

Darling International Inc. Announces Third Quarter 2006 Results

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IRVING, Texas

Darling International Inc. today reported sales and results of operations for the third quarter and nine months ended September 30, 2006 as compared to the same periods of the prior year.

For the third quarter of 2006, the Company realized net sales of \$115.2 million as compared to \$79.3 million for the third quarter of 2005. The majority of the \$35.9 million increase in sales, which was partially offset by lower prices for finished products, is attributable to the Company's acquisition of substantially all of the assets of National By-Products, LLC on May 15, 2006.

Net income for the third quarter 2006 declined to \$1.8 million or \$0.02 per share, as compared to net income of \$2.0 million, or \$0.03 per share, for the 2005 comparable period. The \$0.02 million decrease in net income for the third quarter of 2006 resulted primarily from: (i) significantly lower prices for finished protein products and fats; (ii) higher depreciation and amortization; and (iii) higher legal expenses related to certain actions in which the Company is the plaintiff.

Darling International Inc. Chairman and Chief Executive Officer Randall Stuewe said, "Despite a generally more favorable operating environment in the third quarter, low finished product prices continued to weigh on our earnings. Overall, however, we are pleased that our raw material tonnage remains favorable, the integration of National By-Products is progressing, and energy costs have declined."

For the nine months ended September 30, 2006, the Company reported net sales of \$278.9 million as compared to \$232.0 million for the 2005 comparable period. Increased sales attributable from the acquisition of National By-Products accounted for the majority of the \$46.9 million net sales increase.

For the nine months ended September 30, 2006, the Company reported a net loss of \$(1.0) million, or \$(0.01) per share, as compared to a net profit of \$5.7 million, or \$0.09 per share, for the 2005 comparable period. The \$6.7 million decrease in net income for the nine months ended September 30, 2006 resulted primarily from: (i) \$4.5 million in charges related to prepayment fees and write-off of deferred loan costs in connection with termination of the Company's previous subordinated debt and revolving credit facility; (ii) lower prices for finished products; (iii) higher energy prices for natural gas and diesel fuel; and (iv) higher legal expense.

Darling International will host a conference call to discuss the Company's third quarter 2006 financial results at 10:00 a.m. Eastern Time (9:00 a.m. Central Time) on Friday, November 10, 2006. To listen to the conference call, participants calling from within North America may dial 888-868-9079; international participants may dial 973-935-8510. Please call approximately ten minutes before the start of the call to ensure that you are connected.

The call will also be available as a live audio web cast that can be accessed on the Company website at <http://www.darlingii.com/investors/investors.html> or <http://www.earnings.com/>. Following its completion, a replay of the call can be accessed until November 24, 2006 by dialing 877-519-4471 or 973-341-3080 outside of North America. The access code for the replay is 8074400. The conference call will also be archived on the Company's website for seven days.

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, meat and bone meal, and hides. These products are primarily sold to agricultural, leather and oleo-chemical manufacturers around the world. In addition, the Company provides grease trap collection services and sells equipment to restaurants.

For more information, please visit <http://www.darlingii.com/>.

This media release contains forward-looking statements regarding the business operations of Darling and the industry in which it operates. 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 beyond its control, including business and economic conditions in its existing markets that could cause actual results to differ materially from those projected in such forward-looking statements. Other risks and uncertainties regarding Darling, its business and the industry in which it operates are referenced from time to time in the Company's filings with the Securities and Exchange Commission. Darling is under no obligation to (and expressly disclaims any such obligation to) update or alter its

forward-looking statements whether as a result of new information, future events or otherwise.

Darling International Inc.
Consolidated Operating Results
For the Periods Ended September 30, 2006 and October 1, 2005
(Dollars in thousands, except per share amounts)
(Unaudited)

	Three Months Ended		
		\$ Change	
	Sept. 30, 2006	October 1, 2005	Favorable/ (Unfavorable)
Net sales	\$115,229	\$79,332	\$35,897
Costs and expenses:			
Cost of sales and operating expenses	92,761	63,204	(29,557)
Selling, general and administrative expenses	12,424	8,111	(4,313)
Depreciation and amortization	5,682	3,812	(1,870)
Total costs and expenses	110,867	75,127	(35,740)
Operating income	4,362	4,205	157
Other income/(expense):			
Interest expense	(2,022)	(1,534)	(488)
Other, net	138	216	(78)
Total other income/(expense)	(1,884)	(1,318)	(566)
Income/(loss) from continuing operations before income taxes	2,478	2,887	(409)
Income taxes (expense)/benefit	(677)	(966)	289
Income/(loss) from continuing operations	1,801	1,921	(120)
Income/(loss) from discontinued operations, net of tax	---	69	(69)
Net income/(loss)	\$1,801	\$1,990	\$(189)
Basic and diluted income/(loss) per share:			
Continuing operations	\$0.02	\$0.03	\$(0.01)
Discontinued operations	---	---	---
Total	\$ 0.02	\$0.03	\$(0.01)

Nine Months Ended
\$ Change

	Sept. 30, 2006	October 1, 2005	Favorable/ (Unfavorable)
Net sales	\$278,860	\$231,959	
\$46,901			
Costs and expenses:			
Cost of sales and operating expenses	222,273	182,014	(40,259)
Selling, general and administrative expenses	33,928	26,158	(7,770)
Depreciation and amortization	14,864	11,390	(3,474)
Total costs and expenses	271,065	219,562	(51,503)
Operating income	7,795	12,397	(4,602)
Other income/(expense):			
Interest expense	(5,324)	(4,707)	(617)
Other, net	(4,391)	891	(5,282)
Total other income/(expense)	(9,715)	(3,816)	(5,899)
Income/(loss) from continuing operations before income taxes	(1,920)	8,581	(10,501)
Income taxes (expense)/benefit	938	(3,002)	3,940
Income/(loss) from continuing operations	(982)	5,579	(6,561)
Income/(loss) from discontinued operations, net of tax	---	81	(81)
Net income/(loss)	\$(982)	\$5,660	\$(6,642)
Basic and diluted income/(loss) per share:			
Continuing operations	\$(0.01)	\$0.09	\$(0.10)
Discontinued operations	---	---	---
Total	\$(0.01)	\$0.09	\$(0.10)

FOR MORE INFORMATION CONTACT:

John O. Muse, Executive Vice President of Finance and Administration, or
Brad Phillips, Treasurer
251 O'Connor Ridge Blvd., Suite 300
Irving, Texas 75038
Phone: 972-717-0300

FCMN Contact: bphillips@darlingii.com

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/>

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