

Darling International Inc. Announces Profits Increase in Second Quarter

PRNewswire-FirstCall
IRVING, Texas

Darling International Inc. reported sales and earnings for its 2002 fiscal second quarter and six months ended June 29, 2002 as compared to the same periods of the prior year.

For the 2002 second quarter, the Company reported net income of \$1.2 million as compared to a net loss of \$5.7 million for the second quarter of 2001. After a \$0.3 million deduction for preferred dividends and accretion, the Company reported \$0.03 per share applicable to common shareholders as compared to (\$0.37) per share for the second quarter of 2001. The \$6.9 million increase in net income for the second quarter 2002 resulted from an increase in net sales and other income, and a decrease in depreciation and amortization and interest expense, which more than offset an increase in selling, general and administrative costs and income taxes.

For the six months ended June 29, 2002, the Company reported net income of \$1.8 million as compared to a net loss of \$6.9 million for the 2001 comparable period. After a \$0.3 million deduction for preferred dividends and accretion, the Company reported \$0.06 per share applicable to common shareholders as compared to (\$0.44) per share for the 2001 comparable period. The \$8.7 million increase in net income for the six months ended June 29, 2002, resulted from an increase in net sales and other income, and a decrease in cost of sales and operating expenses, depreciation and amortization and interest expense, which more than offset an increase in selling, general and administrative costs and income taxes.

The Company's Chief Executive Officer, Denis Taura, stated that "the Company's return to profitability for the first two fiscal quarters of 2002, coupled with the successful completion of the May 2002 financial restructuring, reflect continuing efforts to enhance shareholder value."

Darling International Inc. is the largest publicly traded, food processing by-products recycling company in the United States. The Company recycles used restaurant cooking oil and by-products from the beef, pork and poultry processing industries into useable products such as tallow, feed-grade fats and meat and bone meal. These products are primarily sold to animal feed and oleo-chemical manufacturers around the world.

The Company's shares are traded on the American Stock Exchange under the symbol DAR. In Amex trading on August 13, 2002, Darling stock closed at \$0.90 per share.

(This media release contains forward-looking statements regarding the business operations of Darling. These statements are identified by words such as "may," "will," "expect," "believe," "intend," "anticipate," "should", "estimate," "continue," and other words referring to events to occur in the future. These statements reflect Darling's current view of future events and are based on its assessment of, and are subject to, a variety of risks and uncertainties, including business and economic conditions in its existing markets. Other risks and uncertainties regarding Darling, the industry in which it operates and the implementation of its business strategy are described in Darling's Form 10-Qs, the most recent filed May 14, 2002; Form 10-K/A filed April 29, 2002; Proxy Statement filed April 29, 2002 and Amendment No. 1 to the Registration Statement as filed on June 5, 2002. Darling undertakes no obligation to update any forward-looking statements made in this media release.)

Darling International Inc.
Consolidated Operating Results
For the Periods Ended June 29, 2002 and June 30, 2001
(Dollars in thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 29, June 30, \$Change			Six Months Ended June 29, June 30, \$Change		
	2002	2001	Favorable (Unfavorable)	2002	2001	Favorable (Unfavorable)
Net sales	\$62,044	\$58,614	\$3,430	\$123,725	\$122,248	\$1,477
Costs and expenses:						
Cost of sales and operating expenses	46,277	46,690	413	92,672	95,002	2,330
Selling, general and administrative expenses	8,285	6,778	(1,507)	15,445	13,783	(1,662)

Depreciation and amortization	4,235	6,488	2,253	8,627	13,302	4,675
Total costs and expenses	58,797	59,956	1,159	116,744	122,087	5,343
Operating income (loss)	3,247	(1,342)	4,589	6,981	161	6,820
Other income (expense):						
Interest expense	(1,385)	(3,267)	1,882	(5,271)	(6,494)	1,223
Other, net	745	(1,112)	1,857	1,480	(537)	2,017
Total other expense	(640)	(4,379)	3,739	(3,791)	(7,031)	3,240
Income (loss) before income taxes	2,607	(5,721)	8,328	3,190	(6,870)	10,060
Income taxes	(1,358)	---	(1,358)	(1,358)	---	(1,358)
Net income (loss)	1,249	(5,721)	6,970	1,832	(6,870)	8,702
Preferred dividends and accretion	(255)	---	(255)	(255)	---	(255)
Net income (loss) applicable to common shareholders	\$ 994	\$(5,721)	\$6,715	\$ 1,577	\$(6,870)	\$8,447
Basic and diluted income (loss) per share	\$0.03	\$(0.37)	\$ 0.40	\$ 0.06	\$(0.44)	\$ 0.50

FOR MORE INFORMATION CONTACT:

John O. Muse, Executive Vice President of
Finance and Administration, or
Brad Phillips, Treasurer
972-717-0300

MAKE YOUR OPINION COUNT - Click Here

<http://tbutton.prnewswire.com/prn/11690X31613362>

SOURCE: Darling International Inc.

CONTACT: John O. Muse, Executive Vice President of Finance and Administration, or Brad Phillips, Treasurer, both of Darling International Inc., +1-972-717-0300

Web site: <http://www.darlingii.com/>

<https://ir.darlingii.com/2002-08-14-Darling-International-Inc-Announces-Profits-Increase-in-Second-Quarter>