



Sligro Beheer N.V.

Sligro half-year figures

Veghel, 18 July 2002

VIGOROUS PROFIT GROWTH OF 36%

Veghel, 18 July 2002

Sligro Beheer N.V. saw its net profit after tax and amortisation of goodwill increase by 35.6% to € 13.0 million in the first half of 2002. Turnover rose by 8.4% to € 602.2 million. Organic growth in turnover amounted to 5%.

All the core group activities – Sligro, Van Hoeckel Grootverbruik, Prisma Food Retail and EM-TÉ made a positive contribution to the improvements in turnover and profit. The consolidation includes eight weeks' figures for the recently acquired EM-TÉ supermarkets. Turnover and net profit at EM-TÉ are above expectations.

Gross margin rose from 15.1% to 16.2% of turnover. As well as the consolidation of EM-TÉ, this resulted from good margin management and the stronger position of Superunie, the purchasing co-operative, which includes Sligro's retail purchasing activities.

Expenses are well under control. Nevertheless, selling and administrative expenses rose from 12.0% to 12.5% of turnover. This was mainly the result of the formation of a non-recurring provision for pre-pension entitlements. With a view to the future implementation of International Accounting Standards, Sligro is forming a provision of € 5 million against the operating profit in 2002. € 2.5 million of this was charged in the first half-year.

Amortisation of goodwill has almost doubled as a result of the acquisition of EM-TÉ and accelerated amortisation of € 0.4 million.

Despite the non-recurring charges, operating profit rose by 25% to € 22.6 million. This represents an increase from 3.3% to 3.8% of turnover.

The net profit after tax and after amortisation of goodwill improved by 35.6% to € 13.0 million. Before amortisation of goodwill, the net profit was € 14.2 million, an increase of 39.2%.

Earnings per share after amortisation of goodwill, calculated on the basis of the average number of shares in issue, amounted to € 1.36. This represents an increase of 32.0% from € 1.03 in 2001. Earnings per share before amortisation of goodwill totalled € 1.49 compared with € 1.10 in 2001, a rise of 35.5%.

Sligro Beheer N.V. shares have been included in the Next 150 index of Euronext since 1 July 2002.

Prospects

We expect organic growth in turnover for the year as a whole to turn out at between 4% and 5%. Taking into account the acquisitions made, annual turnover for 2002 is expected to be some € 1.3 billion, an increase of 11% compared with 2001.

Allowing for the non-recurring pre-pension charge, we expect net profit after tax and amortisation of goodwill to grow by between 30% and 35% for the year 2002 as a whole. Net profit after tax and amortisation of goodwill for 2001 was € 25.3 million.

Executive Board

A.J.L. Slippens
J.G.M. Geerdink
H.L. van Rozendaal

Tel. +31 413343500
www.sligro.nl

Consolidated profit and loss account for the first half of 2002 (x € 1.000)

	2002	2001	Change %
Turnover	602,155	555,500	8.4
Cost of sales	(504,545)	(471,775)	6.9
Gross margin	97,610	83,725	16.6
Selling and administrative expenses	(75,224)	(66,434)	13.2
Other operating income	1,469	1,434	2.4
Operating profit before amortisation of goodwill (Ebita)	23,855	18,725	27.4
Amortisation of goodwill	(1,233)	(634)	94.5
Operating profit after amortisation of goodwill (Ebit)	22,622	18,091	25.0
Financial income and charges	(2,474)	(3,225)	(23.3)
Profit before tax	20,148	14,866	35.5
Taxation	(7,134)	(5,269)	35.4
Profit after tax	13,014	9,597	35.6
Figures per share			
Earnings after amortisation of goodwill (x € 1) ¹⁾	1.36	1.03	32.0
Earnings before amortisation of goodwill (x € 1) ¹⁾	1.49	1.10	35.5
Other information			
Depreciation on tangible fixed assets	8,701	8,437	3.1
Net investments in fixed assets ²⁾	19,764	5,380	267.4

¹⁾ Calculated on the average number of shares in issue in the first half of the year (9,590,722)

²⁾ In tangible fixed assets, excluding acquisitions

Consolidated cash flow statement for the first half of 2002 (x € 1.000)

	2002	2001
Cash flow from trading activities	35,615	24,120
Interest and dividend received	653	658
Interest paid	(2,908)	(2,123)
Corporation tax paid	(6,626)	(4,052)
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Cash flow from operating activities	26,734	18,603
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Acquisitions	(48,973)	(67,922)
Sale and reduction of capital in participating interests	3,324	73
Capital expenditure on fixed assets	(20,101)	(7,650)
Sales of fixed assets	1,857	2,270
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Cash flow from investing activities	(63,893)	(73,229)
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Proceeds from share issues	458	237
Repayments by participating interests	363	1,335
New long-term debt	28,500	34,867
Repayment of long-term debt	(6,175)	(3,650)
New short-term bank borrowings	15,354	23,154
Dividend paid	(1,466)	(1,456)
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Cash flow from financing activities	37,034	54,487
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Movement in cash and cash equivalents	(125)	(139)
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Consolidated balance sheet as at 29 June 2002 (x € 1.000)

	29-06-2002	29-12-2001	30-06-2001
Fixed assets			
Intangible fixed assets	45,079	23,181	23,257
Tangible fixed assets	170,701	130,948	127,823
Financial fixed assets	5,383	7,504	10,790
	<u>221,163</u>	<u>161,633</u>	<u>161,870</u>
Current assets			
Stocks	95,238	81,998	84,948
Debtors, prepayments and accrued income	34,897	43,252	39,944
	<u>1,415</u>	<u>1,540</u>	<u>1,312</u>
Balance sheet total	<u><u>352,713</u></u>	<u><u>288,423</u></u>	<u><u>288,074</u></u>
Shareholders' equity	108,174	96,168	80,013
Provisions			
Deferred taxation	16,468	12,566	11,987
Other	8,737	5,712	6,111
	<u>25,205</u>	<u>18,278</u>	<u>18,098</u>
Long-term liabilities	76,002	49,401	54,040
Current liabilities			
Creditors	52,543	36,944	41,774
Repayment commitments	12,065	16,341	9,570
Amounts owed to credit institutions	56,971	41,617	63,510
Tax and social security contributions	8,532	12,132	8,982
Other liabilities, accruals and deferred income	13,221	17,542	12,087
	<u>143,332</u>	<u>124,576</u>	<u>135,923</u>
Balance sheet total	<u><u>352,713</u></u>	<u><u>288,423</u></u>	<u><u>288,074</u></u>

Consolidated statement of movements in shareholders' equity for the first half of 2002 (x € 1.000)

	Issued and paid-up capital	Share premium	Other reserves	Total
Balance as at 29-12-2001	2,281	22,429	71,458	96,168
Exercise of share options	5	453	0	458
Stock dividend	56	(56)	0	0
Dividend paid	0	0	(1,466)	(1,466)
Profit after tax	0	0	13,014	13,014
Balance as at 29-6-2002	<u>2,342</u>	<u>22,826</u>	<u>83,006</u>	<u>108,174</u>

Segmented analysis of results for the first half of 2002 (x € 1.000)

	Turnover		Operating profit (Ebit)	
	2002	2001	2002	2001
Food service	420,334	397,484	14,543	12,556
Food retail	181,821	158,016	7,016	4,559
Retail premises	0	0	1,063	976
Total	<u>602,155</u>	<u>555,500</u>	<u>22,622</u>	<u>18,091</u>

Review report

Introduction

We have reviewed the half-year figures for the period 30 December 2001 to 30 June 2002 included in this report, consisting of the consolidated profit and loss account, the consolidated cash flow statement and the consolidated balance sheet, as well as the notes thereto, of Sligro Beheer N.V. in Veghel. These half-year figures are the responsibility of the company's management. Our responsibility is to issue a report on these half-year figures based on our review.

Scope

We conducted our review in accordance with standards for review engagements generally accepted in the Netherlands. These standards require that we plan and perform the review to obtain moderate assurance about whether half-year figures are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and therefore provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the half-year figures do not comply with accounting principles for interim financial reporting generally accepted in the Netherlands.

's-Hertogenbosch, 18 July 2002

KPMG Accountants N.V.

Sligro Beheer N.V. encompasses food service and food retail companies selling directly and indirectly to the entire Dutch market for food and beverages. The group adopts a multichannel strategy covering various forms of sales and distribution (self-service and delivery) using different distribution channels.

- Sligro B.V. supplies restaurants, company and other largescale caterers and smaller retail businesses on the basis of both self-service and delivery from 34 large outlets.
- Van Hoeckel Grootverbruik B.V. addresses the institutional market, supplying non-profit establishments like hospitals, residential homes for the elderly and the Dutch Army.
- Prisma Food Retail B.V. supplies some three hundred independent food retailers employing four different retail formats with different store sizes and market approaches (Golff, MeerMarkt, Attent and Zomermarkt/Rekra). This multiformat principle means that outlets can be accurately matched to local market needs.
- EM-TÉ Supermarkten B.V. operates 11 large supermarket/off-licence stores, with the aim of achieving market leadership at regional level.
- Sligro Fresh Partners, together with partners and subsidiaries in the fresh produce business, focuses on the most efficient logistics commensurate with food safety for supplying fresh produce to all Sligro Beheer operations, based on five Regional Fresh Centres.
- Rosenberg Import B.V. supplies the top segment of the sweets market, involving a number of sole agencies.

We endeavour to keep over 50,000 lines - dry goods, perishables and food-related non-food items - in stock at all times, assuring our customers of prompt service. In conjunction with the distribution concept, we also provide commercial and business services, ranging from complete franchise packages to insurance and training arrangements.

Intensive efforts are made among the Sligro Beheer companies to share know-how and to utilise the substantial economies of scale. Joint purchase and the joint use of exclusive brands, combined with a direct and detailed management of margins is yielding higher gross margins. Operating expenses are kept in check by ongoing tight cost control and a joint logistics and distribution strategy.

Group synergy is further enhanced by the expansion of joint IT systems, joint property management and group management development. Staff have the opportunity to make the most of their talents and develop their full potential. Innovation, training and personal development are the key concepts in this context.

Sligro Beheer aims to be a consistent, quality company, achieving controlled growth in all its activities and for all its stakeholders.

Turnover in 2001 was € 1,171.9 million, with a net profit of € 25.3 million. The average number of employees on a full-time equivalent basis was 2,129.