

Darling International Inc. Announces Results for Fiscal Year and Fourth Quarter 2002

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Darling International Inc. reported \$9.0 million net income for Fiscal 2002. This represents a \$20.8 million increase in net income as compared to 2001. Sales and earnings for the fourth quarter and fiscal year ended December 28, 2002, as compared to the same period of the prior year are as follows:

FISCAL YEAR

For Fiscal 2002, the Company's net sales grew 7.9% to \$262.2 million as compared to \$243.0 million for Fiscal 2001. Increases in finished products prices and the improved recovery of collection fees accounted for the majority of the \$19.2 million net sales increase.

For the fiscal year ended December 28, 2002, the Company reported net income of \$9.0 million as compared to a net loss of \$11.8 million for the 2001 comparable period. The \$20.8 million increase in net income for Fiscal 2002, resulted from increases in net sales and other income, and a reduction in depreciation and amortization and interest expense, which more than offset increases in cost of sales and income taxes.

The Company's Chief Executive Officer, Randall Stuewe, commented, "This is the Company's first year of net income since 1997. The improved earnings reflect the benefits of the Company's recapitalization completed in May 2002, favorable prices for the Company's finished products and services and growth in our restaurant services segment."

FOURTH QUARTER

For the fourth quarter 2002, the Company's net sales were \$70.4 million as compared to \$66.1 million for the fourth quarter 2001.

Net income for the fourth quarter 2002 improved to \$3.7 million as compared to a net loss of \$1.5 million for the 2001 comparable period, an improvement of \$5.2 million.

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. In addition, the Company provides grease trap collection services and sells equipment to restaurants.

The Company's shares are traded on the American Stock Exchange under the symbol DAR. In AMEX trading on March 25, 2003, Darling stock closed at \$1.97 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 November 12, 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 December 28, 2002 and December 29, 2001
(Dollars in thousands, except per share amounts)
(Unaudited)

Three Months Ended		
Dec. 28,	Dec. 29,	\$ Change
2002	2001	Favorable
		(Unfavorable)

Net sales	\$70,399	\$66,145	\$ 4,254
Costs and expenses:			
Cost of sales and operating expenses	51,883	48,241	(3,642)
Selling, general and administrative expenses	7,518	7,938	420
Depreciation and amortization	4,155	7,198	3,043
Total costs and expenses	63,556	63,377	(179)
Operating income	6,843	2,768	4,075
Other income (expense):			
Interest expense	(438)	(3,712)	3,274
Other, net	740	(614)	1,354
Total other income (expense)	302	(4,326)	4,628
Income (loss) from continuing operations before income taxes	7,145	(1,558)	8,703
Income taxes	(3,450)	---	(3,450)
Income (loss) from continuing operations	3,695	(1,558)	5,253
Income (loss) from discontinued operation, net of tax	(17)	102	(119)
Net income (loss)	3,678	(1,456)	5,134
Preferred dividends and accretion (A)	(364)	---	(364)
Net income (loss) applicable to common shareholders	\$3,314	\$(1,456)	\$ 4,770
Basic and diluted income (loss) per share:			
Continuing operations	\$ 0.05	\$ (0.10)	\$ 0.15
Discontinued operations	---	0.01	(0.01)
Total	\$ 0.05	\$ (0.09)	\$ 0.14

Twelve Months Ended
Dec. 28, Dec. 29, \$ Change
2002 2001 Favorable
(Unfavorable)

Net sales	\$262,236	\$242,964	\$ 19,272
Costs and expenses:			
Cost of sales and operating expenses	194,559	185,019	(9,540)
Selling, general and administrative expenses	30,294	28,334	(1,960)
Depreciation and amortization	16,426	24,898	8,472
Total costs and expenses	241,279	238,251	(3,028)
Operating income	20,957	4,713	16,244
Other income (expense):			
Interest expense	(6,409)	(14,162)	7,753
Other, net	2,001	(1,656)	3,657
Total other income (expense)	(4,408)	(15,818)	11,410
Income (loss) from continuing operations before income taxes	16,549	(11,105)	27,654
Income taxes	(7,183)	---	(7,183)
Income (loss) from continuing operations	9,366	(11,105)	20,471
Income (loss) from discontinued operation, net of tax	(403)	(740)	337
Net income (loss)	8,963	(11,845)	20,808
Preferred dividends and accretion (A)	(994)	---	(994)
Net income (loss) applicable to common shareholders	\$ 7,969	\$(11,845)	\$ 19,814
Basic and diluted income (loss) per share:			
Continuing operations	\$ 0.19	\$ (0.71)	\$ 0.90
Discontinued operations	(0.01)	(0.05)	0.04
Total	\$ 0.18	\$ (0.76)	\$ 0.94

(A) Preferred dividends accrued were \$153,000 and \$405,000 during the three and twelve months ended December 28, 2002, respectively. Accretion of the preferred stock discount were \$211,000 and \$589,000 during the three and twelve months ended December 28, 2002, respectively.

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SOURCE: Darling International Inc.

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