<b>9.7%</b>	<b>10,317</b>	<b>10.7%</b>
Writedown of accounts receivable	(99)	-0.4%	(73)	-0.3%	(124)	-0.1%
Depreciation and amortisation of fixed assets	(1,298)	-5.2%	(1,378)	-5.8%	(5,683)	-5.9%
Provisions for contingencies	(1)	0.0%	(1)	0.0%	(5)	0.0%
<b>Operating income</b>	<b>1,564</b>	<b>6.2%</b>	<b>874</b>	<b>3.7%</b>	<b>4,505</b>	<b>4.7%</b>
Writedown of treasury stock in portfolio	-	0.0%	(60)	-0.3%	291	0.3%
Writedown of investments	(40)	-0.2%	(28)	-0.6%	(461)	-0.5%
Interest and financial income	435	1.7%	17	0.1%	184	0.2%
Financial charges	(227)	-0.9%	(283)	-1.2%	(861)	-0.9%
Extraordinary income	67	0.3%	89	0.4%	235	0.2%
Extraordinary expense	(83)	-0.3%	(211)	-0.9%	(634)	-0.7%
<b>Income (loss) before taxes</b>	<b>1,717</b>	<b>6.8%</b>	<b>398</b>	<b>1.7%</b>	<b>3,260</b>	<b>3.4%</b>
Income taxes for the period	-	0.0%	-	0.0%	(2,074)	-2.2%
Prepaid (deferred) taxes	(30)	-0.1%	-	0.0%	(196)	-0.2%
<b>Net total income (loss)</b>	<b>1,687</b>	<b>6.7%</b>	<b>398</b>	<b>1.7%</b>	<b>990</b>	<b>1.0%</b>
Minority interest income (loss)	(26)	-0.1%	(168)	-0.7%	(158)	0.2%
<b>Income (loss)</b>	<b>(*) 1,713</b>	<b>6.8%</b>	<b>(*) 566</b>	<b>2.4%</b>	<b>1,148</b>	<b>1.2%</b>

(\*) Before tax

## **2. Notes to the Financial Statements**

### **2.1 Foreword**

This Quarterly Report has been drawn up in compliance with Section 82 of CONSOB Resolution No. 11971 dated 14<sup>th</sup> May 1999 , as integrated by resolution No. 12475 dated 6<sup>th</sup> April 2000.

This quarterly report for the period ending 31<sup>st</sup> March 2004, reporting figures before tax deduction, in addition to the operations results for the quarter in question, will also make a comparison with the results as at 31<sup>st</sup> December 2003.

### **2.2 Consolidation area and evaluation criteria**

**Consolidation area includes** periodic reports as at 31<sup>st</sup> March 2004 of "Centrale del Latte di Torino & C. S.p.A." as the Holding Company, of "Centro Latte Rapallo S.p.A." and of consolidated statements of "CLAV Finanziaria S.p.A." as subsidiary companies. The Periodic Statements issued by "CLAV Finanziaria S.p.A." includes the quarterly results of "Centrale del Latte di Vicenza S.p.A." (hereinafter referred to as CLAV).

The 40% share in Frascheri S.p.A. has not been consolidated, because it is not required by the applicable provisions of law.

#### **Evaluation criteria.**

Evaluation criteria and accounting principles adopted when drawing up the financial statements of Centrale del Latte di Torino & C. S.p.A., Centro Latte Rapallo S.p.A., and CLAV Finanziaria S.p.A. are no different from those previously adopted for drawing up the consolidated Financial Statement for 2003 FY.

### 2.3 Notes to the Profit & Loss Account

**The Profit and Loss Account** of the Group at the end of the first quarter of 2004 FY reports EBITDA amounting to €2,962 thousand, corresponding to 11.8% of net sales, as against €2,326 thousand (9.7% of net sales) in the same period of the previous financial year. EBIT amounts to €1,564 thousand, equal to 6.2%, as against €874 thousand in the previous year (3.7%).

Profit before taxes and net of minority interest amounts to €1,713 thousand, as against €566 thousand in the same period of the previous year.

**Net proceeds** of the Group in the first quarter 2004 amounted to €24,933 thousand, as against €23,825 thousand in the first quarter of 2003 thus reporting a 4.7% increase.

	I QRT 04		I QRT 03		Change	
Fresh milk	11,230	45.0%	10,806	45.4%	424	3.9%
UHT milk	5,755	23.1%	5,673	23.8%	82	1.4%
Yoghurt	1,722	6.9%	1,609	6.8%	113	7.0%
Bulk milk and cream	839	3.4%	625	2.6%	214	34.2%
Other packaged products	5,387	21.6%	5,112	21.5%	275	5.4%
<b>Total</b>	<b>24,933</b>	<b>100.0%</b>	<b>23,825</b>	<b>100.0%</b>	<b>1,108</b>	<b>4.7%</b>

Despite a period characterized by stagnating if not downward consumption trends, some favorable market conditions, coupled by a capillary distribution network, by well known trade names and by a good price/quality ratio, allowed the Group to increase sales both in value and in volumes.

**The fresh milk segment** reported an increase in value (+3.9%), as well as in volumes. In particular, the highest increase was recorded in the area under the sales responsibility of the Holding Company, with a +8.1% , net of intergroup sales, compared to the same period of the previous financial period.

**Sales of long-life milk (UHT)** remained stable, although in this segment too the Holding Company recorded an increase (+2.5%) in both value and quantities (+5.4%). Good results were also reported by the subsidiary company based in Vicenza. Centrale del Latte di Vicenza, while carrying out its plan to stop selling low margin products, reported higher sales with its own trade marks (Centrale del Latte di Vicenza and Alta Quota), in both volumes and value, with a 12% and 9% growth, respectively.

**The yogurt segment** has always been a very difficult market segment, undergoing constant evolution. It reported a 7% increase, compared to the same period of the previous financial year. In this case, the higher growth is to be attributed to Centrale del Latte di Vicenza which reported higher sales in value and volumes of 3.3% and 5%, respectively, compared to the same period of the previous financial year, thus confirming its good positioning in terms of market share, when compared to aggressive and more specialist competitors.

The growth of the **other packed products** segment continued. This segment comprises, among others, also salads, ready to cook vegetables, fresh pasta, which reported a 7.2% increase compared to the same period of the previous financial year.

### **Geographic Distribution**

The following table shows sales figures during the first quarter of 2004 carved up by geographic areas:

(thousands of Euro)	Fresh milk	UHT milk	Yoghurt	Bulk milk and cream	Other packaged products	Total	
<b>Piemonte</b>							
<b>31-mar-04</b>	<b>6.393</b>	<b>3.604</b>	<b>394</b>	<b>187</b>	<b>1.930</b>	<b>12.508</b>	<b>50%</b>
31-mar-03	5.914	3.515	350	155	1.731	11.665	49%
Change %	<b>8,1%</b>	<b>2,5%</b>	<b>12,7%</b>	<b>20,4%</b>	<b>11,5%</b>	<b>7,2%</b>	
<b>Liguria</b>							
<b>31-mar-04</b>	<b>3.049</b>	<b>340</b>	<b>86</b>	<b>-</b>	<b>2.241</b>	<b>5.716</b>	<b>23%</b>
31-mar-03	3.036	334	56	-	2.042	5.468	23%
Change %	<b>0,4%</b>	<b>1,9%</b>	<b>53,0%</b>	<b>-</b>	<b>9,8%</b>	<b>4,5%</b>	
<b>Veneto</b>							
<b>31-mar-04</b>	<b>1.788</b>	<b>1.810</b>	<b>1.242</b>	<b>86</b>	<b>1.216</b>	<b>6.143</b>	<b>25%</b>
31-mar-03	1.857	1.824	1.202	92	1.339	6.229	26%
Change %	<b>-3,7%</b>	<b>-0,7%</b>	<b>3,3%</b>	<b>-6,0%</b>	<b>-9,2%</b>	<b>-1,4%</b>	
<b>Altre</b>							
<b>31-mar-04</b>				<b>566</b>		<b>566</b>	<b>2%</b>
31-mar-03	-	-	-	378	-	378	2%
Change %	-	-	-	<b>49,7%</b>	-	<b>49,7%</b>	
<b>Total al 31-mar-04</b>	<b>11.230</b>	<b>5.755</b>	<b>1.722</b>	<b>839</b>	<b>5.387</b>	<b>24.933</b>	<b>100%</b>
Total al 31-mar-03	10.806	5.673	1.609	625	5.112	23.825	100%
Change %	<b>3,9%</b>	<b>1,4%</b>	<b>7,0%</b>	<b>34,2%</b>	<b>5,4%</b>	<b>4,7%</b>	

**Operating Costs** The quarter reported in this Statement showed no critical situations regarding operations. The percentage share of operating costs on net sales went down, thus confirming what had already been recorded in the previous financial year.

**Extraordinary financial income and charges** during this quarter did not report any critical or irregular situation.

**Financial Charges** remained substantially stable compared with the same period of the previous financial year. They mostly refer to interest accrued on borrowings and loans.

**Treasury Shares.** At the beginning of January 2004, the Holding Company sold all 200,750 treasury shares at an average price of €5.75 per share, with a capital gain amounting to €408 thousand, which was entered under the Financial Income item of the Profit & Loss Account.

### Financial Assets

With reference to the share held in the subsidiary company Clav Finanziaria S.p.A., owing to the lower value of the net shareholders' equity in the subsidiary company than entered under the Financial Assets item, following the carry forward of durable losses for the FYs 2002 and 2003, the share value in the company was reduced by €40 thousand.

## 2.4 Consolidated Financial Position

The net financial position as at 31<sup>st</sup> March 2004 reported a net improvement compared to the same period of the previous financial year, as also confirmed by an equally significant reduction in debts compared to the figure as at 31<sup>st</sup> December 2003.

(thousands of Euro)	31-mar-04	31-mar-03	31-dic-03
Liquid assets	9,630	4,336	7,585
Treasury stock	-	315	751
	<b>9,630</b>	<b>4,651</b>	<b>8,336</b>
Payables to Banks	(275)	(112)	-
Medium/long term financing	(13,982)	(16,430)	(14,529)
	<b>(14,257)</b>	<b>(16,542)</b>	<b>(14,529)</b>
<b>Net Financial position</b>	<b>(4,626)</b>	<b>(11,891)</b>	<b>(6,193)</b>

## 3. Remarks on Operations Results



In order to better illustrate the operations results for the Group and its companies, concise financial reports are presented here below for each operating company.

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

The figures reported in the following tables are gross of consolidation adjustments and write offs.

(thousands of Euro)	I QRT 2004		I QRT 2003		31-dic-03	
<i>Value of production</i>						
Revenues from sales and services (*)	14,820	99.6%	13,889	98.8%	53,688	98.7%
Change in inventories	(78)	-0.5%	51	0.4%	99	0.2%
Other income and revenues	135	0.9%	117	0.8%	624	1.1%
<b>Value of production</b>	<b>14,877</b>	<b>100.0%</b>	<b>14,057</b>	<b>100.0%</b>	<b>54,411</b>	<b>100.0%</b>
<b>Gross operating margin</b>	<b>2,207</b>	<b>14.8%</b>	<b>1,716</b>	<b>12.2%</b>	<b>7,069</b>	<b>13.0%</b>
<b>Operating income</b>	<b>1,460</b>	<b>9.8%</b>	<b>809</b>	<b>5.8%</b>	<b>3,554</b>	<b>6.5%</b>
<b>Income (loss) before taxes</b>	<b>1,699</b>	<b>11.4%</b>	<b>427</b>	<b>3.0%</b>	<b>3,025</b>	<b>5.6%</b>

(\*) Sales revenues include inter-group

### *Net financial position*

(thousands of Euro)	31-mar-04	31-mar-03	31-dic-03
Liquid assets	7,598	2,609	5,269
Treasury stock	-	315	751
	<b>7,598</b>	<b>2,924</b>	<b>6,020</b>
Payables to Banks	(270)	(28)	-
Medium/long term financing	(8,688)	(10,673)	(9,157)
	<b>(8,958)</b>	<b>(10,701)</b>	<b>(9,157)</b>
<b>Net Financial position</b>	<b>(1,360)</b>	<b>(7,777)</b>	<b>(3,137)</b>

### 3.2 Centro Latte Rapallo S.p.A.:

The figures reported in the following tables are gross of consolidation adjustments and write offs.

(thousands of Euro)	I QRT 2004		I QRT 2003		31-dic-03	
<i>Value of production</i>						
Revenues from sales and services (*)	5,737	99.8%	5,491	99.7%	22,822	99.4%
Change in inventories	(18)	-0.3%	6	0.1%	20	0.4%
Other income and revenues	28	0.5%	9	0.2%	45	0.2%
<b>Value of production</b>	<b>5,747</b>	<b>100.0%</b>	<b>5,506</b>	<b>100.0%</b>	<b>22,967</b>	<b>100.0%</b>
<b>Gross operating margin</b>	<b>482</b>	<b>8.4%</b>	<b>427</b>	<b>7.8%</b>	<b>1,867</b>	<b>8.2%</b>
<b>Operating income</b>	<b>294</b>	<b>5.1%</b>	<b>218</b>	<b>4.0%</b>	<b>1,026</b>	<b>4.5%</b>
<b>Income (loss) before taxes</b>	<b>286</b>	<b>5.0%</b>	<b>193</b>	<b>3.5%</b>	<b>994</b>	<b>4.3%</b>

(\*) Sales revenues include inter-group

### *Net Financial position*

(thousands of Euro)	31-mar-04	31-mar-03	31-dic-03
Liquid assets	891	175	1.378
Payables to Banks	-	(252)	-
Medium/long term financing	(519)	(597)	(597)
	<b>(519)</b>	<b>(849)</b>	<b>(597)</b>
<b>Net Financial position</b>	<b>372</b>	<b>(674)</b>	<b>781</b>

### **3.3 Centrale del Latte di Vicenza S.p.A. (consolidato):**

The figures reported in the following tables are gross of consolidation adjustments and write offs.

(thousands of Euro)	I QRT 2004		I QRT 2003		31-dic-03	
<i>Value of production</i>						
Revenues from sales and services (*)	6,143	97.9%	6,229	101.3%	26,174	100.0%
Change in inventories	109	1.7%	(89)	-1.5%	(99)	-0.4%
Other income and revenues	24	0.4%	10	0.2%	105	0.4%
<b>Value of production</b>	<b>6,276</b>	<b>100.0%</b>	<b>6,150</b>	<b>100.0%</b>	<b>26,180</b>	<b>100.0%</b>
<b>Gross operating margin</b>	<b>274</b>	<b>4.4%</b>	<b>182</b>	<b>3.0%</b>	<b>1,381</b>	<b>5.3%</b>
<b>Operating income</b>	<b>(77)</b>	<b>-1.2%</b>	<b>(203)</b>	<b>-3.3%</b>	<b>(220)</b>	<b>-0.8%</b>
<b>Income (loss) before taxes</b>	<b>(154)</b>	<b>-2.5%</b>	<b>(225)</b>	<b>-3.7%</b>	<b>(775)</b>	<b>-2.9%</b>

(\*) Sales revenues include inter-group

### *Net Financial position*

(thousands of Euro)	31-mar-04	31-mar-03	31-dic-03
Liquid assets	1.141	349	938
Payables to Banks	(5)	(84)	-
Medium/long term financing	(4.775)	(5.160)	(4.775)
	<b>(4.780)</b>	<b>(5.244)</b>	<b>(4.775)</b>
<b>Net Financial position</b>	<b>(3.639)</b>	<b>(4.895)</b>	<b>(3.837)</b>

### **3.4 Frasccheri S.p.A.**

On 31<sup>st</sup> March 2004, the Board of Directors of the affiliated company Frasccheri S.p.A. approved the Draft Balance Sheet for 2003 FY, which closed with net earnings after taxes amounting to € 19 thousand, against a net loss after taxes of € 151 thousand as reported in the Financial Statement as at 31<sup>st</sup> December 2002.

During the first quarter of 2004, the affiliated company recorded an upward trend in sales, with an increase in both value and volumes of 8.1% and 6.6% respectively, compared to the same period of the previous financial year.

## **4. BUSINESS EVOLUTION**

The first quarter of 2004 confirmed the upward trend of the Group's sales - despite a general consumption drop - obtained by exploiting the “season” effect, whereby the best sales results are reported in the early months of the year.

It is held that the growth recorded in the first quarter of the year is likely to be confirmed on an annual basis, thus keeping up with 2004 budgeted goals.

## 5. Financial Statements of the Holding Company

### 5.1 Balance Sheet of the Holding Company

(thousands of Euro)	March 31 04		March 31 03		December 31 03	
<b>Fixed assets</b>						
Tangible fixed assets	7,883		10,151		8,362	
Intangible fixed assets	1,312		1,779		1,442	
Investments and securities	32,168		32,607		32,208	
<b>Total fixed assets</b>	<b>41,363</b>	<b>95.9%</b>	<b>44,537</b>	<b>96.1%</b>	<b>42,012</b>	<b>96.6%</b>
<b>Working capital</b>						
Trade receivables	10.051		10.612		10.856	
Inventories	1.171		1.429		1.208	
Receivables from controlling companies	4.245		4.924		5.634	
Other current assets	238		119		154	
Prepaid expenses and accrued income	(9.033)		(9.431)		(11.003)	
Trade payables	(2.823)		(4.572)		(3.456)	
Other payables	(1.138)		(220)		(1.205)	
Taxes payable	(932)		(1.067)		(713)	
Accrued expenses and deferred income	<b>1.778</b>	<b>4.1%</b>	<b>1.794</b>	<b>3.9%</b>	<b>1.475</b>	<b>3.4%</b>
<b>Net working capital</b>	<b>43.141</b>	<b>100.0%</b>	<b>46.331</b>	<b>100.0%</b>	<b>43.486</b>	<b>100.0%</b>
<b>Reserves for long-term liabilities</b>						
Reserve for employee severance indemnity	1.802		1.712		1.765	
<b>Total long-term liabilities and reserves</b>	<b>1.802</b>	<b>4.2%</b>	<b>1.712</b>	<b>3.7%</b>	<b>1.765</b>	<b>4.1%</b>
<b>Financial position</b>						
Cash, banks and securities	(7.598)		(2.609)		(5.265)	
Treasury stock	-		(315)		(751)	
Payables to banks	270		28		-	
Medium/long-term financing	8.688		10.674		9.157	
<b>Net financial position</b>	<b>1.360</b>	<b>3.2%</b>	<b>7.778</b>	<b>16.8%</b>	<b>3.141</b>	<b>7.2%</b>
<b>Shareholders' equity</b>						
Share capital	20.600		20.600		20.600	
Reserves	17.680		15.814		16.187	
Income (loss) for the year	(*) 1.699		(*) 427		(**) 1.793	
<b>Total shareholders' equity</b>	<b>39.979</b>	<b>92.7%</b>	<b>36.841</b>	<b>79.5%</b>	<b>38.580</b>	<b>88.7%</b>
<b>TOTAL OWN AND MINORITIES CAPITAL EMPLOYED</b>	<b>43.141</b>	<b>100.0%</b>	<b>46.331</b>	<b>100.0%</b>	<b>43.486</b>	<b>100.0%</b>

(\*) Before tax

(\*\*) After tax

**5.2 Profit & Loss Account of the Holding Company**

(migliaia di Euro) (**)	I Trm 2004		I Trm 2003		31-dic-03	
	(*)		(*)		(*)	
<i>Valore della produzione</i>						
Ricavi delle vendite e delle prestazioni	14.820	99.6%	13.889	98.8%	53.688	98.7%
Variazione delle rimanenze	(78)	-0.5%	51	0.4%	99	0.2%
Altri ricavi e proventi	135	0.9%	117	0.8%	624	1.1%
<b>Valore della produzione</b>	<b>14.877</b>	<b>100.0%</b>	<b>14.057</b>	<b>100.0%</b>	<b>54.411</b>	<b>100.0%</b>
<i>Costi della produzione</i>						
Servizi	(3.105)	-20.9%	(2.817)	-20.0%	(11.245)	-20.7%
Consumi materie prime	(8.128)	-54.6%	(8.125)	-57.8%	(30.718)	-56.5%
Altri costi operativi	(123)	-0.8%	(74)	-0.5%	(431)	-0.8%
<b>Valore aggiunto</b>	<b>3.521</b>	<b>23.7%</b>	<b>3.041</b>	<b>21.6%</b>	<b>12.017</b>	<b>22.1%</b>
Costo del personale	(1.314)	-8.8%	(1.325)	-9.4%	(4.947)	-9.1%
<b>Margine operativo lordo</b>	<b>2.207</b>	<b>14.8%</b>	<b>1.716</b>	<b>12.2%</b>	<b>7.069</b>	<b>13.0%</b>
Accantonamento a fondo svalutazione crediti	(74)	-0.5%	(46)	-0.3%	(46)	-0.1%
Ammortamento delle immobilizzazioni	(673)	-4.5%	(861)	-6.1%	(3.469)	-6.4%
<b>Risultato operativo</b>	<b>1.460</b>	<b>9.8%</b>	<b>809</b>	<b>5.8%</b>	<b>3.554</b>	<b>6.5%</b>
Rivalutazione (svalutazione) azioni proprie in portafoglio	-	0.0%	(28)	-0.2%	291	0.5%
Svalutazione partecipazioni	(40)	-0.3%	(61)	-0.4%	(461)	-0.8%
Proventi finanziari	433	2.9%	12	0.1%	273	0.5%
Oneri finanziari	(132)	-0.9%	(183)	-1.3%	(477)	-0.9%
Proventi straordinari	48	0.3%	24	0.2%	46	0.1%
Oneri straordinari	(71)	-0.5%	(146)	-1.0%	(202)	-0.4%
<b>Risultato prima delle imposte</b>	<b>1.699</b>	<b>11.4%</b>	<b>427</b>	<b>3.0%</b>	<b>3.025</b>	<b>5.6%</b>
Imposte sul reddito d'esercizio	-	0.0%	-	0.0%	(1.375)	2.5%
Imposte (differite) anticipate	-	0.0%	-	0.0%	143	0.3%
<b>Utile (perdita) netta totale</b>	<b>(*) 1.699</b>	<b>11.4%</b>	<b>(*) 427</b>	<b>3.0%</b>	<b>1.793</b>	<b>3.3%</b>

(\*) Before tax

## **6. SUBSEQUENT EVENTS**

Following the end of the quarter period, an agreement was reached with the Municipality of Vicenza for the issue of a building permit for a new plant of Centrale del Latte di Vicenza S.p.A. to be built on land owned by the company and located on the eastern outskirts of Vicenza. Further, Centro Latte Rapallo S.p.A. began selling four new product items (Liguria's traditional fresh pasta).

Turin, 11<sup>th</sup> May 2004

The Chairman of the Board of Directors  
Luigi LUZZATI