



Press release

INALCA ACQUIRES UNIPEG

A strategic hub is born for the valorisation of the Italian beef chain

Castelvetro di Modena, 29th April 2016. Inalca S.p.a, a company of the Cremonini Group, in which the *Fondo Strategico Italiano* participates, European leader in the production of beef, has acquired two distinct business units comprehensive of the Unipeg group activities, the second Italian player in the sector.

The acquisition becomes effective from 1st May 2016 and regards the business unit of Unipeg Soc. Coop. Agr., with its **two structures of Pegognaga (Mn) and Reggio Emilia** (activities of slaughtering, processing and commercialisation of beef and meat based products), and the business unit of Assofood S.p.a, including **a plant in Castelnuovo Rangone (Mo)**, where processed meat products are prepared.

The operation is of **highly strategic significance** for several reasons:

- the deal will create an entirely new Italian agri-zootechnical/industrial pole that will valorise and strengthen the entire national beef industry;
- industrial activities will be consolidated through the rationalisation of the production facilities and the product lines;
- new and important commercial synergies in Italy and abroad will be developed on different sales channels to those which Inalca already have.

Inalca, due to this new acquisition, **will achieve a turnover of approximately 2 billion Euro.**

As the **President of the Cremonini Group, Luigi Cremonini** explains, "*the strategic plan is the consolidation of our market leadership in the beef processing sector in Italy so as to generate synergies and benefits for all the stakeholders active in the Italian beef chain, capable of offering excellent products that are ever more competitive. The farmer members of Unipeg constitute an important asset for our livestock industry and will permit Inalca to strengthen the sources of its supply of meat, that belong and will remain deeply rooted in Italy. Moreover, thanks to Inalca's capillary national and international distribution, it will be possible to valorise at best in all markets the products created in the acquired factories*".

The enterprise value of the transaction is 86 million Euro, including the debts relating to the transferred business units.

Unipeg, with more than seventy years of history, was the **first cooperative company in the beef sector** in Italy and in 2015 had a turnover of about 410 million Euro. The 850 members of Unipeg conferred in 2015 about 150,000 head of cattle and will continue to supply Inalca. Moreover, Inalca and Unipeg already collaborated with a 50% -50% joint venture in leather production.



The transaction was assisted by the financial advisors Appeal Strategy & Finance and Studio Cerioli & Pellacini, while the legal advisors were GSlex Studio of Lawyer Giuliano Sollima, and the legal studio of Professor Ettore Rocchi.

Inalca S.p.A.

*The Cremonini Group Company, European leader in beef production, cured meats and snacks and distribution of food products abroad, is **one of the few Italian companies to oversee the entire production chain**. The company, in which the Italian Strategic Fund and other sovereign funds participate in through the vehicle of the IQ Made in Italy Investment Company, reported in 2015 revenues of 1.47 billion Euro, of which 50% in exports. It has an international presence with **11 manufacturing plants** (6 of which in **Italy**, 2 in **Russia**, 2 in **Angola**, 1 in **Algeria**) and **21 logistics distribution platforms** (6 in **Russia**, 4 in **Angola**, 3 in **Algeria**, 3 in **Congo**, 3 in the **Democratic Republic of Congo**, 1 in **Mozambique**, 1 in **Ivory Coast**). Inalca sells annually more than 500,000 tons of meat, produces 100,000 tons of hamburgers, 200 million cans, with 7,200 product references (with the brands **Montana, Manzotin, Ibis and Cortebuona** and has 4,150 employees.*

The Cremonini Group

***Cremonini**, with over **9,000 employees**, and a turnover in 2015 of **3.4 billion Euro**, of which over **35% in export sales**, is one of the largest privately owned food groups in Europe and operates in three business areas: **production, distribution and catering**. The Group, founded in 1963 by Luigi Cremonini and based in Castelvetro di Modena, is leader in Italy in the production of beef and processed meat based products (**Inalca, Montana, Manzotin, Ibis**) and in the marketing and distribution of food products to the foodservice sector (**MARR**). It is leader in Italy in railway station buffets, vaunts a significant presence in the main Italian airports and in motorway catering and is the principal operator in Europe in the management of onboard train catering (**Chef Express**). Lastly, it is present in commercial catering with its restaurants branded **Roadhouse Grill**.*

For further information

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