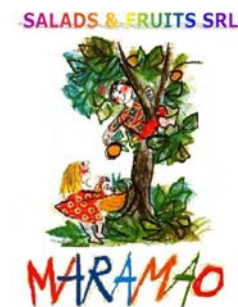




Centrale del Latte di Torino & C. s.p.A.



ITALIAN STOCK MARKET OPPORTUNITIES
Conference 2011 – Banca IMI

MILAN

2011, 21st September



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.

RICCARDO POZZOLI

Vice Chairman and Chief Executive Officer 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,**
- 👉 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

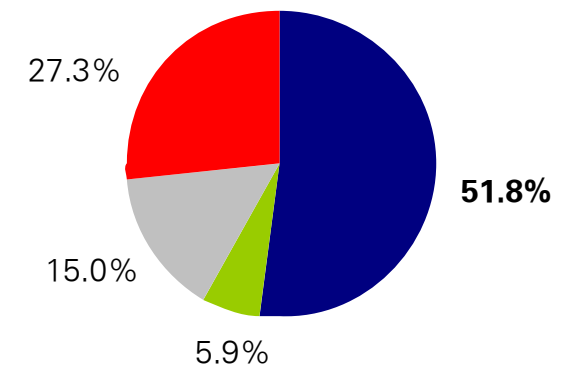
- ▶ Since 1950 Centrale del Latte is the leading brand of milk in Turin. During the years the Group experienced a day by day growth becoming a multiregional company active in the production and distribution of milk, milk derivatives and other fresh products



- ▶ 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 30th June 2011: 3,201

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

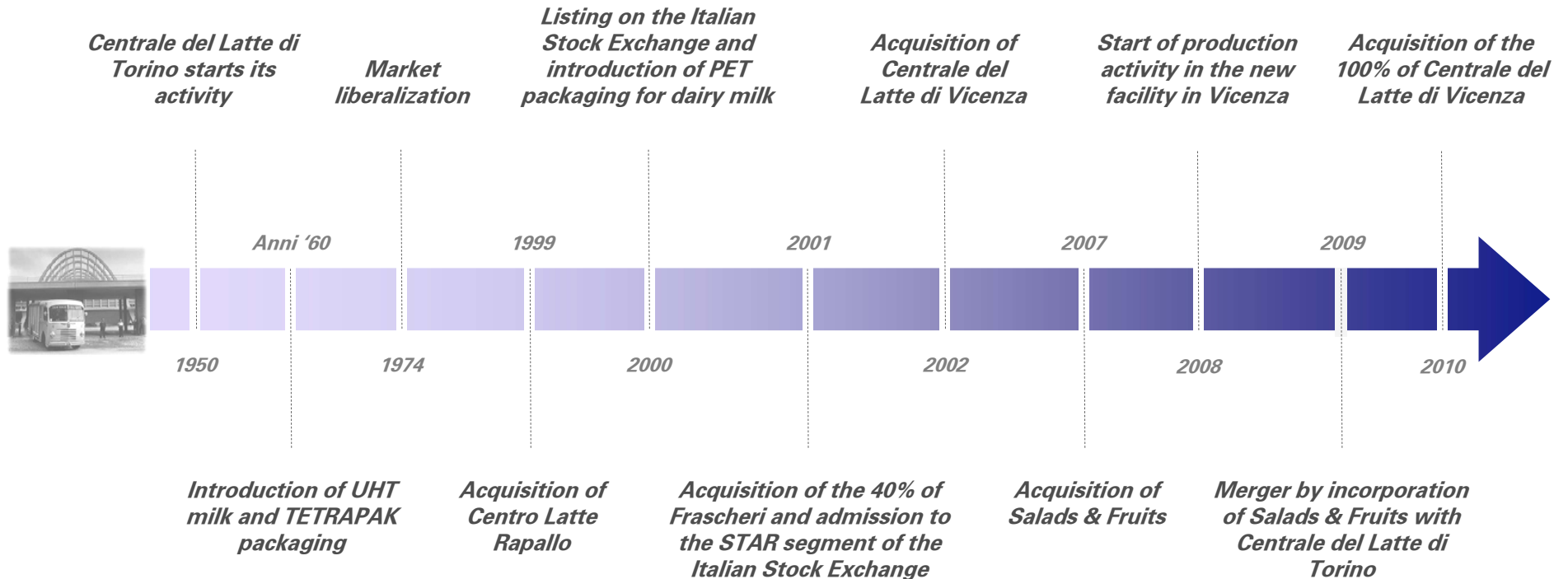
¹ Updated as of 30th June 2011.



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 ¹

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

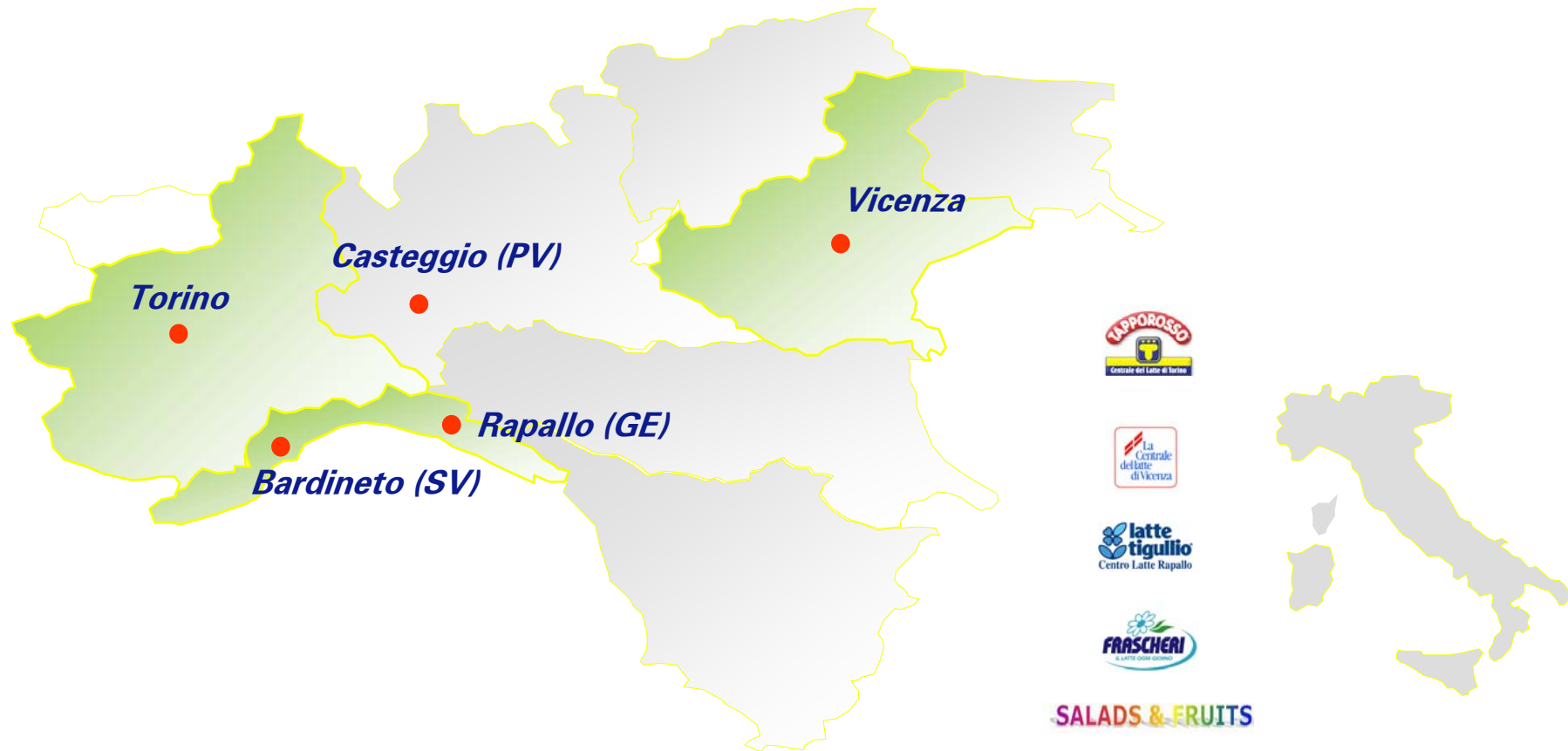


¹ Updated as of 30th June 2011.



1. THE GROUP AT A GLANCE

AN INTERREGIONAL POLE





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

GROUP'S NEW PRODUCTS

TAPPOROSSO HIGH PASTEURIZED FULL-FAT AND SEMI-SKIMMED MILK IN BLUE PET BOTTLE 1000 ML



- ▶ Purpose: strengthen the leadership in the milk sector through innovation following consumers' evolving needs. Tapporosso milk: innovative leader brand, a byword for freshness, reliability and good taste
- ▶ Highly potential (22% of total fresh milk/ESL) and fast-growing market (+13%) (Source: IRI Tot. ITA Iper+Super, April 11)
- ▶ Competitors: national leaders (Granarolo Più Giorni and Parmalat Blù Premium) and main private labels
- ▶ Channels involved : large-scale distribution, traditional shops and wholesalers
- ▶ Shelf life: 25 days
- ▶ Launch: 1st September 2011 for Centrale Latte di Torino; short/medium term for Centrale Latte Rapallo and Centrale di Vicenza.

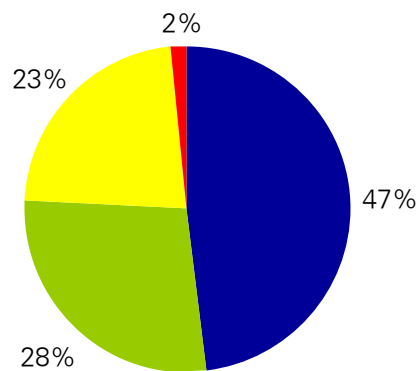


1. THE GROUP AT A GLANCE

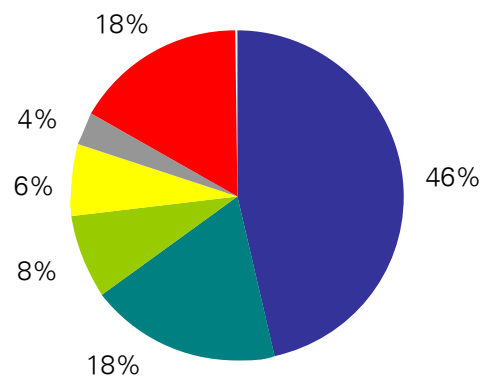
I H 2011 SALES BREAKDOWN

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

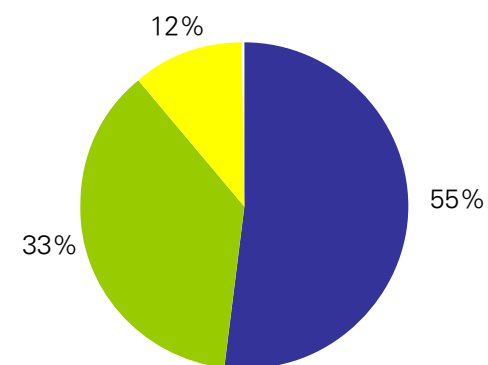
By region



By product



By distribution channel



- Piedmont
- Liguria
- Veneto
- Other regions

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

- 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

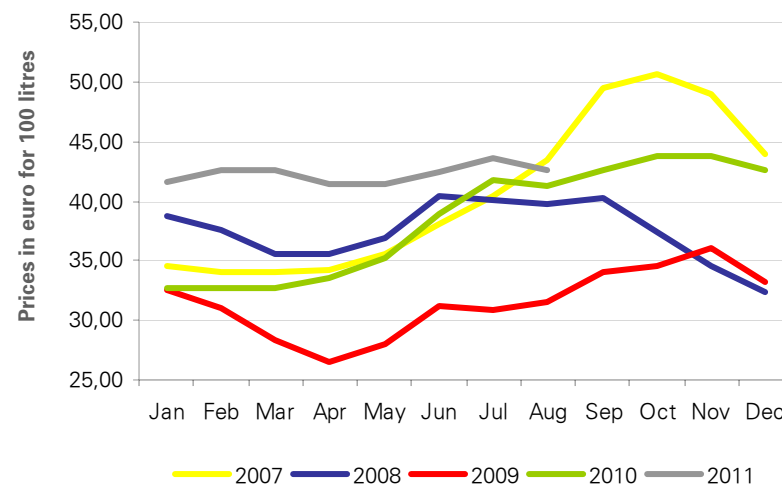
Source: Elaboration on CLAL data (www.clal.it)



Spot milk average monthly prices ⁽¹⁾ (2007 - August 2011)

Month	Prices in euro for 100 litres				
	2007 mean	2008 mean	2009 mean	2010 mean	2011 mean
January	34.54	38.66	32.51	32.78	41.63
February	34.03	37.64	31.04	32.73	42.53
March	34.03	35.57	28.36	32.73	42.61
April	34.28	35.57	26.55	33.51	41.50
May	35.59	36.86	28.06	35.18	41.50
June	38.15	40.47	31.19	38.92	42.40
July	40.46	40.16	30.93	41.76	43.56
August	43.45	39.73	31.61	41.24	42.53
September	49.49	40.21	34.02	42.66	
October	50.62	37.35	34.56	43.69	
November	48.98	34.54	36.09	43.82	
December	44.02	32.45	33.20	42.66	

Trend of spot milk monthly prices ⁽¹⁾ (2007 - August 2011)



⁽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

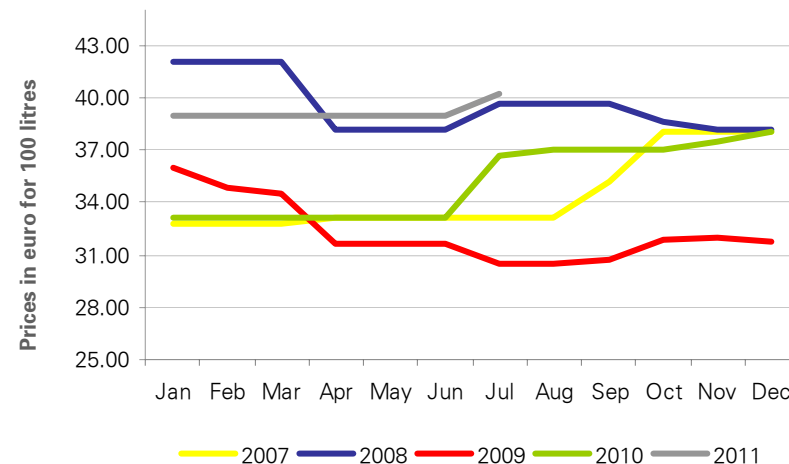
Source: Elaboration on CLAL data (www.clal.it)



*Farm-gate raw milk monthly prices ⁽¹⁾
(2007 - July 2011)*

Month	Prices in euro for 100 litres				
	2007	2008	2009	2010	2011
January	32.80	42.00	36.02 (e)	33.16	39.00 (e)
February	32.80	42.00	34.87 (e)	33.16	39.00 (e)
March	32.80	42.00	34.54 (e)	33.16	39.00 (e)
April	33.16	38.09	31.66 (e)	33.16	39.00 (e)
May	33.16	38.09	31.66 (e)	33.16	39.00 (e)
June	33.16	38.09	31.66 (e)	33.16	39.00 (e)
July	33.16	39.59	30.43 (e)	36,60 (e)	40.20 (e) ²
August	33.16	39.59	30.45 (e)	37,00 (e)	
September	35.16	39.59	30.73 (e)	37,00 (e)	
October	38.00	38.59	31.83 (e)	37,00 (e)	
November	38.00	38.09	31.93 (e)	37,50 (e)	
December	38.00	38.09	31.78 (e)	38,00 (e)	

*Trend of the farm-gate raw milk monthly average price ⁽¹⁾
(2007 - July 2011)*



⁽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 July 2010 to July 2011 and 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.

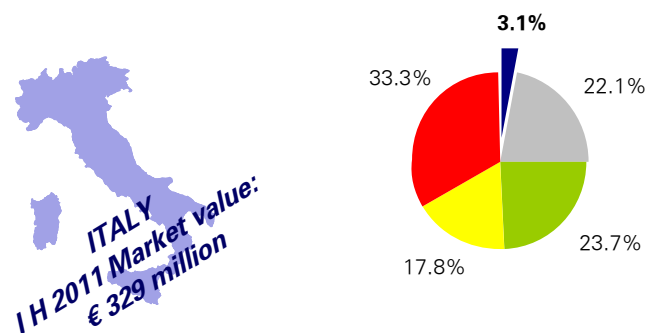


2. MARKET OVERVIEW: FRESH MILK

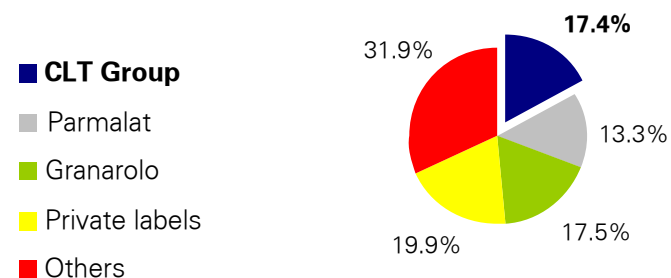
Source: IRI Infoscan (Iper + Super)

I H 2011 COMPETITORS ANALISYS (market share value)

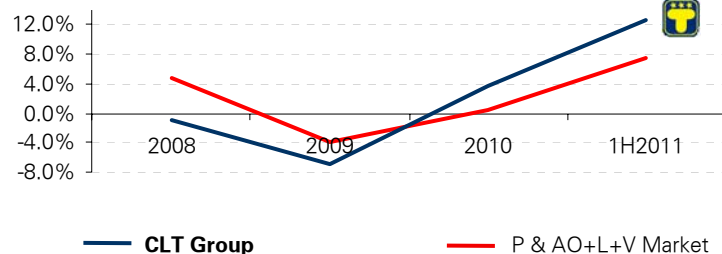
TOTAL ITALIAN MARKET OF FRESH MILK



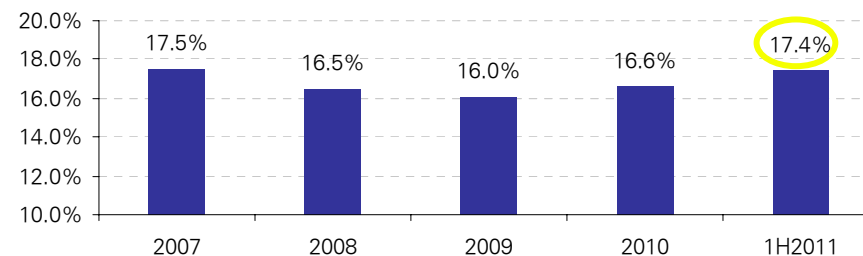
PIEDMONT & AOSTA VALLEY+LIGURIA+VENETO (17.8% OF TOTAL ITALIAN MARKET)



CLT VS MARKET* (2008-IH2011 sales trend)



CLT MARKET SHARE *



* Total value of Piedmont & Aosta Valley, Liguria and Veneto market



2. MARKET OVERVIEW: FRESH MILK Iper + Super

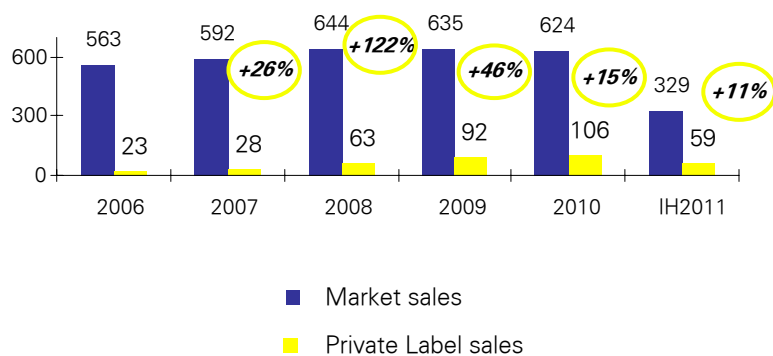
Source: IRI Infoscan

TREND OF PRIVATE LABEL SALES IN THE FRESH MILK MARKET

- Private Labels's fresh milk/ESL sales are still increasing. Share market trend: from **4.0% in 2006** to as much as **17.8% in 1H2011**, even though with a slowing down trend.

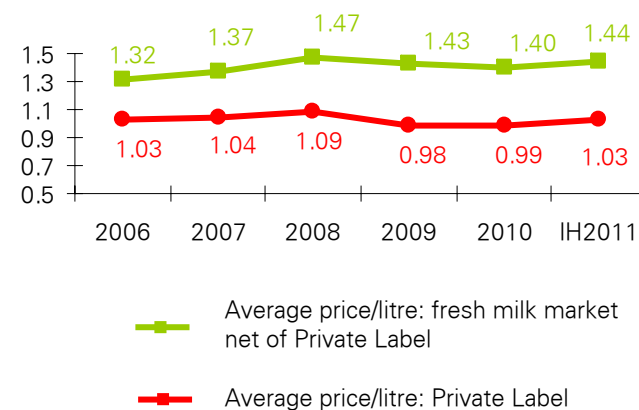
MARKET TREND

Figures in million Euro, except percentage



AVERAGE MARKET PRICE TREND

Figures in Euro





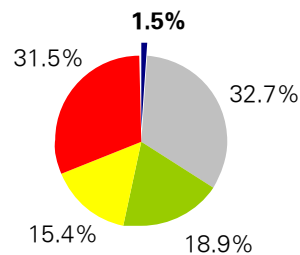
2. MARKET OVERVIEW: UHT MILK

Source: IRI Infoscan (lper + Super)

I H 2011 COMPETITORS ANALISYS (market share value)

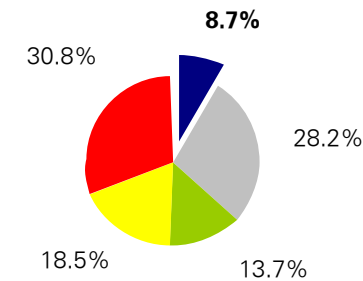
TOTAL ITALIAN MARKET OF UHT MILK

ITALY
I H 2011 Market value:
€ 453 million



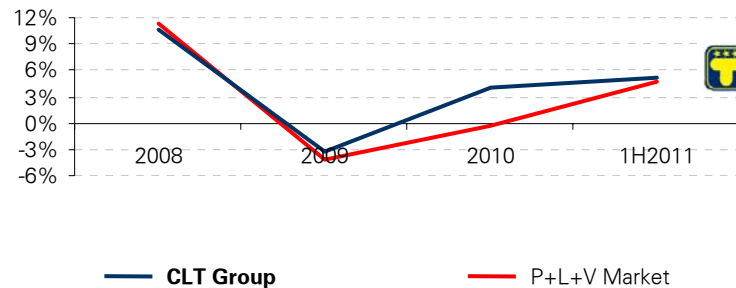
- CLT Group
- Parmalat
- Granarolo
- Private label
- Others

PIEDMONT & AOSTA VALLEY+LIGURIA+VENETO (17.9% OF TOTAL ITALIAN MARKET)

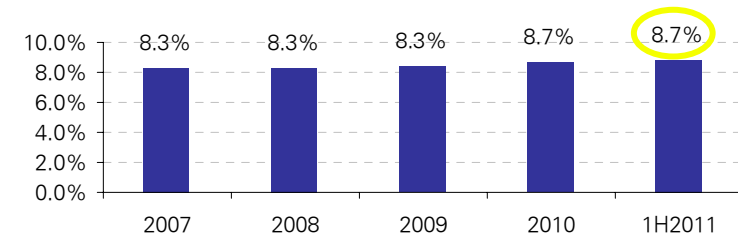


PIED & AO-LIG-VEN
I H 2011 Market value:
€ 81 million

CLT VS MARKET* (sales trend 2008-I H 2011)



CLT MARKET SHARE *



* CLT vs total market of Piedmont & Aosta Valley, Liguria and Veneto



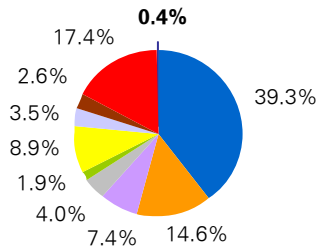
2. MARKET OVERVIEW: YOGURT

Source: IRI Infoscan (lper + Super)

I H 2011 COMPETITORS ANALISYS (market share value)

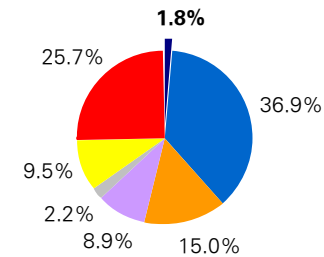
TOTAL ITALIAN MARKET OF YOGURT

ITALY
I H 2011 Market value:
€ 625 million



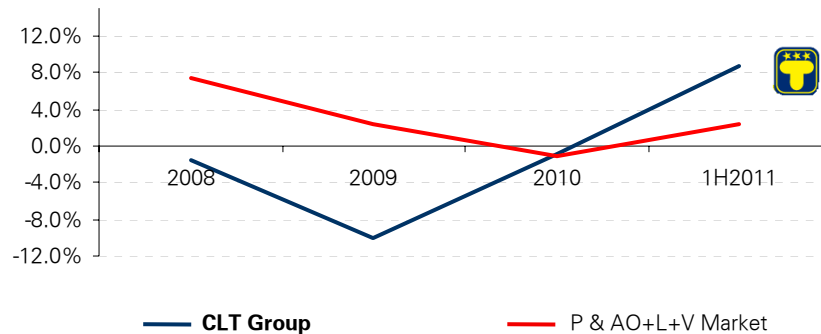
PIEDMONT & AOSTA VALLEY+LIGURIA+VENETO (21.8% OF TOTAL ITALIAN MARKET)

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

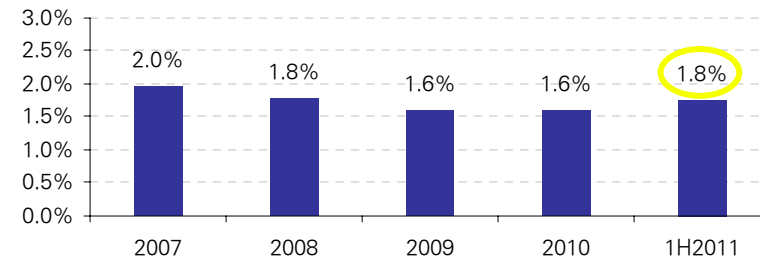


PIED & AO-LIG-VEN
I H 2011 Market value:
€ 136 million

CLT VS MARKET* (sales trend 2008-I H 2011)



CLT MARKET SHARE *



* CLT vs total market of Piedmont & Aosta Valley, Liguria and Veneto



2. MARKET OVERVIEW

2010/2011 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

€ 1.3 milioni

(2.7% of IH2010 turnover)

€ 1.7 milioni

(3.2% of IH2011 turnover)





2. MARKET OVERVIEW

2010/2011 MARKETING INITIATIVES

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

Centrale del Latte di Torino
Tapporosso
Lattini Alta Digeribilità

GLI INTOLLERANTI RITROVANO LA BONTÀ

Tapporosso Alta Digeribilità. Garanzia della Centrale.
Centrale del Latte di Torino & C. S.p.A. - Via S. Maria Maddalena, 10 - 10121 TORINO

Yogurt della Centrale del latte
per chi si vuole bene

Gli specialisti della yogurt.
Lavoriamo con una selezione di latte di alta qualità, pastorizzato per 15 secondi a 90°C, per garantirvi la massima freschezza e la massima digeribilità. Il nostro yogurt è arricchito con frutta secca e frutta fresca, per darvi gusto e nutrimento.

Per noi la qualità è centrale.

Novità da Centro Latte Rapallo

Sono male le Mozzelune!
Pasta fresca ripiena di ricotta e spinaci.

Rivolta e Spinaci

È non dimenticare gli Gnocchi, i Fusilli, i Farfalle di Borgogna, i Tortellini e la Tortellina.

Per noi la qualità è centrale.

Novità da Latte Tigullio

STRACCHINO CREMOSO

UNA BONTÀ TUTTA DA SPALMARE

Per noi la qualità è centrale.

Latte Alta Digeribilità della Centrale.

Buono da gustare. Facile da digerire, per tutti.

0,5%
per la qualità è centrale.

Novità da Latte Tigullio

NUOVA DA ALLEVAMENTO A TERRA RACCOLTE UNA A UNA CON AMORE!

FIORDIVOIO EXTRAFRESCO

Una Fiordivoio e Fine di Rio latte di montagna oggi in bottiglia.

Per noi la qualità è centrale.

Le Insalate della Centrale
FRESCHE e TRASPARENTI. COME NOI.

LE INSALATE

Le insalate della Centrale. Ricchissime di tutti i vegetali di stagione. Adatte per chi ama gustarsi un aperitivo sano e nutriente. Per noi la qualità è centrale.

LA CENTRALE PRESENTA

FLORA PLUS
Rinforzo quotidiano 4x90g

NUOVO FORMATO 4x90g OTTIMO PREZZO

Per noi la qualità è centrale.

Centrale del Latte di Vicenza
FESTA DELLA FAMIGLIA
Un successo con più di 3000 partecipanti

FESTA DELLA FAMIGLIA. GRAZIE VICENTINE!

Per noi la qualità è centrale.

CENTRALE DEL LATTE DI TORINO

È tempo di raccolta punti... e chi raccoglie vince sempre!

70%
150
Per genuinità, bontà e sicurezza il nostro latte è centrale.

Per noi la qualità è centrale.



2. MARKET OVERVIEW

2010/2011 MARKETING INITIATIVES

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



Participation at **Marca - Private Label Conference and Exhibition**, Bologna Fiere (7th Edition, 19 - 20 January 2011).

NEXT EDITION: 18 – 19 January 2012



Participation at **Cibus, International Food Fair** (15th Edition, 10 - 13 May 2010).

NEXT EDITION: 7-10 May 2012



Centrale del Latte di Torino sponsor for **Palio di Asti** from 2006



Official Sponsor for **Cioccolato 2011** (25th March – 3rd April 2011)



2. MARKET OVERVIEW

PLANS & STRATEGIES

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

Maintain the market leadership in core-business products. Marketing investments focused towards “immediate-return” activities. Innovation: focus on internal production, only for core-business products

- ▶ **Fresh & UHT Milk:** consolidate sales volume and market shares. Fresh milk: growing promotional support. 1.5 lt fresh milk: finalisation of distribution enlargement process at Rapallo and Vicenza.
- ▶ **ESL standard milk:** entrance in this highly potential (22% of total fresh milk) and fast growing market area (+13%) (*source: 2010 IRI /per + Super*) through direct production in Turin plant for all Group’s Companies. The Launch for Centrale del Latte di Torino will take place 1st September 2011; short/ medium term for Centrale Latte Rapallo e Centrale del Latte di Vicenza.
- ▶ **High Digestibility milk:** support the growth of such innovative and profitable products through a further implementation of ESL technology, considering its excellent ongoing performances.
- ▶ **Yogurt and Probiotic:** efficiency led by the high quality production capacity set in the new Vicenza plant (research and development and yogurt production for the Group’s companies). Increase in volume and growth through promotional support, new product format and new flavour (chocolate, pistachio, nougat ...).
- ▶ **Ready-to-eat salad:** strong expansion through branded and third companies production. Important promotional and commercial support.
- ▶ **UHT cream:** prosecution of the project to become one of the main player 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 and ready-to-eat salads by Salads & Fruits (Centrale del Latte di Torino’s division).
- ▶ **New informative system ERP** 
- ▶ **Relationship with the local territory:** food and nutrition education, and sponsorship for cultural and sport events.



3. FINANCIALS





3. FINANCIALS

CONSOLIDATED INCOME STATEMENT

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

Euro million

IFRS compliant

	1H2011	%	1H2010	%
Sales	51,946	99.0%	49,407	97.3%
Total operating revenues	52,447	100.0%	50,777	100.0%
Services	(12,740)	(24.3%)	(13,059)	(25.7%)
Raw materials consumption	(28,288)	(53.9%)	(24,835)	(48.9%)
Other operating costs	(589)	(1.1%)	(504)	(1.0%)
Cost of production	(41,618)	(79.4%)	(38,399)	(75.6%)
Personnel costs	(7,864)	(15.0%)	(7,407)	(14.6%)
EBITDA	2,965	5.7%	4,971	9.8%
Depreciation & Amortization	(2,884)	(5.5%)	(2,905)	(5.7%)
EBIT	81	0.2%	2,066	4.1%
financial income	47	0.1%	39	0.1%
financial expenses	(604)	(1.2%)	(600)	(1.2%)
Profit (loss) before tax	(476)	(0.9%)	1,506	3.0%
Tax	(150)	(0.3%)	(629)	(1.2%)
Profit (loss) after tax	(626)	(1.2%)	876	1.7%

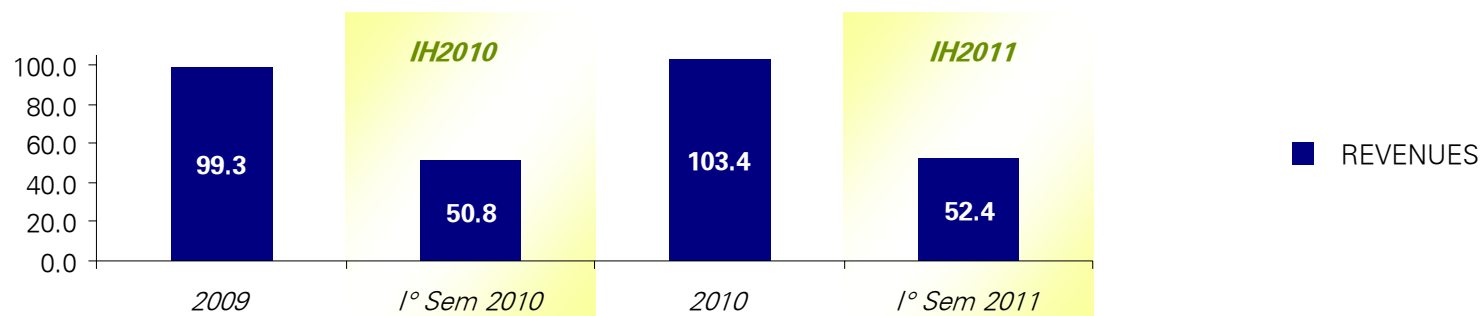


3. FINANCIALS

TOTAL OPERATING REVENUES TREND (2009- IH2011)

Source: elaboration on CLT data

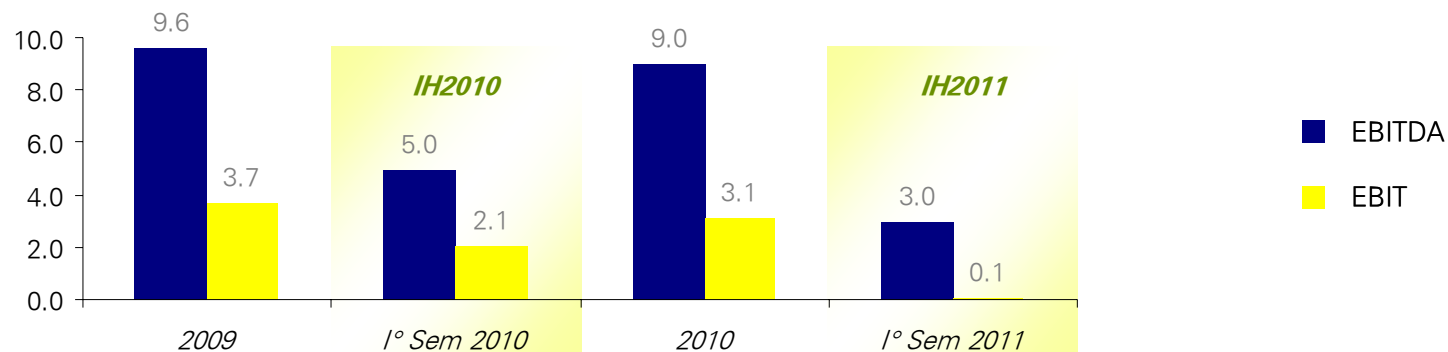
Euro million



EBITDA ed EBIT TREND (2009- IH2011)

Source: elaboration on CLT data

Euro million

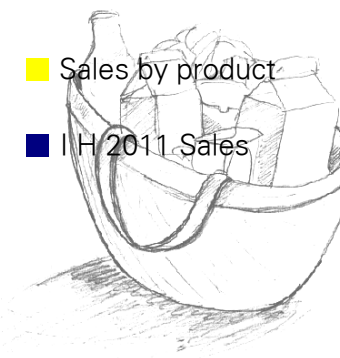
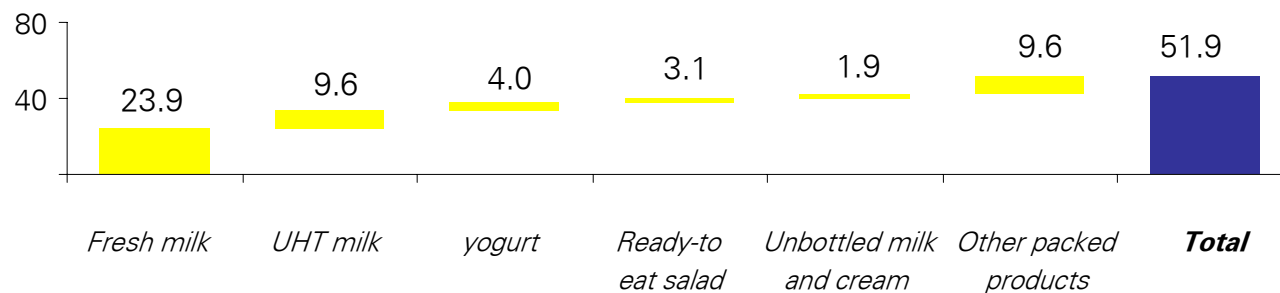




3. FINANCIALS

IH2011 SALES BREAKDOWN BY PRODUCT

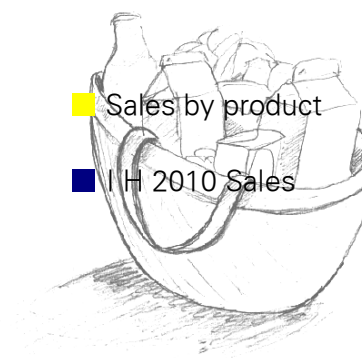
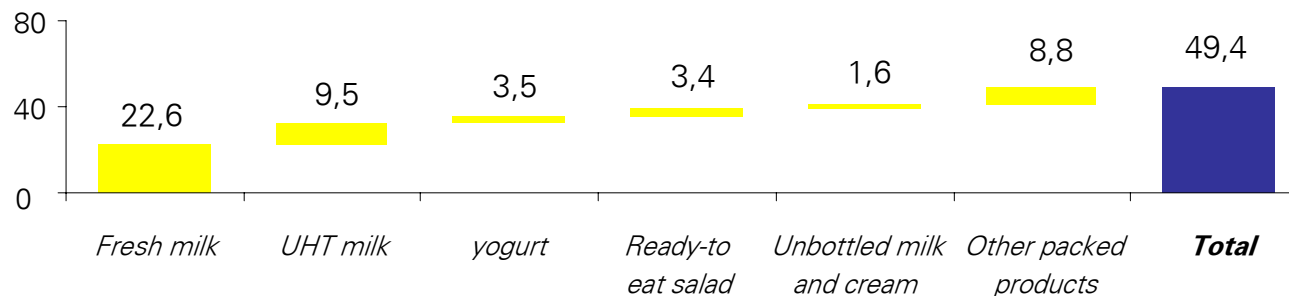
Source: elaboration on CLT data, Euro million



■ Sales by product
■ IH 2011 Sales

IH2010 SALES BREAKDOWN BY PRODUCT

Source: elaboration on CLT data, Euro million



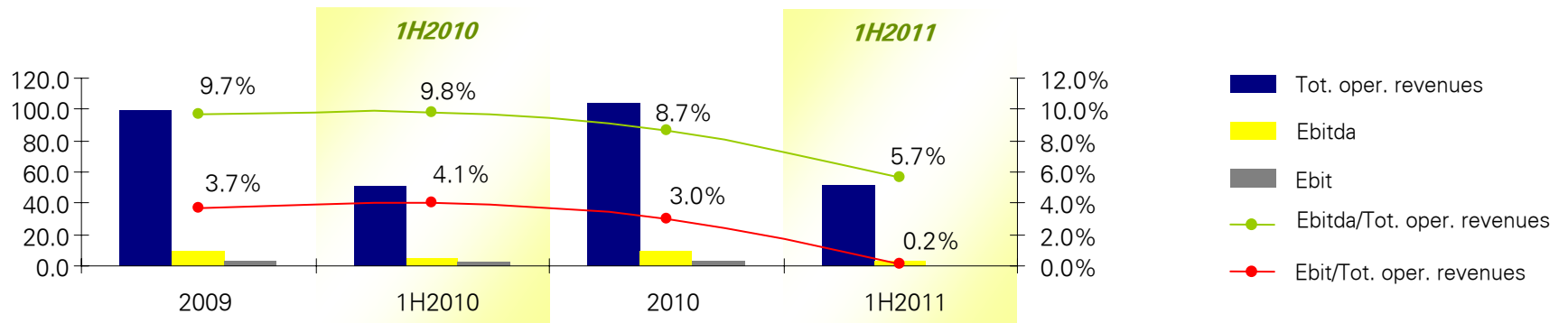
■ Sales by product
■ IH 2010 Sales



3. FINANCIALS

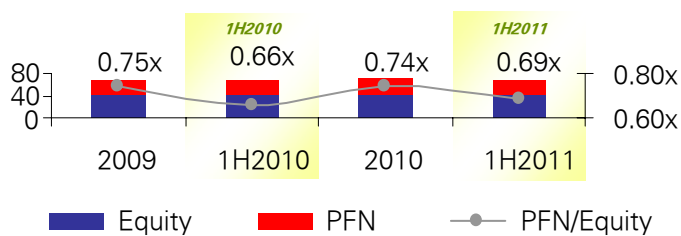
EBIT and EBITDA MARGINS

Source: elaboration on CLT data. Euro million



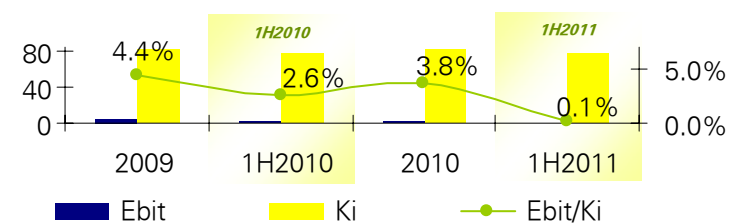
NFP/EQUITY

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

	1H2011	%	1H2010	%
Tangible assets	59,949	76.7%	61,947	78.5%
Intangible assets	14,010	17.9%	15,375	19.5%
Financial assets	258	0.33%	258	0.3%
Fixed assets	74,218	94.9%	77,580	98.3%
Trade receivables	19,391	24.8%	17,817	22.6%
Inventories	3,532	4.5%	3,395	4.3%
Other assets	8,436	10.8%	6,435	8.2%
Trade payables	(20,612)	(26.4%)	(19,962)	(25.3%)
Other liabilities	(6,779)	(8.7%)	(6,346)	(8.0%)
Net working capital	3,969	5.1%	1,339	1.7%
NET ASSETS	78,188	100.0%	78,920	100.0%
Severance & other funds	8,815	11.3%	9,955	12.6%
Cash & equivalent	(6,561)	(8.4%)	(7,010)	(8.9%)
Financial debt	34,865	44.6%	34,394	43.6%
Net financial position	28,304	36.2%	27,384	34.7%
Share capital and reserves	41,695	53.3%	40,706	51.6%
Profit (loss) of the year	(626)	(0.8%)	876	1.1%
Shareholder's equity	41,069	52.5%	41,582	52.7%
Minorities	0	-	0	-
NET LIABILITIES	78,188	100.0%	78,920	100.0%




4. SHARE PRICE





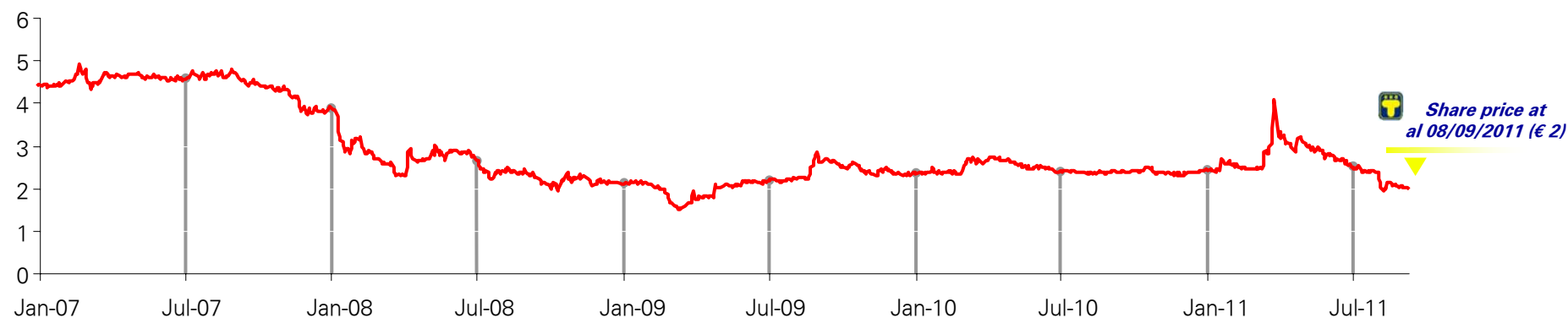
4. SHARE PRICE

SHARE PRICE (2007-2011 YTD)

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

Source: elaboration on Bloomberg data

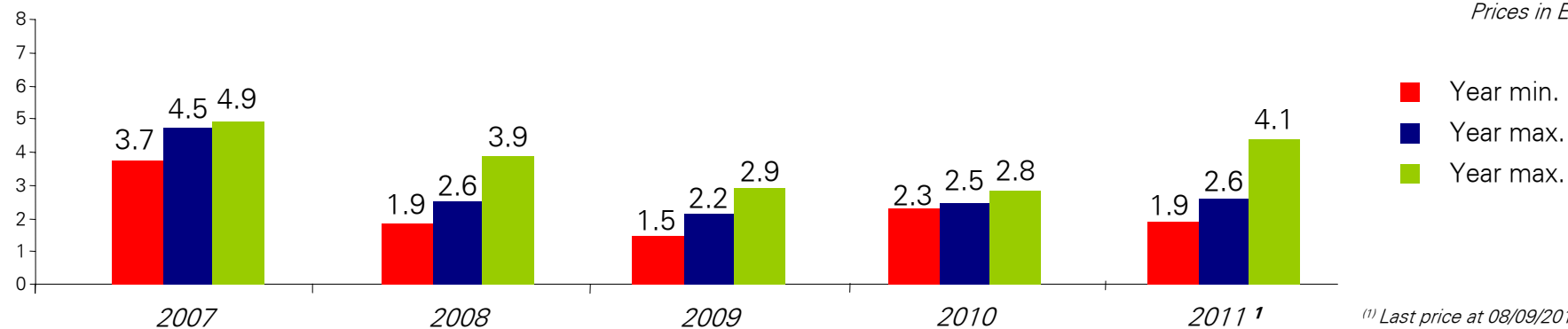
Prices in Euro



PRICE PER SHARE (2007-2011 YTD)

Source: elaboration on Bloomberg data

Prices in Euro



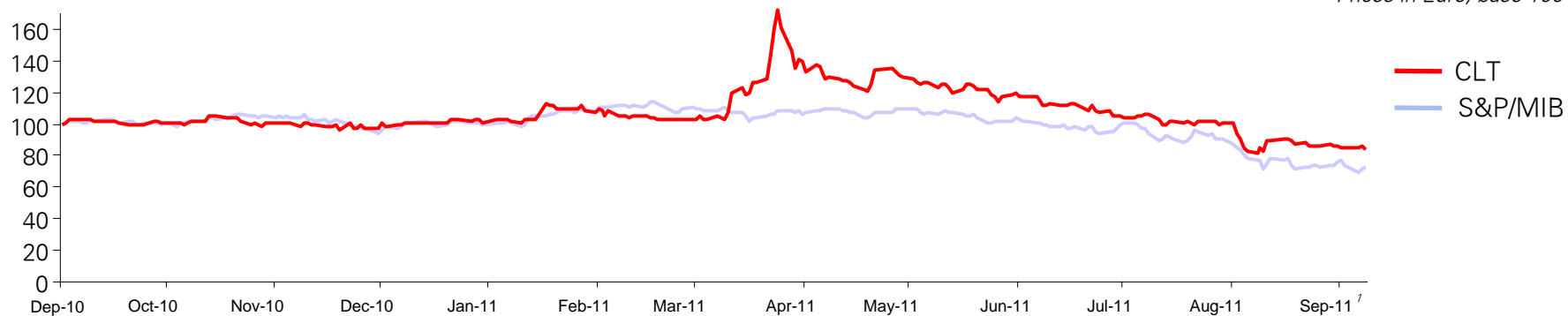


4. SHARE PRICE

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

Source: elaboration on Bloomberg data

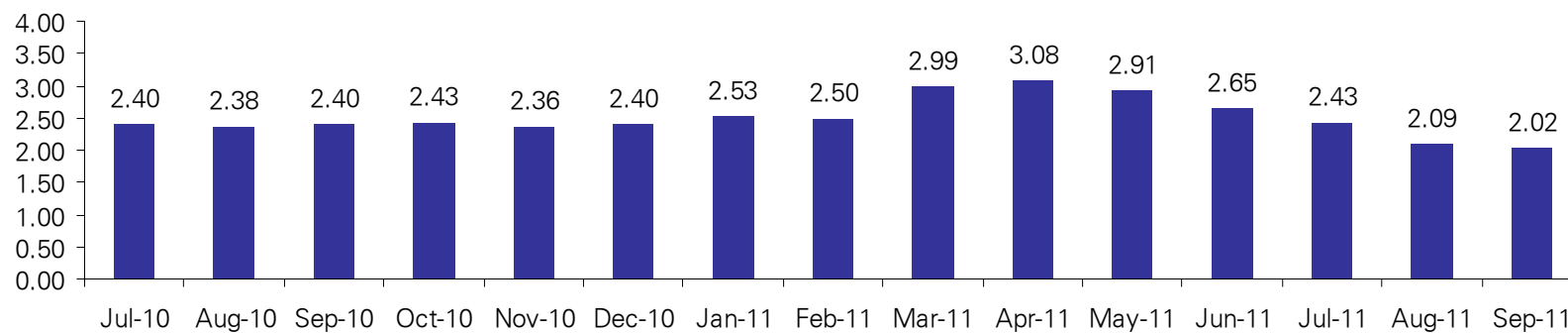
¹ Last price at 08/09/2011
Prices in Euro, base 100



LAST YEAR SHARE PRICE - MONTHLY ANALYSIS

Source: elaboration on Bloomberg data

¹ Price per share at the end of each month, last price at 08/09/2011
Prices in Euro





Centrale del Latte di Torino

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