

WORKING TOWARDS OUR AMBITION

COMMUNICATION CUSTOMER
QUALITY MANAGEMENT
GROWING BRANDS
PRICE PEOPLE
INNOVATION PRODUCTS
PROFITABILITY

Investor's Day
Madrid, March 9th 2011



AGENDA



ROBERT SHARPE

CHIEF EXECUTIVE OFFICER

1

**CFG
MARKET
POSITION**

2

CFG
FRONT END
STRATEGY

3

PERFORMING
OF OUR DIVISIONS

4

FINANCIAL
HIGHLIGHTS

5

CONCLUSION

EUROPEAN PROCESSED MEAT MARKET

Fragmented competitive Landscape

- Large Market in a defensive sector
 - 60 Bn€ retail value
 - Stable 1-2% annual growth with above average growth segments
- Primarily local players
- Opportunity to create value through leveraging scale, scope and FMCG best practices



An attractive landscape
for **CFG**

CFG MARKET POSITION

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
INNOVATION
GROWTH
PROFITABILITY
BRANDS
PEOPLE
PRODUCTS

CAMPOFRIO FOOD GROUP OPERATES IN THE VALUE-ADDED PRODUCT SEGMENT OF THE MEAT INDUSTRY

A brand and marketing **focused business model**, with limited exposure to commoditized slaughtering and fresh meat businesses

STRENGTH OF BRANDS

+
-
+



DEGREE OF VERTICAL INTEGRATION

CFG MARKET POSITION



Industry Leader

- 1 Leading branded portfolio
- 2 Leading scale operator
- 3 Leading the market innovation
- 4 Leading collaborative and entrepreneurial people



Unique capabilities

- Global mindset organization
- “FMCG” culture
- Cost Leadership

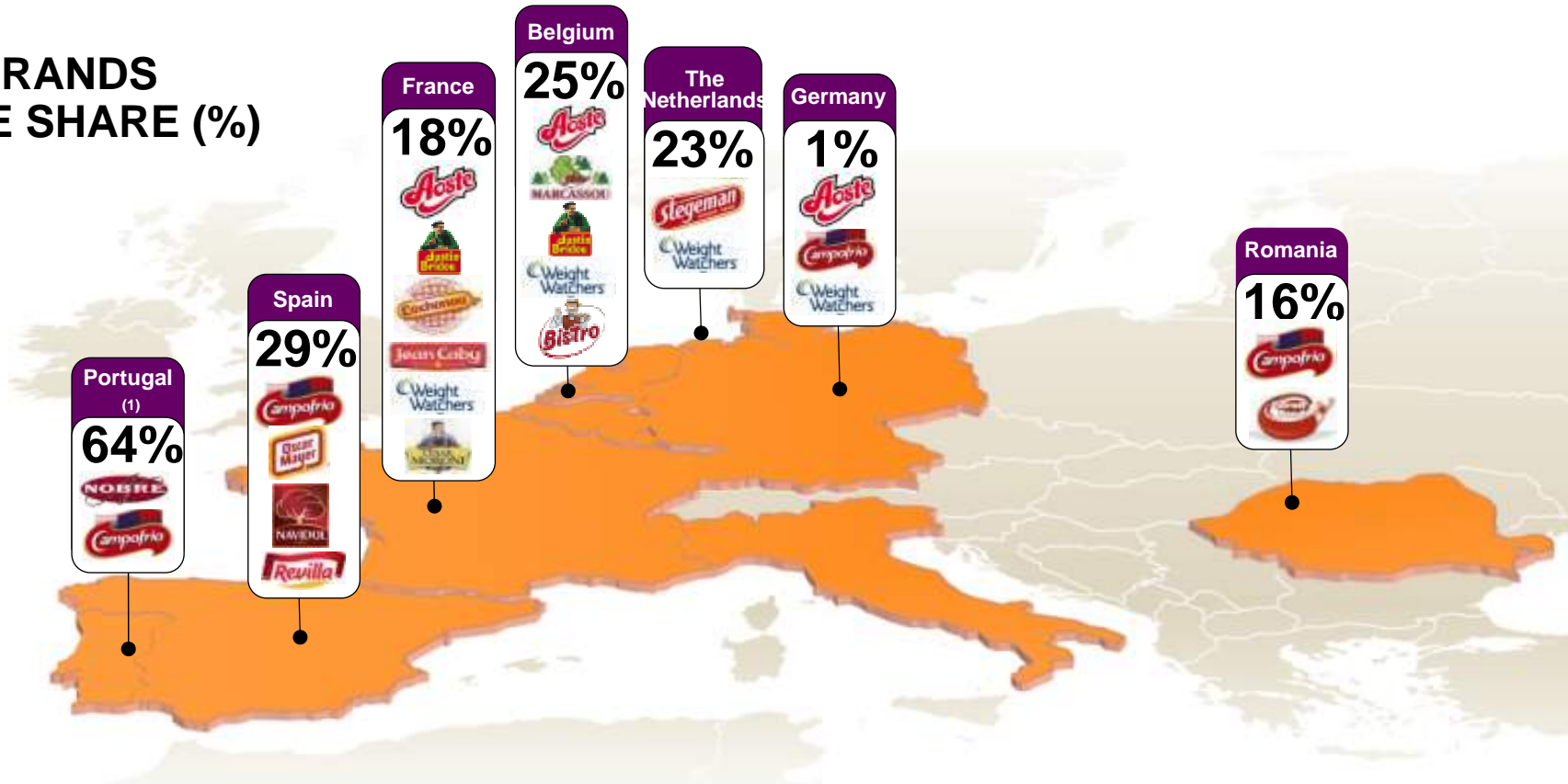
CFG MARKET POSITION

COMMUNICATION CUSTOMER QUALITY
 BRANDS PEOPLE PRODUCTS
 INNOVATION PROFITABILITY

1 Leading branded portfolio

- Unique European footprint
- Strongest local brands in our product categories and markets

CFG BRANDS VALUE SHARE (%)



WORKING TOWARDS OUR AMBITION

(1) Portugal figures for cooked ham segments only

Source: MAT Nielsen / IRI December 2010 – Value share of Branded Processed meats in Modern Retail channels Self-service

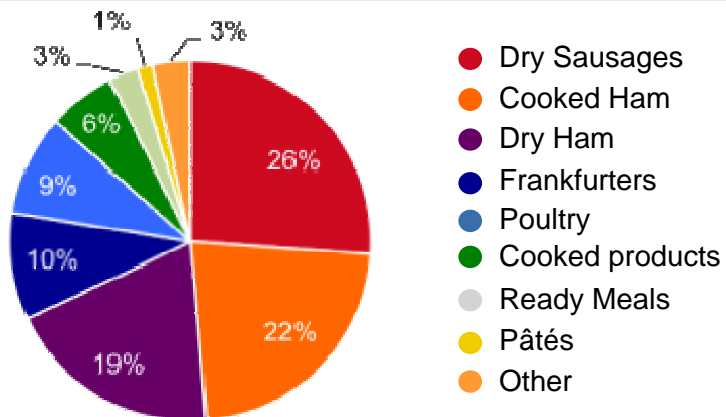
CFG MARKET POSITION

COMMUNICATION QUALITY CUSTOMER SERVICE
 GROWING BRANDS PEOPLE PRODUCTS PROFITABILITY

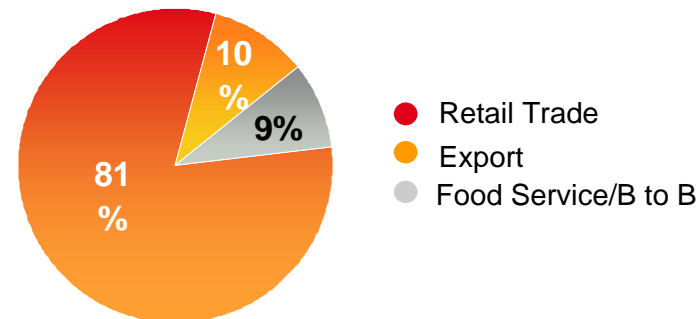
2 Leading scale operator

- Present in all processed meat categories to face growing ones
- Strong partnership with the largest operators in retail and foodservice
- Building an unique platform for retailers
- 1,4% increase of branded retail sales vs 2009

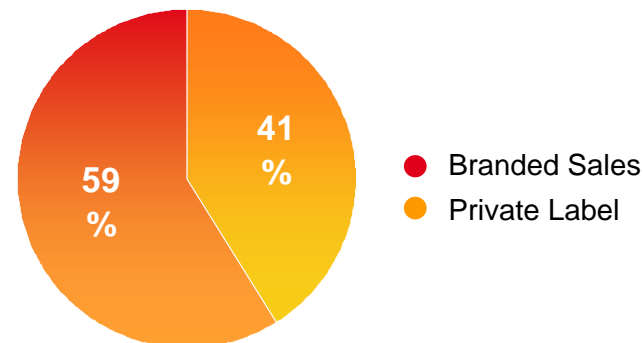
CATEGORIES (NET SALES)



CHANNELS (NET SALES)



BRANDED MIX RETAIL CHANNEL (NET SALES)



CFG MARKET POSITION

COMMUNICATION
QUALITY
CUSTOMER
GROWING
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PROFITABILITY

3 Leading the market innovation

- **Focus on R+D by product category**
 - Leverage innovation capabilities for benefit of the Group
 - Dynamic segments with higher growth, ex. Convenience, health, snacking or ready to eat



As #1 player, CFG tries to be **first mover in the industry** addressing consumer trends

4

Leading collaborative and entrepreneurial people

- **Culture of entrepreneurs**
 - Local
 - Agile
- **European footprint**
 - Talent attract and development
 - Cross ideas & practices
- **“Passion for the mission”**
 - Organization alignment behind vision of transforming the industry
 - Fast movers



SHORT TERM ENVIRONMENT IS TOUGH BUT OFFERS OPPORTUNITIES

BIGGER

- Branded organic growth
- Active & disciplined
- M&A strategy with EU27 consolidation target

STRONGER

- Negotiation power
- Opportunity to partner with retailers
- Experience in consolidation with proven model
- Strong cash generation

FASTER

- More agile than the industry
- Move successful concepts across countries
- Flexibility
- Follow changing shopper patterns

ROBERT SHARPE

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OUR FRONT-END STRATEGY

IS FOCUSED ON THE STRONGEST “BUSINESS CELLS” AND ON DELIVERING COMPETITIVE ADVANTAGE THROUGH A GROUP APPROACH



SINCE EARLY 2010, WE HAVE BEEN EXECUTING OUR PLANS UNDER THE FRONT-END STRATEGY:

1. WE ARE EXECUTING PLANS TO IMPROVE OUR BUSINESS UNITS PORTFOLIOS

- Highest potential in terms of profitability and growth (faster growth than the total processed meats market)

2. WE ARE HARNESSING THE FUNDAMENTAL SYNERGIES AND LEVERAGING BEST PRACTICES BETWEEN OUR COMPANIES

- To achieve best category knowledge + deep consumer insights
- To push pan-european initiatives on innovation and brand development, but also on operational excellence in sales and marketing processes

FOCUS MEANS IN PARTICULAR INCREASE OF ATL INVESTMENTS, MORE RESOURCES IN R&D, USE OF OUR BEST BRANDS IN THE BUSINESS CELL AND DEDICATION OF OUR SALES RESOURCES

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

To be a strong #1 brand in poultry/Spain

- Powerful and effective communications: big winner of Advertising Efficiency Award in Spain
- Successful launch of value for money range
- 11% growth in net sales
- Increase in market share (value) by 3 percentage points, from 41% to 44%



Maintain undisputed leadership in frankfurters/Portugal

- Expanding consumer base through launch of new formats and concepts (Naturissimos in cans and glasses, franks in vacuum packs)
- Strong in ATL communication (the unique on this category)
- 6% growth in net sales



FOCUS MEANS IN PARTICULAR INCREASE OF ATL INVESTMENTS, MORE RESOURCES IN R&D, USE OF OUR BEST BRANDS IN THE BUSINESS CELL AND DEDICATION OF OUR SALES RESOURCES

COMMUNICATION
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PROFITABILITY

To further strengthen our undisputed leadership in the dry sausage/France

- Strategic positioning of our brands to cover different targets and eating occasions
- Acquisition of Cesar Moroni
- Leader of all segments from French dry sausage to Spanish Chorizo
- 6% growth in net sales
- Increased value market share from 27% to 29% in the branded modern retail

PLEASURE & CONVENIENCE



TASTE & PREMIUMNESS

VALUE FOR MONEY & TRADITION



“ETHNIC” & VALUE FOR MONEY



WE IMPLEMENTED A TRANSVERSAL INNOVATION PROCESS THROUGH OPTIMIZATION OF BEST PRACTICES AND KNOWLEDGE SHARING

COMMUNICATION
QUALITY
CUSTOMER
INNOVATION
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

Anticipating the fundamental trends to stay relevant to our end consumers and ahead of the competition: innovating around HEALTH and WELL BEING



2005
Nobre
NATURISSIMOS



2009
Campofrio
NATURISSIMOS



2011
Imperial
BALANCE

Consolidating our product portfolio on low fat, low salt, clean label products across Europe

WE IMPLEMENTED A TRANSVERSAL INNOVATION PROCESS THROUGH OPTIMIZATION OF BEST PRACTICES AND KNOWLEDGE SHARING

COMMUNICATION
QUALITY
CUSTOMER
Satisfaction
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

Anticipating the fundamental trends to stay relevant to our end consumers and ahead of the competition: innovating around **CONVENIENCE**



PRE-PREPARED
MEALS



LE PLATEAU
COCKTAIL



WOODEN
OVEN

From easier meal preparations to most convenient appetizers and main dishes

WE IMPLEMENTED A TRANSVERSAL INNOVATION PROCESS THROUGH OPTIMIZATION OF BEST PRACTICES AND KNOWLEDGE SHARING

COMMUNICATION
QUALITY
CUSTOMER
SATISFACTION
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

Anticipating the fundamental trends to stay relevant to our end consumers and ahead of the competition: innovating around **SNACKING**



CAMPOFRIO
STICKADO



JUSTIN BRIDOU



SNACK DUO



TURKEY BARS

Expanding our snacking platform to different product & packaging formats that address different consumer targets and snacking occasions

WE IMPLEMENTED A TRANSVERSAL INNOVATION PROCESS THROUGH OPTIMIZATION OF BEST PRACTICES AND KNOWLEDGE SHARING

COMMUNICATION
QUALITY
DESIGN
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

Anticipating the fundamental trends to stay relevant to our end consumers and ahead of the competition: innovating around **PLEASURE** and **TASTE**



TRADITION AND PLEASURE



MODERNITY AND PLEASURE

Offering a variety of the most appetizing meats combining strong tradition with modern consumption needs

WE IMPLEMENTED A TRANSVERSAL INNOVATION PROCESS THROUGH OPTIMIZATION OF BEST PRACTICES AND KNOWLEDGE SHARING

COMMUNICATION
QUALITY
CUSTOMER
Satisfaction
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PROFITABILITY

- Established 3 centers of expertise which will own the group knowledge and know-how in specific R&D areas, and develop major category breakthrough innovations (poultry, dry and cooked products)

- Covering and developing new occasions of consumption with new target consumers and in new channels

 **iShare**
CFG Centers of Expertise



WE IMPLEMENTED A TRANSVERSAL INNOVATION PROCESS THROUGH OPTIMIZATION OF BEST PRACTICES AND KNOWLEDGE SHARING



- We consider “new product” the impact of a new launch in 2 years life cycle

- We are now tracking on a monthly basis the impact of New Product Development on our Sales



CFG New Product Development Performance

THE IMPACT OF NEW LAUNCHES IN LAST 2 YEARS HAS BEEN:

- 6% of our volumes and 8% of our net sales
- From those net sales, 86% were related to Branded Products
- Which means that 12% of our Branded Sales in Value have been generated by New Products
- The Net Sales per kg of our New Product Launches has been 33% higher than the average Net Sales per kg of the total CFG business

FOCUS MEANS INVESTING ON OUR STRATEGIC BRANDS TO BOOST THEIR GROWTH

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
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PROFITABILITY
BRANDS
PEOPLE
PRODUCTS

- Leveraging and stretching them when relevant, to cover a wider range of products and targets
- Developing pan-european concepts that are relevant across markets
- Increasing investments and strengthening the effectiveness of our communications and promotional activities



WE ARE ACCELERATING OUR GROWTH BY A TARGETED M&A STRATEGY...



... BALANCING...

IN-MARKET CONSOLIDATION

BELGIUM
FRANCE
HOLLAND
PORTUGAL
ROMANIA
SPAIN

NEW GEOGRAPHIES

ITALY
UK
CENTRAL EUROPE
ETC.



- Faster access to market shares in our targeted markets / product categories
- Entering adjacent categories to acquire capabilities that we do not yet have

NORTHERN EUROPE

FRANCE

SPAIN & PORTUGAL

A NEW REGION
APPROACH TO
DRIVE GROWTH



DIRK JACXSENS
CEO NORTHERN EUROPE



1. What is CFG Northern Europe?

And, where are we today?

2. A new Approach

A Transformation for sustainable Business Growth

1. WHAT IS CFG NORTHERN EUROPE TODAY

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
INNOVATION
WORKING
TOWARDS
OUR
AMBITION
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

WHO

MARKETS & CHANNELS WE
REACH TODAY

OUR PILLARS, ENABLERS AND
BUSINESS TARGETS



IN HOLLAND



IN BELGIUM



IN GERMANY

- **Our CFG Hub in Scandinavia** (Stockholm)
- **UK: through partners**



WORKING
TOWARDS
OUR
AMBITION



1. WHAT IS CFG NORTHERN EUROPE TODAY

COMMUNICATION QUALITY CUSTOMER
 BRANDS PEOPLE PRODUCTS
 PROFITABILITY

WHO

MARKETS & CHANNELS WE REACH TODAY

OUR PILLARS, ENABLERS AND BUSINESS TARGETS

	TRADITIONAL	RETAIL SO	RETAIL SS	NON RETAIL (SNACKING, FOODSERVICE...)
BELGIUM	Strong/Leader Position	Strong/Leader Position	Strong/Leader Position	Position, But Room for Further Growth
THE NETHERLANDS	Strong/Leader Position	Strong/Leader Position	Strong/Leader Position	No Position
GERMANY	Position, But Room for Further Growth	Position, But Room for Further Growth	Position, But Room for Further Growth	No Position
SCANDINAVIA	No Position	No Position	Position, But Room for Further Growth	No Position
UK	No Position	No Position	Position, But Room for Further Growth	No Position



STRONG/ LEADER POSITION



POSITION, BUT ROOM FOR FURTHER GROWTH



NO POSITION

WORKING TOWARDS OUR AMBITION



1. WHAT IS CFG NORTHERN EUROPE TODAY



WHO

MARKETS & CHANNELS WE REACH TODAY

OUR PILLARS, ENABLERS AND BUSINESS TARGETS

<p>Our Pillars</p>	<p>● Winning Portfolio (Brands, Front-End, Innovation)</p>	<p>● Winning At point of Connection (customer and/ or consumer)</p>	<p>● Operational Excellence (Product, Process and Quality)</p>	<p>● Well-targeted growth (Internal & External)</p>
<p>Our Enabling Platforms</p>	<p>● Innovate to succeed</p> <p>A trustworthy and preferred partner: people, culture, values</p> <p>● Financial discipline</p>			
<p>Our Business Targets</p>	<p>Sustainable Growth & Brand Equity</p>	<p>Distribution Effectiveness & Execution Excellence</p>	<p>Continued Cost Management</p>	<p>Critical mass in “growth” products / markets</p>

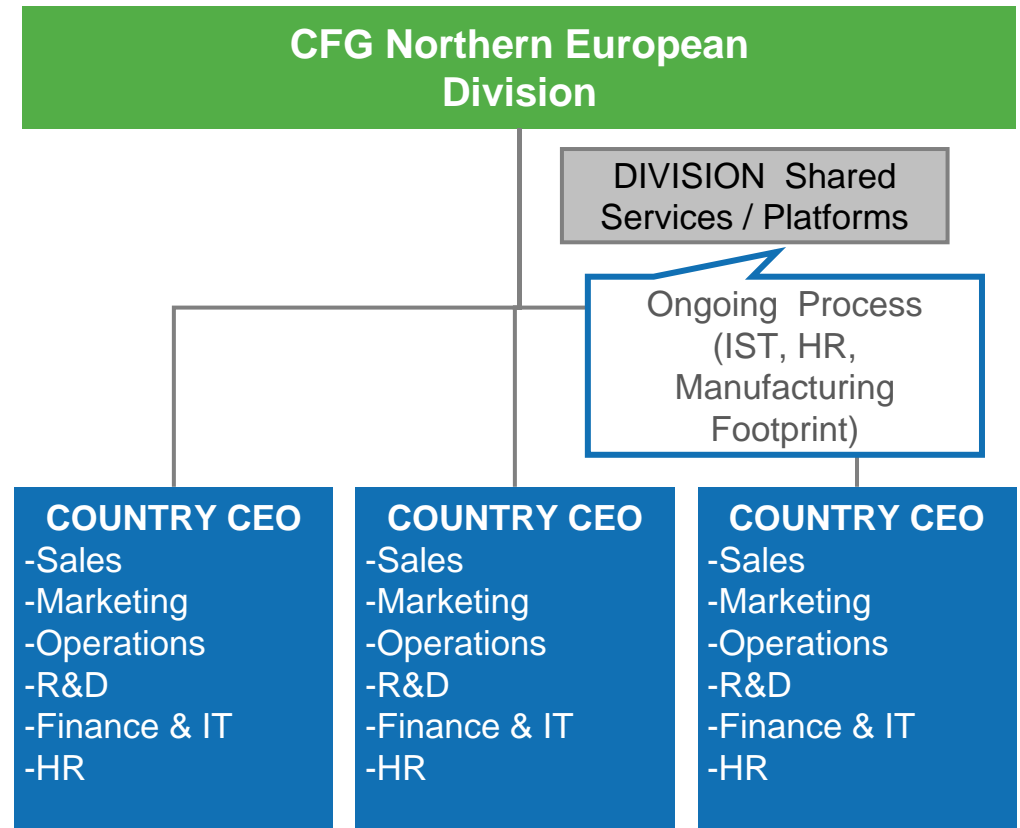
2. A NEW APPROACH

A TRANSFORMATION FOR SUSTAINABLE BUSINESS GROWTH

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

- Implementation of the chosen model started in **2010**
- Purpose is to **leverage and strengthen two key dynamics**:
 - A strong local presence
 - And the “potentials” we have in our different pillars & enablers (to allow us to go beyond the country)
- **Clear roles & responsibilities** have been defined therefore! A consistent strategy for this region, with priorities linked to the CFG Front-end Strategy, is a logic must-have

“COORDINATION” MODEL



SOME FIRST RESULTS / INITIATIVES



- **MANUFACTURING FOOTPRINT: Imperial & Stegeman**
 - Leverage capacities & competences & services
- **BRANDS (leverage knowlegde & concepts)**
 - Belgium (Marcassou, Aoste, Bistro, Disney, Weight Watchers)
 - Branded growth 2010 vs LY: 16%
 - Stegeman: re-introduction Stegeman Brand in 2011
 - Germany: leverage concepts & insights CFG
- **Centres of Expertise**

NORTHERN EUROPE

FRANCE

SPAIN & PORTUGAL

A BUSINESS UNDER
TRANSFORMATION
TO GROW OUR
BRANDS



OLIVIER MAES
CEO GROUPE AOSTE



“CHARCUTERIE”. FROM THE TRADITIONAL FRENCH GASTRONOMY TO THE HEART OF DAY LIFE

COMMUNICATION CUSTOMER QUALITY
WORKING BRANDS PEOPLE PRODUCTS
ABILITY

- APÉRITIF



- OUT OF HOME
Picnic



- DAILY MEALS & HOME COOKING



- FRIENDSHIP and SPECIAL OCCASIONS



Raclette



Melon-Dry Ham

The French are more than ever Charcuterie lovers:

98% penetration – **15 kg** / year

A LARGE CATEGORY AND A GROWTH DRIVEN BY BRANDS

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
GROWING
PROFITABILITY
BRANDS
PEOPLE
PRODUCTS

- A similar size in modern retail to Breakfast, Soft drinks / juices, Cheese SS or Home care products
 - Processed meat SS : 4 000 M€
- A leading market for our customers :
 - shelf #3 ; More than 250 SKUs
- A good growth (SS) driven by National Brands & many regional players
- Charcuterie (+2.8%) grew faster in 2010 than the Retail FMCG (+0.9%)

2 major types of growth drivers:

PLEASURE, TASTE, TRADITION



Pâté



Dry Ham



Dry Sausage

AFFORDABLE NUTRITION, CONVENIENCE



Frankfurters



Cooked Ham



Meal components

2010: INCREASE OF OUR PROFITABILITY THANKS TO

COMMUNICATION
QUALITY
CUSTOMER
SOLUTIONS
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

MIX EFFECT

Concentration on
the most profitable
activity
(Dry vs Cooked)



Dry
+3%

volume vs
2009



Cooked
-7%

volume vs
2009

Successful cost
improvement
& **productivity**
programs
Direct Labor



Direct Labor

-4 %
vs 2009

2010: A BUSINESS UNDER TRANSFORMATION TO GROW OUR BRANDS & PROFITABILITY



1

Cooked

Portfolio management & focus on high valued articles

2

Focus on branded business

Strong growth in Modern Retail Self Service rewarding the high relevance of our branded portfolio in difficult economic times

3

Enter a new segment (Chorizo), within the very significant Dry Sausage product category

COOKED: FOCUS ON VALORIZED SKUS



1

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3

- **Volume: -7%** vs. 2009 (-5000T) – (-10% Skus)

A voluntary approach to stop non profitable Skus and create positive mix effect

- Consequently, **slight increase of the Net Sales / kg** (€/kg 3,73 to 3,75), a performance in a context of market devalorization

STRONG GROWTH IN MODERN RETAIL ...

COMMUNICATION
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1

2

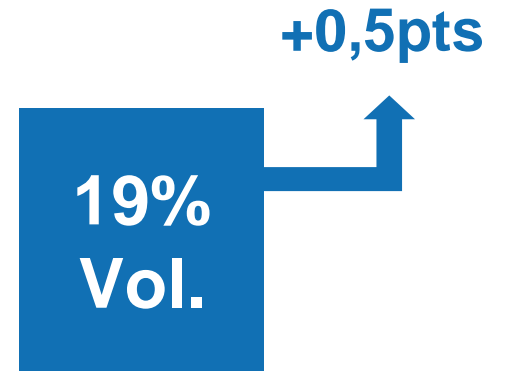
3



Volume growth in modern retail



BRANDS



Dry products share in modern retail

Outstanding results **
for our strategic ranges



WORKING
TOWARDS
OUR AMBITION



Source:

* IRI retail data – Total HM / SM – Self Service – MAT ending 2nd January 2011

** Internal Sales 2010 vs. 2009



... THANKS TO STRONG AND DYNAMIC BRANDS



1

2

3

- **Dry Sausage** Branded Market Share: X 5 vs #2
- **Dry Ham** Branded Market Share: X 4 vs #2

Increase of the spontaneous awareness of our brands

- **Aoste & Cochonou: +4 pts**
- **Justin Bridou: +1 pt**

... AND EFFECTIVE LEVERS

COMMUNICATION
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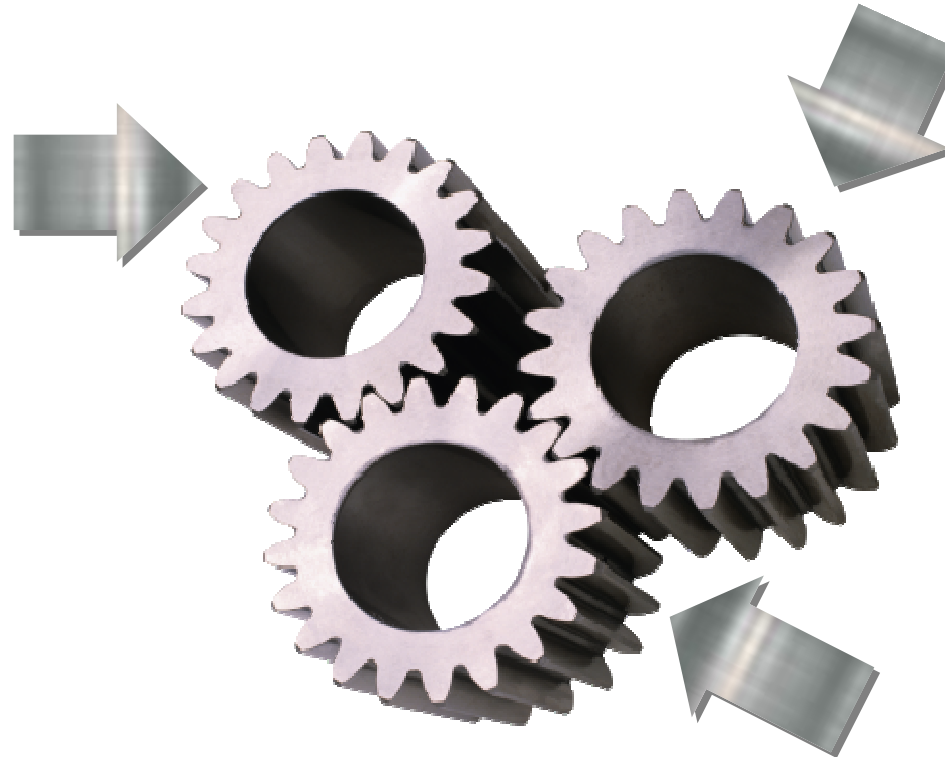
1

2

3

PARTNERSHIP WITH
STRONG AND
IMPACTFULL
EVENTS
(FAIRS / TOUR DE
FRANCE)

**BRANDED
+4% VOL**



EFFECTIVE PUBLI-
PROMOTIONAL PLAN

INNOVATION:
(8% NET SALES 2010)

ACQUISITION TO ENTER A NEW SEGMENT AND BUILD OUR INDISPUTED LEADERSHIP IN DS

COMMUNICATION
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- Very good performance of the **brand** in 2010 (+ 5% volume)
 - Inno (*Chorizo to grill*)
 - Promotion (*Apéritif event*)



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GRUPE
AOSTE

Source:

* IRI retail data – Total HM / SM – Self Service – MAT ending 2nd January 2011 and internal sales


CAMPOFRIO
FOOD GROUP
...food you love, for people you love

CONCLUSION



In 2010, a tough market environment :

- A strategy focused on added value ranges (Dry Sausage & Dry Ham branded). A positive mix effect and a sharp improvement of our profitability
- Implementation of productivity programs

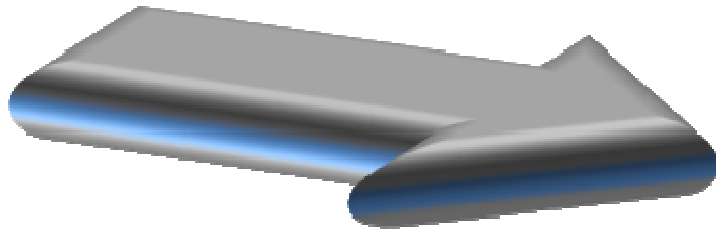
In 2011:

- Still a difficult economic context
- Necessity to implement new tools / processes (ERP...)

CONCLUSION

COMMUNICATION
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PRICE
GROWING
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OUR CHALLENGE



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PARTNERSHIP WITH STRONG AND IMPACTFUL EVENTS

COMMUNICATION
QUALITY
CUSTOMER
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PRODUCTS
PROFITABILITY



TOUR DE FRANCE



FAIRS

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AOSTE

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EFFECTIVE PUBLI-PROMOTIONAL PLAN

COMMUNICATION CUSTOMER
QUALITY
CROSS
MARKETING
INNOVATION
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY



« RACLETTE » EVENT



NEW WEB SITE



NEW TV AD

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GRUPE
AOSTE

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INNOVATION

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
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PEOPLE
PRODUCTS
PROFITABILITY



New Taste with less fat: DS 100% poultry



New shape : Round bites of DS

A range of traditional pâtés



A range of selected tasty processed meat products to cover the premium market

NORTHERN EUROPE

FRANCE

SPAIN & PORTUGAL

A GROWTH MODEL,
HOW TO GROW
BRANDS UNDER A
CHALLENGING
ENVIRONMENT

FERNANDO VALDÉS

CEO CAMPOFRIO
SPAIN & PORTUGAL



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SPAIN A DIFFICULT ENVIRONMENT

COMMUNICATION
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%GDP Evolution

2009	2010
-3,7	- 0,1

Fuente: BdE

Highest unemployment rate in EU

2009	2010
18,0	20,3

Fuente: INE

High rate of household savings

2009	2010
18,8	14,4

Fuente: INE

Slump in consumer trust

2009	2010
74,7	64,6

Fuente: ICO

KANTAR WLTWRLOPANEL High definition inspiration

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SPAIN A DIFFICULT ENVIRONMENT

COMMUNICATION CUSTOMER QUALITY
GROWING BRANDS PEOPLE PRODUCTS
PROFITABILITY

SMARTSHOPPING

Constant Search for Individual ROI

I SAVE
WHERE
I WANT:
54,6%



SPAIN A DIFFICULT ENVIRONMENT

COMMUNICATION
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SMARTSHOPPING

Questions the Traditional Segmentations



% VALUE
MARKETSHARE
(ADULT SEGMENT)

HIGH INCOME

LOW INCOME

Lindt	17%	26%
Lidl	10%	8%



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SPAIN A DIFFICULT ENVIRONMENT

FMCG Market losing Volume and Value

COMMUNICATION
QUALITY
CUSTOMER
EXPERIENCE
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TOTAL FMCG

KANTAR WORLD PANEL High definition inspiration

% VOLUME EVOLUTION

% VALUE EVOLUTION



Fuente: Kantar Worldpanel

Total FMCG: Total Alimentación +Droguería +Petfood +Baby + Beauty

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GROWING BRANDS IN A DIFFICULT ENVIRONMENT



- Portfolio focus strategy
- Competitive brands value equations: relevant innovation
- Breakthrough advertising based on emotionality
- Significant cost reduction programs
- Customer management leadership
- Focused, talented and committed organization

GROWING BRANDS IN A DIFFICULT ENVIRONMENT

COMMUNICATION
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PRODUCTS

1/6

PORTFOLIO FOCUS STRATEGY

CATEGORY	ROLE
Frankfurters	Undisputed leadership in all formats
Cooked Ham	N°1 brand in deli and self service
Poultry	N°1 brand in deli and self service
Cured Ham	N°1 brand in deli and self service
Pizzas & Ready Meals	Differentiated player
Patés	Differentiated player
Bacon	Differentiated player
Dry Sausages	Develop snack segment
Cold Cuts	Lean manufacturer

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COMPETITIVE BRANDS VALUE EQUATIONS

- Differentiate the value of our brands equity: Campofrio, Navidul, Oscar Mayer, Revilla
- Competitive price gap vs. competitors. Justifiable levels based on quality and strength of our brands
- Use shopper knowledge, “shopper insights” to better address new behaviors resulting from economic situation
- Continuous perceived innovation, coherent with brand equity. Development of 4 platforms

GROWING BRANDS IN A DIFFICULT ENVIRONMENT



2/6

INNOVATION STRATEGY




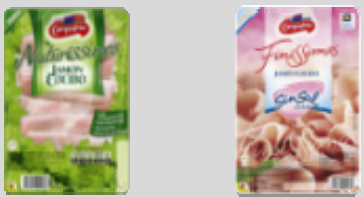






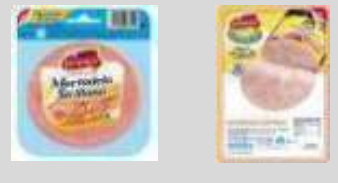
INNOVATION PLATFORMS FOCUSED IN 4 CONSUMER AREAS

	CONSUMER INSIGHT	SEGMENTS
TASTE / INDULGENCE	<ul style="list-style-type: none"> Pleasure and enjoyment of eating good food 	<ul style="list-style-type: none"> New flavors /taste variants Original flavor/pure taste Premium /luxury quality Specialties / regional products
HEALTH	<ul style="list-style-type: none"> Reducing current health problems Feel & look well Taking care of nutrition 	<ul style="list-style-type: none"> Less: salt, fat, calories More: enriched with vitamins, fiber Organic: products without/less additives
CONVENIENCE	<ul style="list-style-type: none"> More practical products, packaging, on the go formats 	<ul style="list-style-type: none"> New packaging New formats for new occasions
AFFORDABILITY	<ul style="list-style-type: none"> Value for money 	<ul style="list-style-type: none"> Low price mixes at good margins

BRAND VALUE EQUATION IMPROVEMENTS

RECENT INNOVATION COOKED PRODUCTS

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
INNOVATION
GROWING
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

		COOKED HAM	POULTRY	COLD CUTS
TASTE	PLEASURE			
HEALTH	MORE LESS NATURAL			
CONVENIENCE	INDIVIDUAL ON THE GO			
AFFORDABILITY	VALUE FOR MONEY			

WORKING
TOWARDS
OUR AMBITION



CAMPOFRIO
FOOD GROUP
... food you love, for people you love

BRAND VALUE EQUATION IMPROVEMENTS

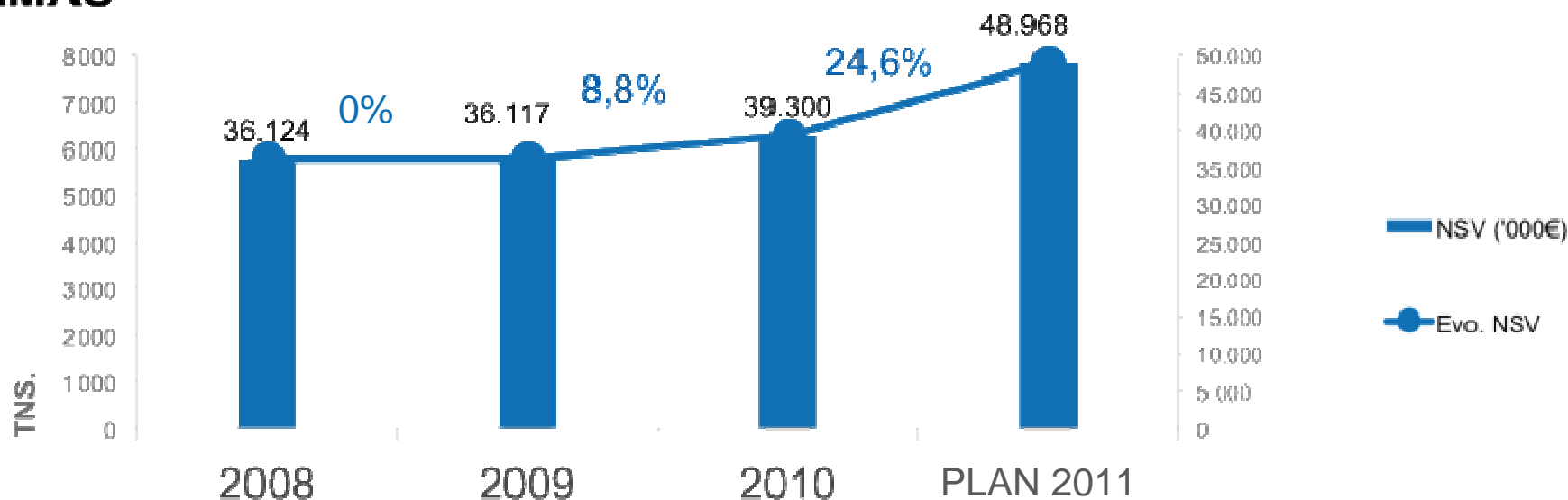
TASTE PLATFORM EXAMPLE

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
PRICE
MOVING
INNOVATION

BRANDS
PEOPLE
PRODUCTS
PROFITABILITY



FINÍSSIMAS



WORKING
TOWARDS
OUR AMBITION



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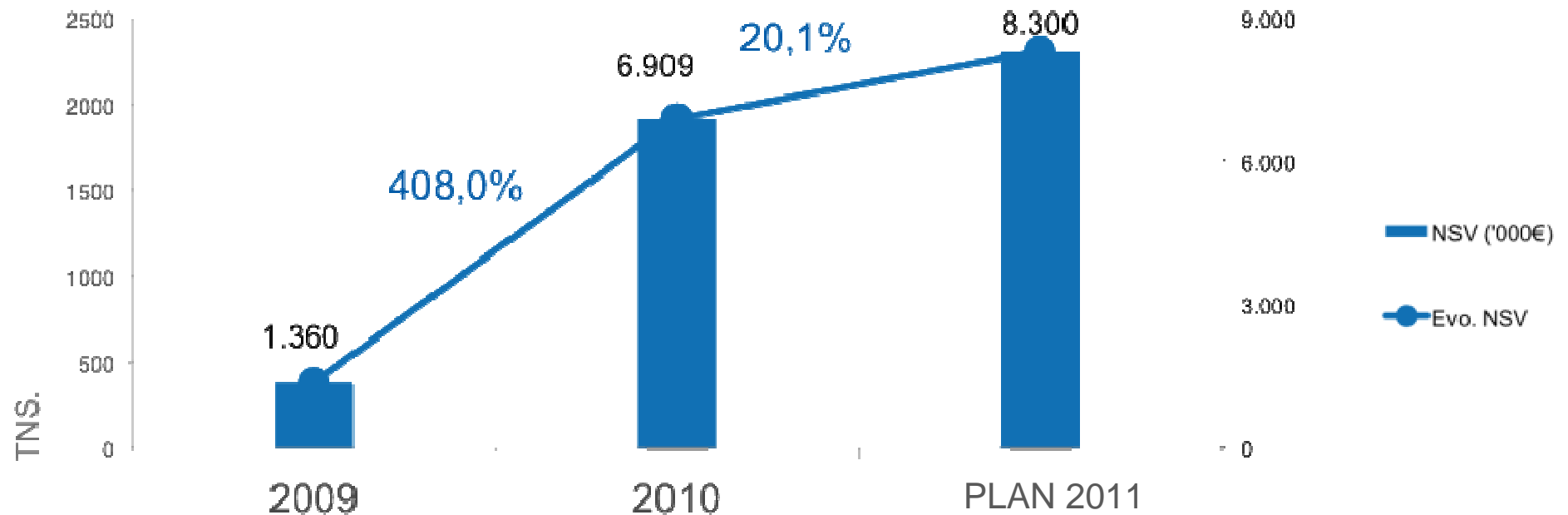
BRAND VALUE EQUATION IMPROVEMENTS

HEALTH PLATFORM EXAMPLE

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
PRICE
MOVING
INNOVATION
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY



NATURÍSSIMOS



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TOWARDS
OUR AMBITION











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BRAND VALUE EQUATION IMPROVEMENTS

RECENT INNOVATION CURED PRODUCTS

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

		CURED HAM/ IBERIAN	DRY SAUSAGE	BACON
TASTE	PLEASURE			
HEALTH	MORE LESS NATURAL			
CONVENIENCE	INDIVIDUAL ON THE GO			
AFFORDABILITY	VALUE FOR MONEY			

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TOWARDS
OUR AMBITION



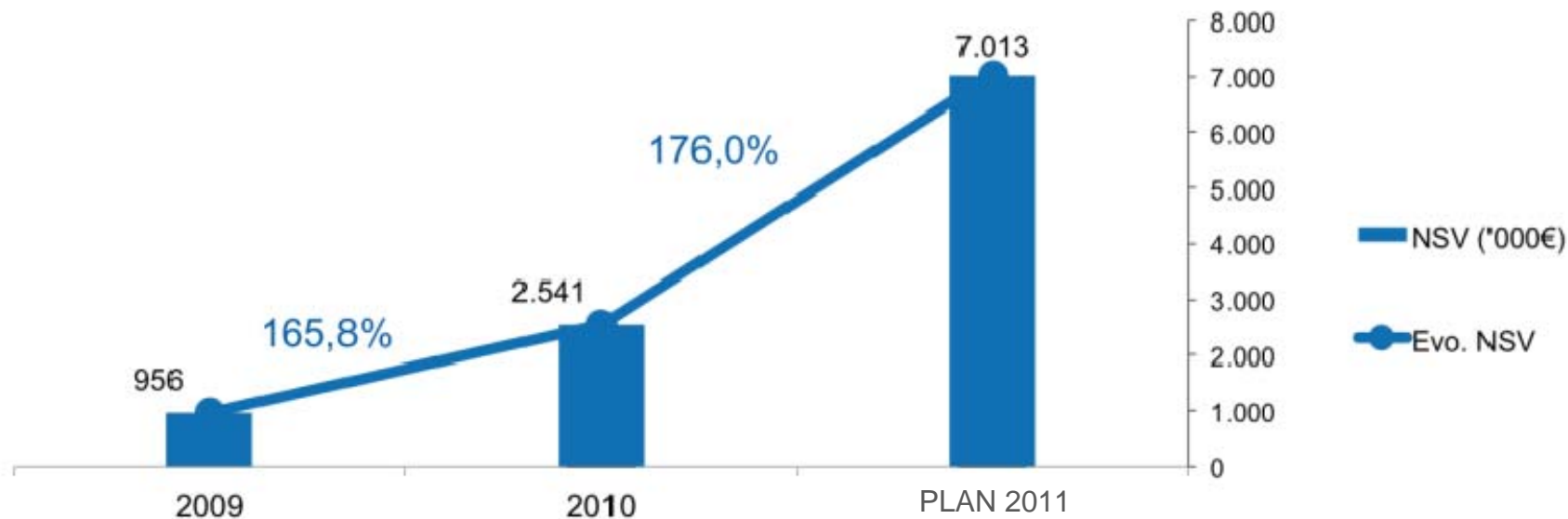
BRAND VALUE EQUATION IMPROVEMENTS

CONVENIENCE / SNACKING PLATFORM EXAMPLE

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
PRICE
POSITIONING
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY



TOTAL SNACKS



WORKING
TOWARDS
OUR AMBITION




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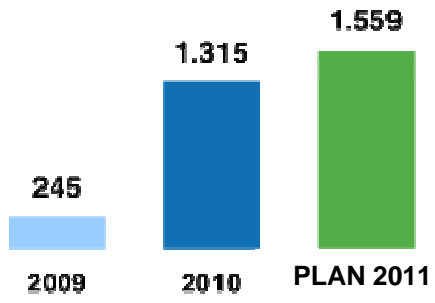
BRAND VALUE EQUATION IMPROVEMENTS

AFFORDABILITY NAVIDUL PLATFORM EXAMPLE

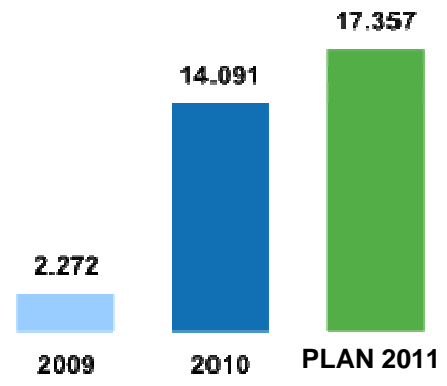
COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY



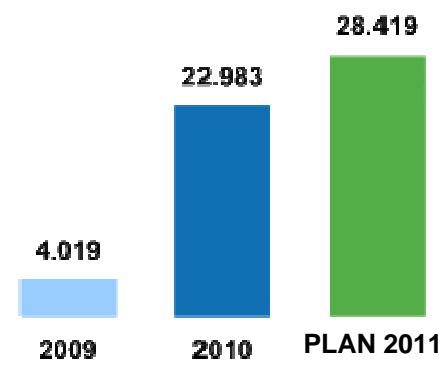
VOLUME (Tons)



VALUE (000)



UNITS (000)










WORKING
TOWARDS
OUR AMBITION



BRAND VALUE EQUATION IMPROVEMENTS

RECENT LAUNCHES

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

		FRANKS	PIZZAS	READY MEALS & OTHERS
TASTE	PLEASURE			
HEALTH	MORE LESS NATURAL			
CONVENIENCE	INDIVIDUAL ON THE GO			
AFFORDABILITY				

WORKING
TOWARDS
OUR AMBITION



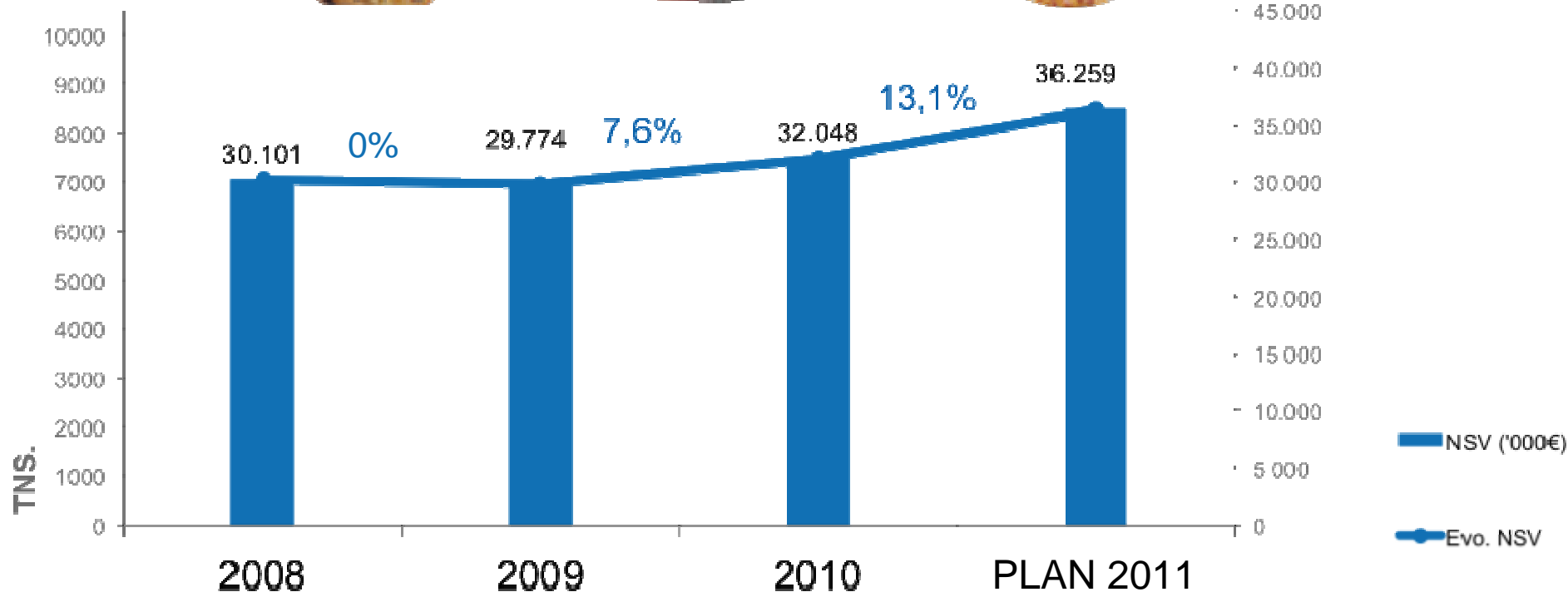
CAMPOFRIO
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BRAND VALUE EQUATION IMPROVEMENTS

NEW CATEGORIES DEVELOPMENT EXAMPLE

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
GROWING
PROFITABILITY
BRANDS
PEOPLE
PRODUCTS

PIZZA



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OUR AMBITION



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GROWING BRANDS IN A DIFFICULT ENVIRONMENT

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
GROWING
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

3/6

BREAKTHROUGH ADVERTISING BASED ON EMOTIONALITY

- Communicate truly differentiated emotional brand values with advertising closer to consumers
- 360° advertising to impact consumer in a holistic way
- Develop internet channel and social networks, key for the future and for communicating with young current consumers
- Significantly better ABC (Attention – Branding – Communication) parameters than competition and Top FMCG companies



GROWING BRANDS IN A DIFFICULT ENVIRONMENT

COMMUNICATION
QUALITY
CUSTOMER
EXPERIENCE
GROWING
INNOVATION
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

3/6

BREAKTHROUGH ADVERTISING BASED ON EMOTIONALITY



WORKING
TOWARDS
OUR AMBITION



GROWING BRANDS IN A DIFFICULT ENVIRONMENT

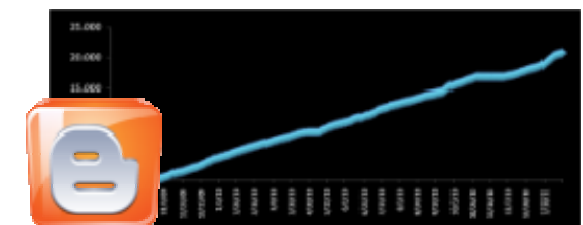
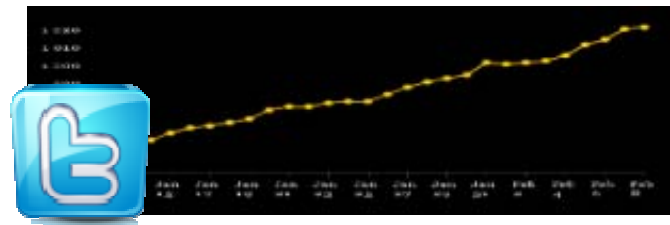
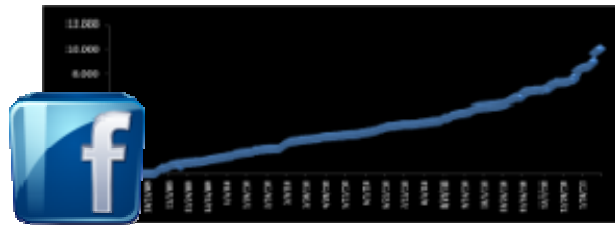
COMMUNICATION QUALITY CUSTOMER
 BRANDS
 PEOPLE
 PRODUCTS
 PROFITABILITY

3/6

INTERNET CHANNEL AND SOCIAL NETWORKS DEVELOPMENT

Building “interesting” contents, to become part of new consumers conversations

CHANNEL	KPI (CF)	2010	YTD 2011
Facebook	Fans	7.877	10.150
Tuenti	Members		6.819
Twitter	Followers	917	1.050
Blogs	Monthly visits	785	12,171
Youtube	Plays	535.263	764.701



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Source: MRM McCann WorldWide Monitoring



GROWING BRANDS IN A DIFFICULT ENVIRONMENT



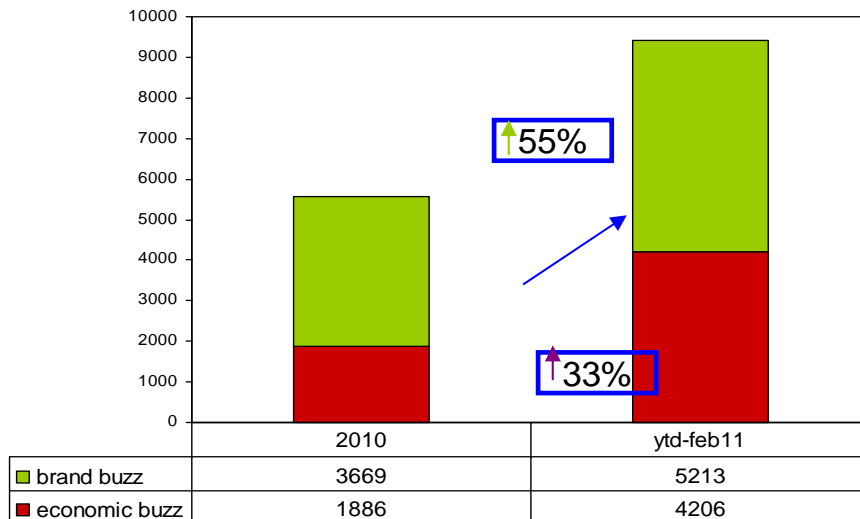
3/6

INTERNET CHANNEL AND SOCIAL NETWORKS DEVELOPMENT

On line buzz mention, has increased positively:

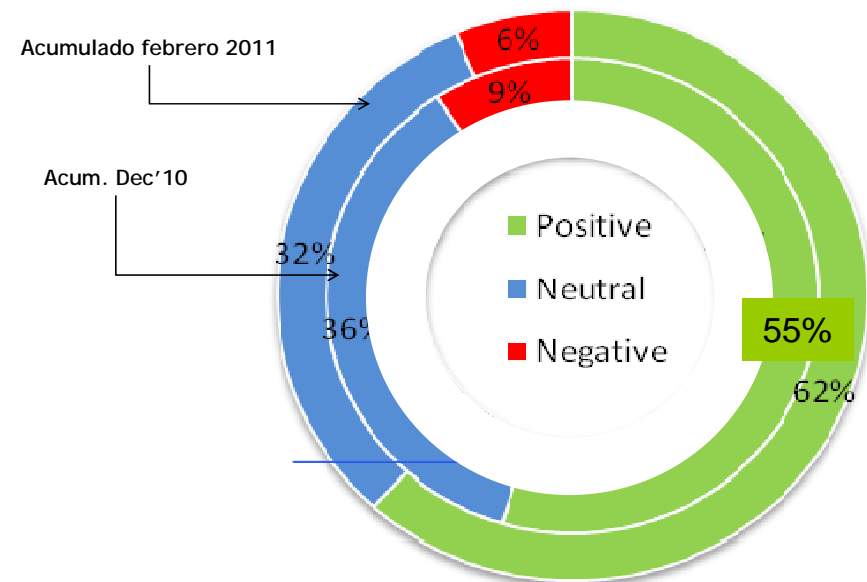
- **Quantitatively:** in number of mentions (more “buzz”): **+55%** just in 2011
- **Qualitative:** changing from “neutral” to “positive” mentions: **+ 22** p.p.

Nº MENTIONS



Facebook/twitter posts not included

Source: MRM McCann WorldWide Monitoring

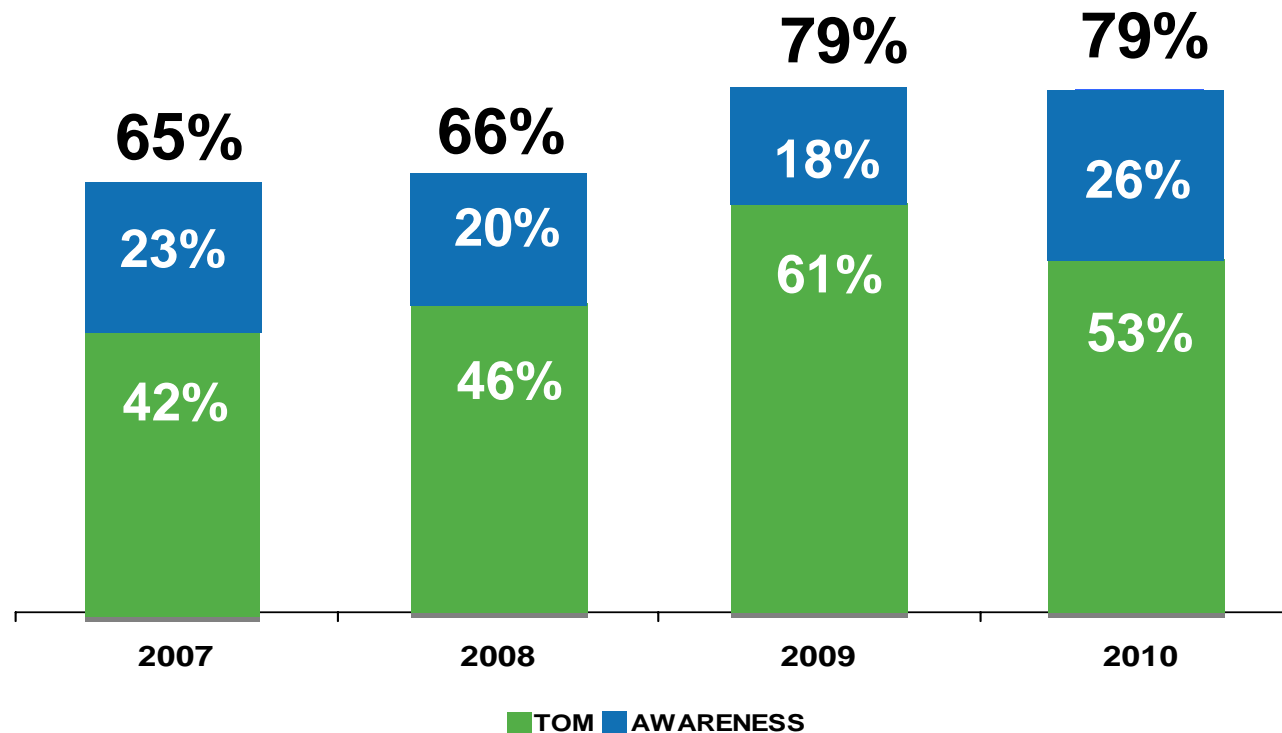


3/6

SUPERIOR ABC NUMBERS. AWARENESS IMPROVEMENT

CAMPOFRIO BRAND

Q. What processed meat brands are you familiar with?



Fuente: ATP, Millward Brown

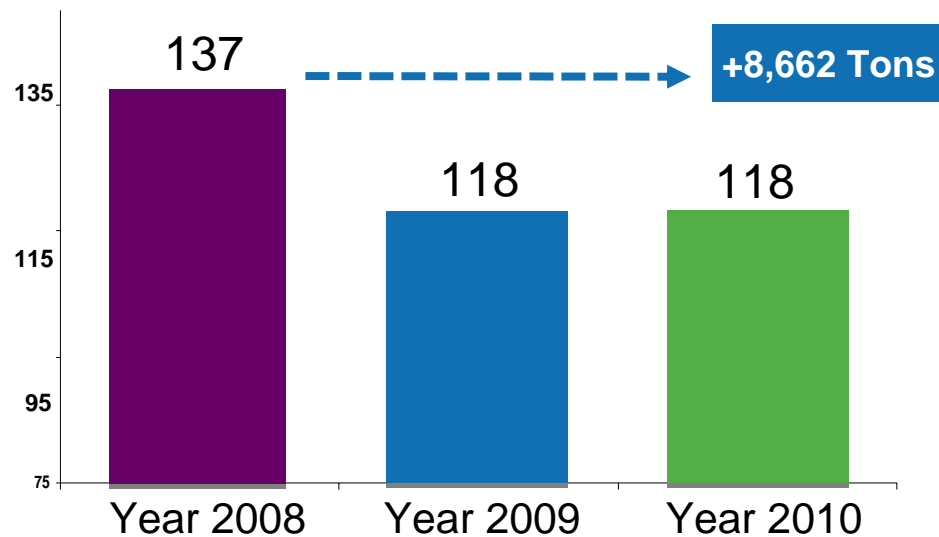
GROWING BRANDS IN A DIFFICULT ENVIRONMENT

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
GROWING
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

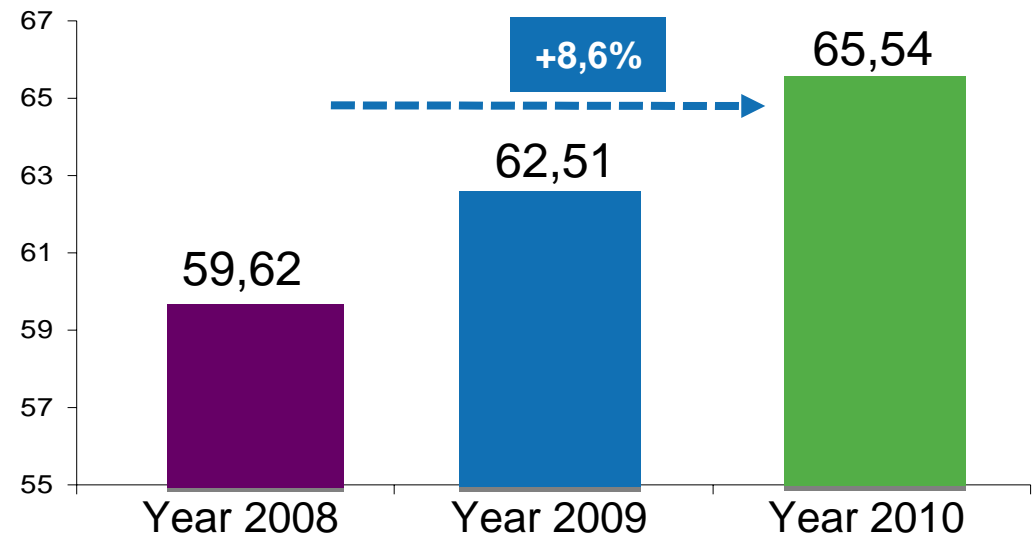
4/6

COST REDUCTION PROGRAMS

TOTAL PRODUCTION COST



PRODUCTIVITY Kg/Man hour



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OUR AMBITION




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GROWING BRANDS IN A DIFFICULT ENVIRONMENT

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
GROWING
PROFITABILITY
BRANDS
PEOPLE
PRODUCTS

5/6

CUSTOMER MANAGEMENT LEADERSHIP

Category management projects with top customers rank Campofrio at the top of FMCG



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OUR AMBITION



GROWING BRANDS IN A DIFFICULT ENVIRONMENT

COMMUNICATION QUALITY CUSTOMER SERVICE
 PRICE VALUE BRANDS
 GROWING INNOVATION PEOPLE PRODUCTS
 PROFITABILITY

5/6

CUSTOMER MANAGEMENT LEADERSHIP

2010 customer satisfaction survey results (advantage group)

Evaluación Total (Posición de 21) Todas las Funciones **	Proveedores	Apoyo y Relaciones de Negocio Todas las Funciones	Personal del Proveedor Todas las Funciones	Gestión y desarrollo de la Categoría DJS, GC	Marca/ Marketing al Consumidor DJS, GC	Trade Marketing y Promociones al canal DJS, GC	Logística y Cadena de Suministro Log	Customer Service Log
1								
2								
3	Campofrio	3	2	3	4	5	6	5
4								
5								
6								
7								
8								
9								
10								
11								
11								
13								
14								
15								
16								
16								
16								
16								
20								
21								

● FAVORABLE ● MEDIO ● DESFAVORABLE

WORKING TOWARDS OUR AMBITION



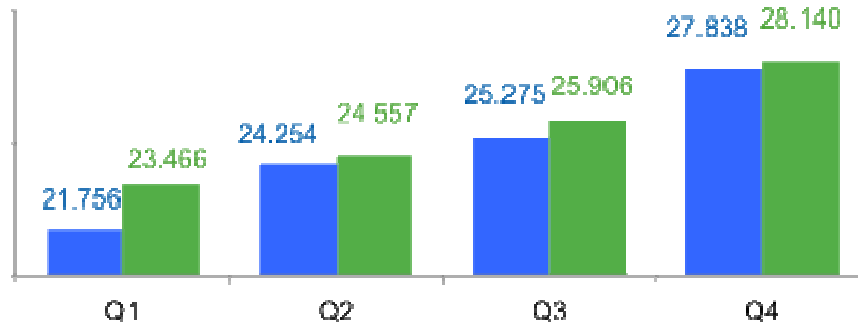
GROWING BRANDS IN A DIFFICULT ENVIRONMENT

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
GROWING
BRANDS
PEOPLE
PRODUCTS
PROFITABILITY

6/6

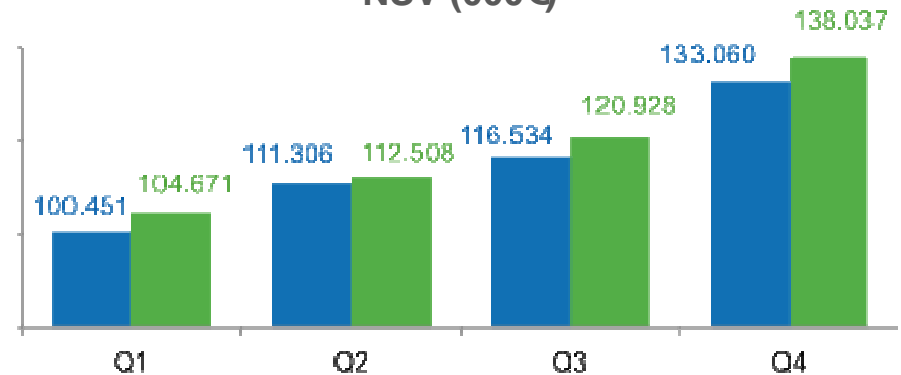
RESULTS: BRANDED BUSINESS EVOLUTION

VOLUME (TONS)



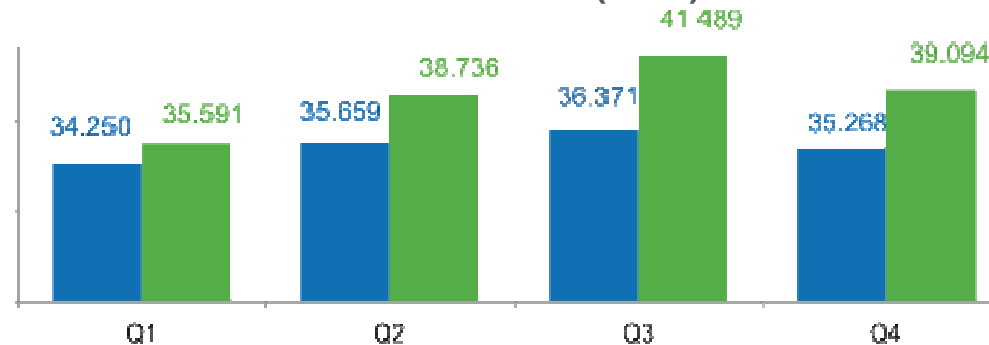
■ 2009 99.123 TNS
■ 2010 102.078 TNS

NSV (000€)



■ 2009 461.350k€
■ 2010 476.145k€

GROSS PROFIT (000€)



■ 2009 141.548k€
■ 2010 154.910k€

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GROWING BRANDS IN A DIFFICULT ENVIRONMENT

COMMUNICATION QUALITY CUSTOMER SERVICE
 PRICE INNOVATION
BRANDS
 PEOPLE PRODUCTS
 PROFITABILITY

6/6

MARKET SHARE EVOLUTION DELI COUNTER AND SELF SERVICE

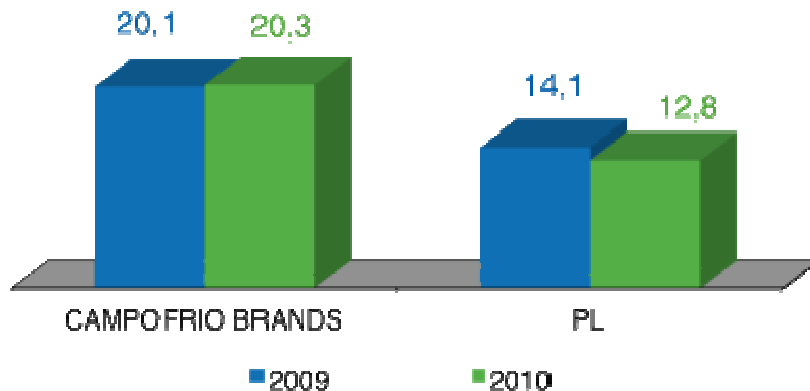
TOTAL DELI MARKET GROWTH
 (-5.4%)



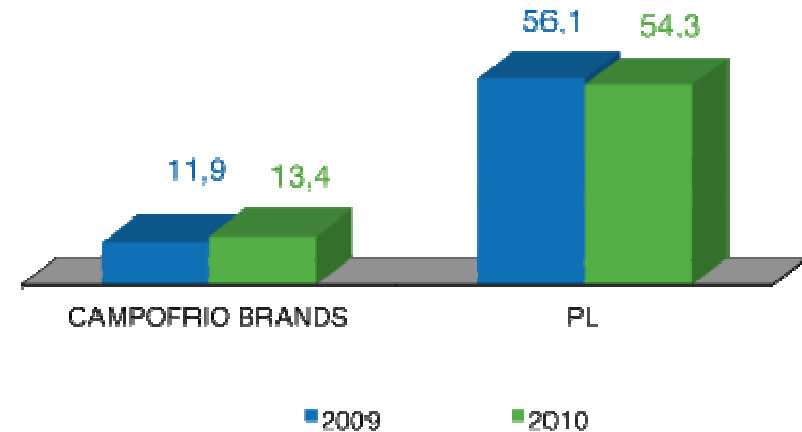
TOTAL SELF SERVICE MARKET GROWTH
 (+6.0%)



VALUE MARKET SHARE



VALUE MARKET SHARE



PAULO SOARES

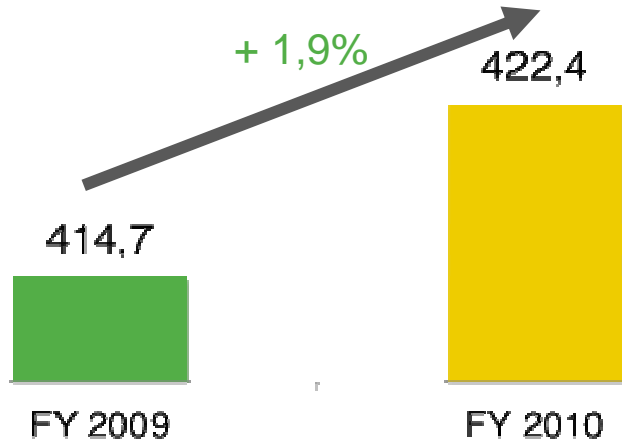
CFO



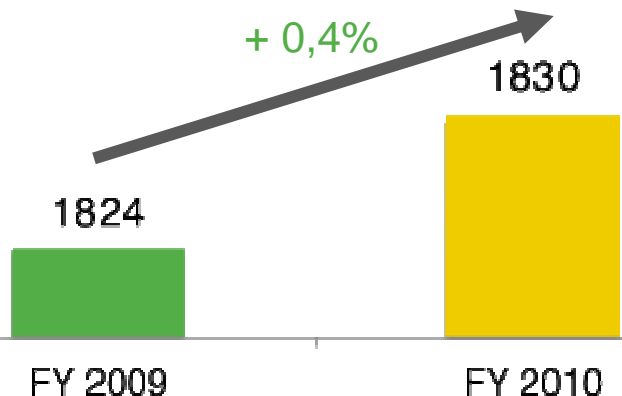
2010 TOP LINE



SALES VOLUME (000 TNS)



NET SALES (M€)



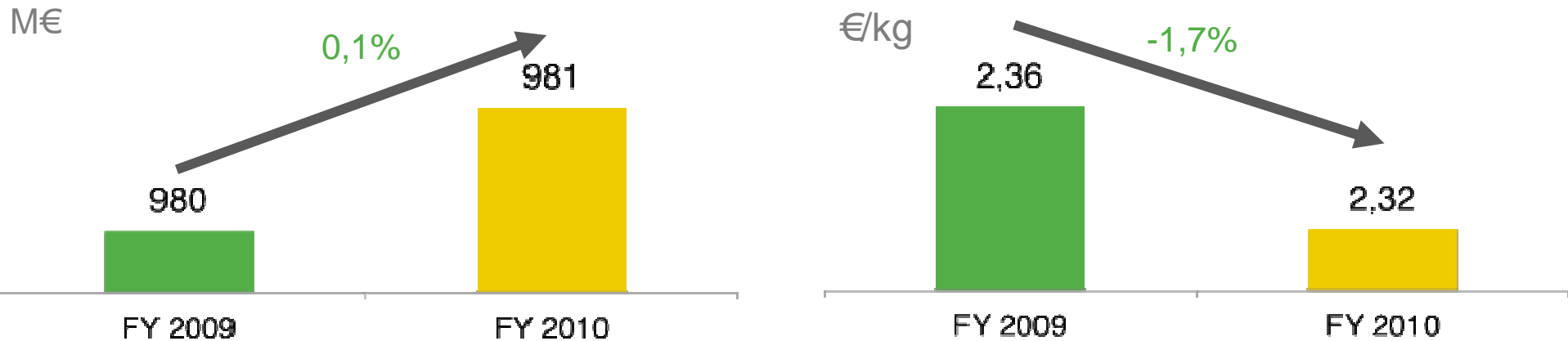
- **TOP LINE TURNAROUND:**

- +1,9% volume increase in 2010 vs. -2,2% decrease reported in 2009
- +0,4% revenues increase, lower than volume increase due to change on business mix; a further step on top line, as 2009 showed a decrease of 5,2%
- 2010 shows a return to growth within the branded retail business: +0,5% in volume and +1,4% in value
- Process of stabilizing top line is over, we expect top line growth in 2011

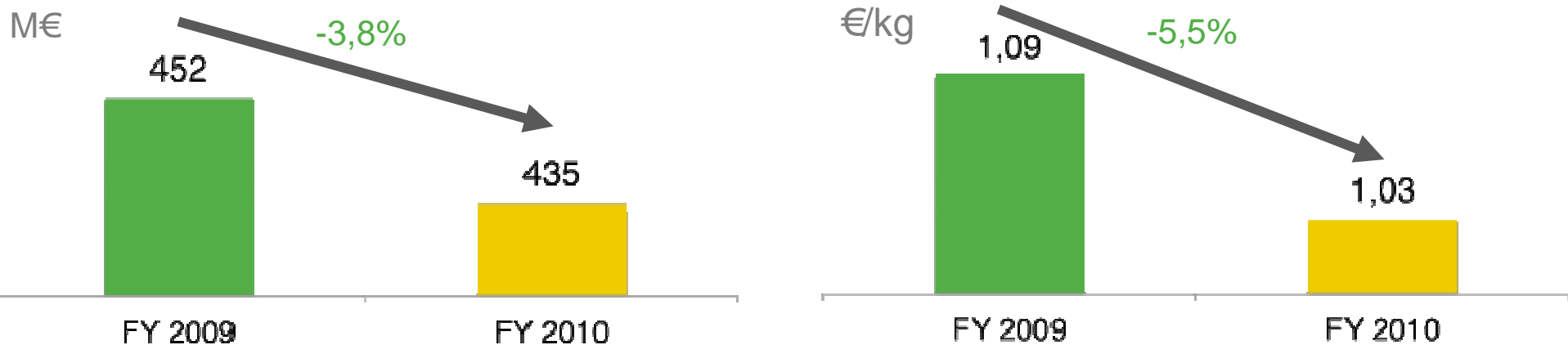
2010 STRENGTHENING LEADING COST POSITION



RAW MATERIAL



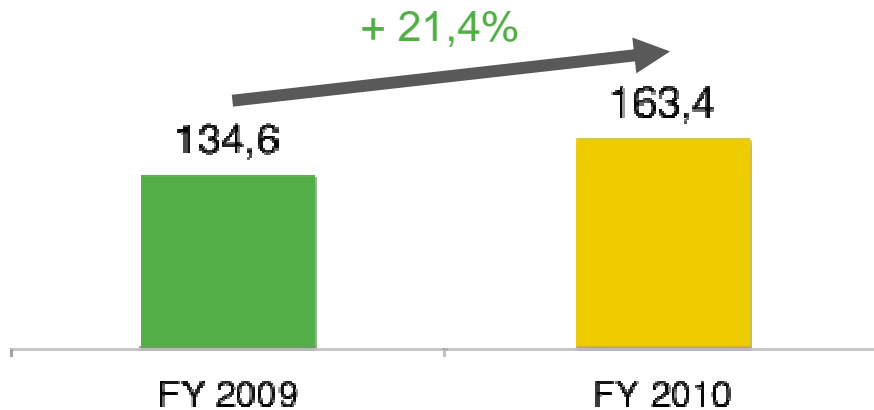
CONVERSION COST*



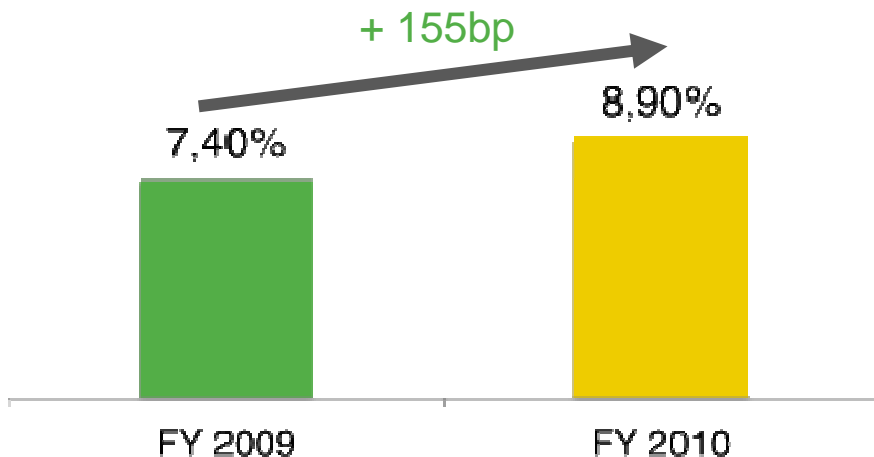
2010 OPERATING PERFORMANCE



* EBITDA (M€)



EBITDA MARGIN



• OPERATING PERFORMANCE:

- 2010 Gross profit increases +5,6% versus 2009
- Outstanding productivity along the entire supply chain
- MAP investment increases +3,1% in 2010 up to 52M€
- Within 2 years since the merger we have achieved the 40M€ cumulative synergies targeted for 2012
- Sustained margin gains of 155bp (normalized gain of 106 bp)

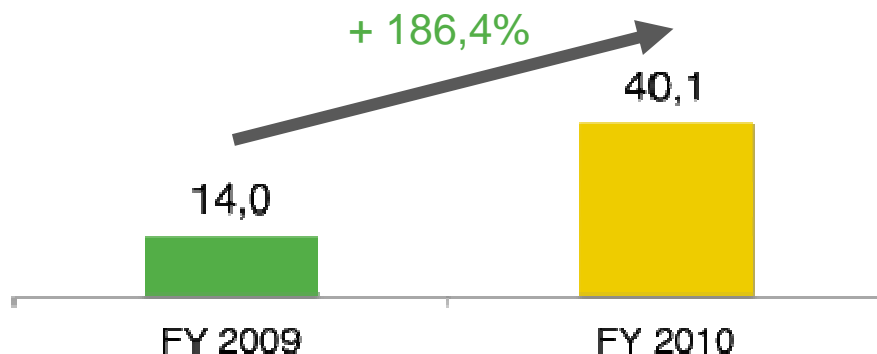
SIGNIFICANT INCREASE IN NET INCOME



NET FINANCE COST

	€M
Net Finance Cost	53,4
Mark-to-Market derivatives	6,2
Recurring Interest expense	47,2

NET INCOME



• NET FINANCE COST:

- Mark-to-market derivatives impacted 6,2M€ in 2010
- In 2010 we have unwound our open derivatives amounting to 58M€, using excess cash to reduce our debt and avoid P&L volatility

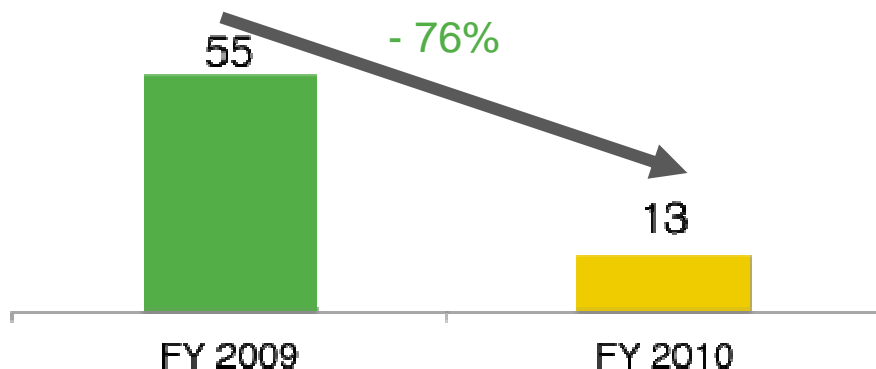
• NET INCOME:

- Net income increase mostly driven by operations improvement
- Income tax increase vs. 2009 partially offset by financial cost decrease

FINANCIAL HIGHLIGHTS

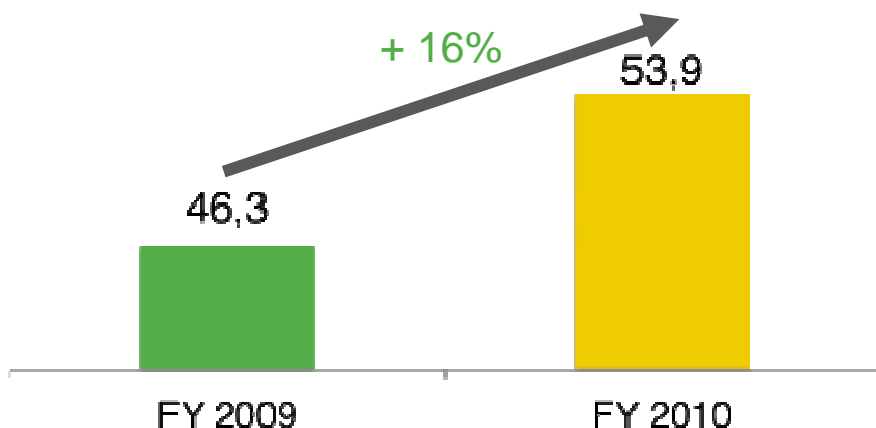


WORKING CAPITAL



- WORKING CAPITAL:
 - 42M€ reduction of working capital

CAPEX



- CAPEX:
 - Increase on CAPEX vs. 2009 to support the investment on a new ERP (SAP)
 - However, CAPEX is lower than 2010 depreciation of 55M€

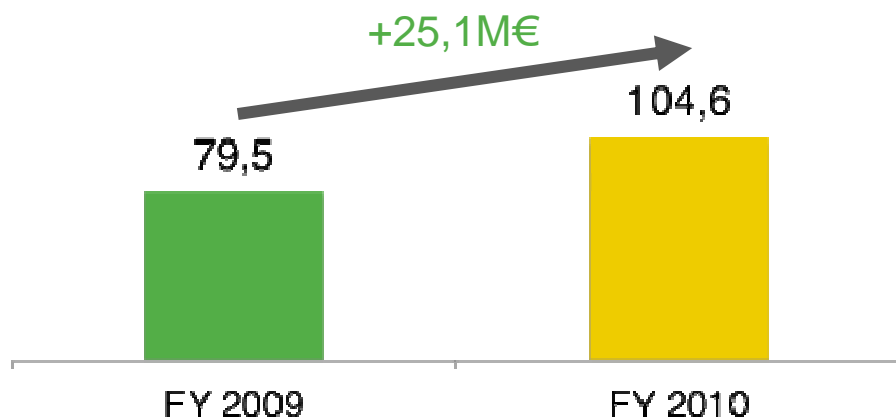
FINANCIAL HIGHLIGHTS



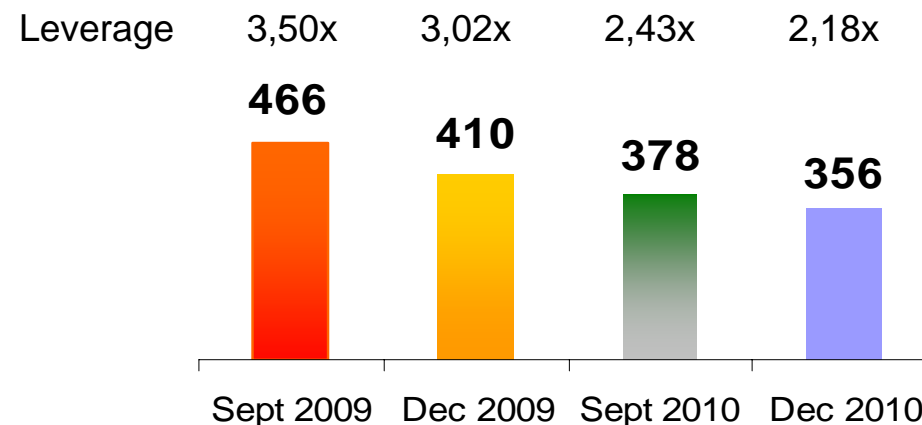
STRONG CASH GENERATION:

- OFCF +25,1M€ vs. PY mainly thanks to improved operating results and Working Capital decrease
- Leverage ratio of 2,18x EBITDA in Dec 2010
- Strong liquidity position: 169M€ in cash

OFCF (*)



NET FINANCIAL DEBT



FINANCIAL HIGHLIGHTS



Top-line recovery driven by Southern Europe

Northern Europe impacted by product portfolio reshaping

Tons (Thousand)	FY 2009	FY 2010	% Var.
Southern Europe	243,7	252,2	3,5%
Northern Europe	174,4	173,5	-0,5%
Eliminations	-3,5	-3,3	
Total Tons	414,7	422,4	1,9%

NET SALES (€M)			
Southern Europe	852,2	864,6	1,5%
Northern Europe	986,2	984,0	-0,2%
Eliminations	-14,5	-18,3	
Total Tons	1.823,8	1.830,4	0,4%

FINANCIAL HIGHLIGHTS



Sustained margin
enhancement in all
regions

(*)	EBITDA reported (€M)	FY 2009	FY 2010	% Var.
	Southern Europe	88,1	102,8	16,7%
	Northern Europe	69,8	85,6	22,7%
	Others	-23,3	-25,1	
	Total EBITDA	134,6	163,4	21,4%
	EBITDA reported margin (%)			
	Southern Europe	10,3%	11,9%	156 bp
	Northern Europe	7,1%	8,7%	163 bp
	Others	n.a	n.a	
	Total EBITDA margin	7,4%	8,9%	155 bp

MERGER SYNERGIES: SUCCESSFUL CLOSING AFTER 2 YEARS OF PROGRAM (1/2)

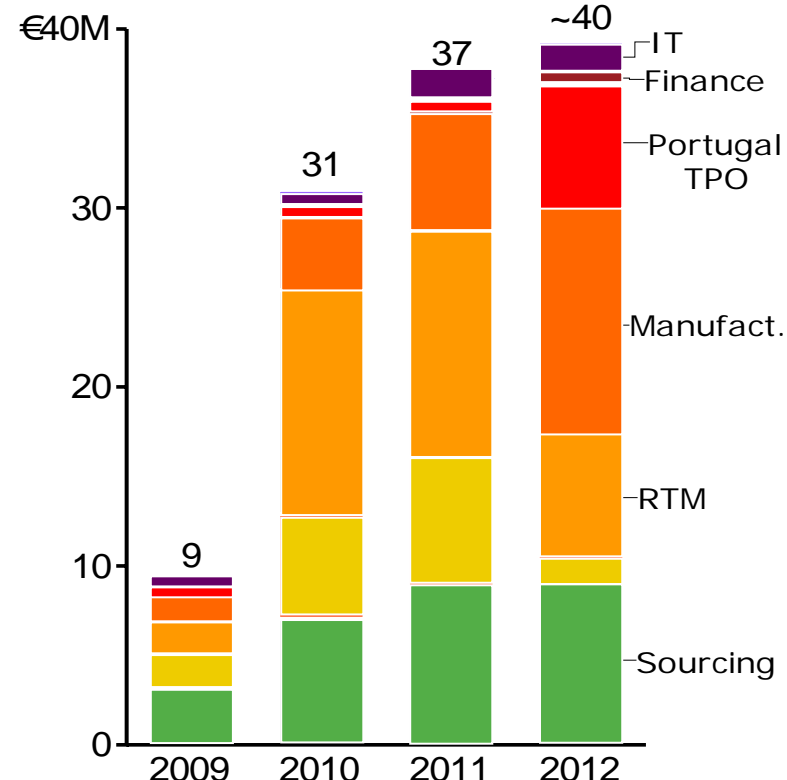


BUILD FOUNDATION TO BECOME ONE OF EUROPE'S MOST ADMIRABLE AND SUCCESSFUL FOOD COMPANIES

- Guarantee a quick **seamless integration** into one Company
 - Ensure a flawless “Day 1” execution
 - Special focus on overlapping activities in Portugal
- **Maintain focus** on base business and 2008 budget commitments
 - Do not let the base business be disrupted by the transformation process
- **Speed Matters:** Aim to complete merger planning before “Day 1” and to execute all transformation initiatives by the end of 2009
- **Create a new culture** for combined business, building from the strengths in each organization
- Position the Group for our **next wave of growth and success**

SYNERGIES TARGET IN 2008

CUMULATED SYNERGIES/SAVINGS TARGET 2009-2012 (M€)



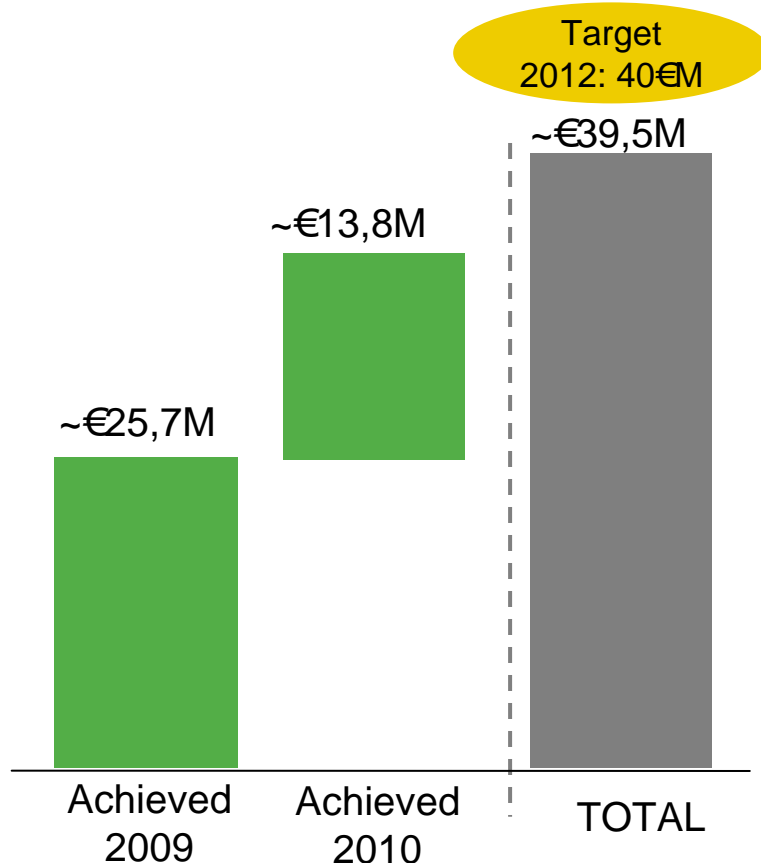
MERGER SYNERGIES: SUCCESSFUL CLOSING AFTER 2 YEARS OF PROGRAM (2/2)



BUILD FOUNDATION TO BECOME ONE OF EUROPE'S MOST ADMIRABLE AND SUCCESSFUL FOOD COMPANIES

SYNERGIES TARGET IN 2008

SYNERGY TRACKING 2009-2010

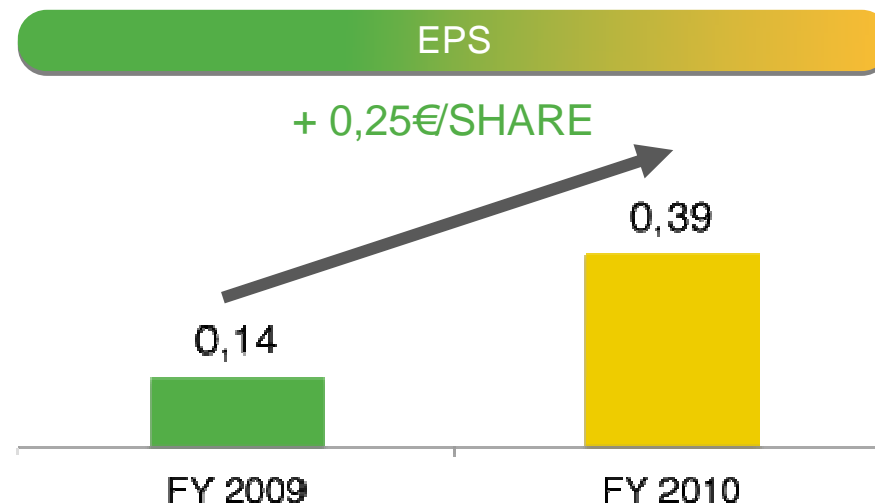


- **CFG** commitment to realize **+40M€ synergies** by end of year **2012**
- **Realized 39.5M€ from 2009 to 2010** across different areas:
 - Route to market: Structure synergies and portfolio incremental sales
 - Strategic sourcing on meat, non-meat and GENEX
 - Operations: Manufacturing best practices
 - Integration in Portugal
 - Finance and IST: 3rd party contracts
 - Other (e.g. Insurance policies)
- Merger has generated the **expected synergies** nearly in **half of the planned time**

2010 Dividends



	2009	* 2010
Total dividends	7M€	10M€
Dividend /share	0,07€	0,1€
Yield	1,05%	1,35%



- 2010 dividend payment increases +43% versus 2009
- CFG focus: to enable company's long term sustainable growth

FINANCIAL SUMMARY



- **RESULTS:**

- Top line turn around: Volume +1,9%, Net Sales +0,4%
- Outstanding operating performance: EBITDA of 163,4M€ up 21,4% vs. PY (+14,0% on a normalized basis)
- Sustained remarkable margins enhancement: EBITDA Margin up 155bp vs. PY (+106bp on a normalized basis)
- Net Income of 40,1M€, up 186,4% vs. PY

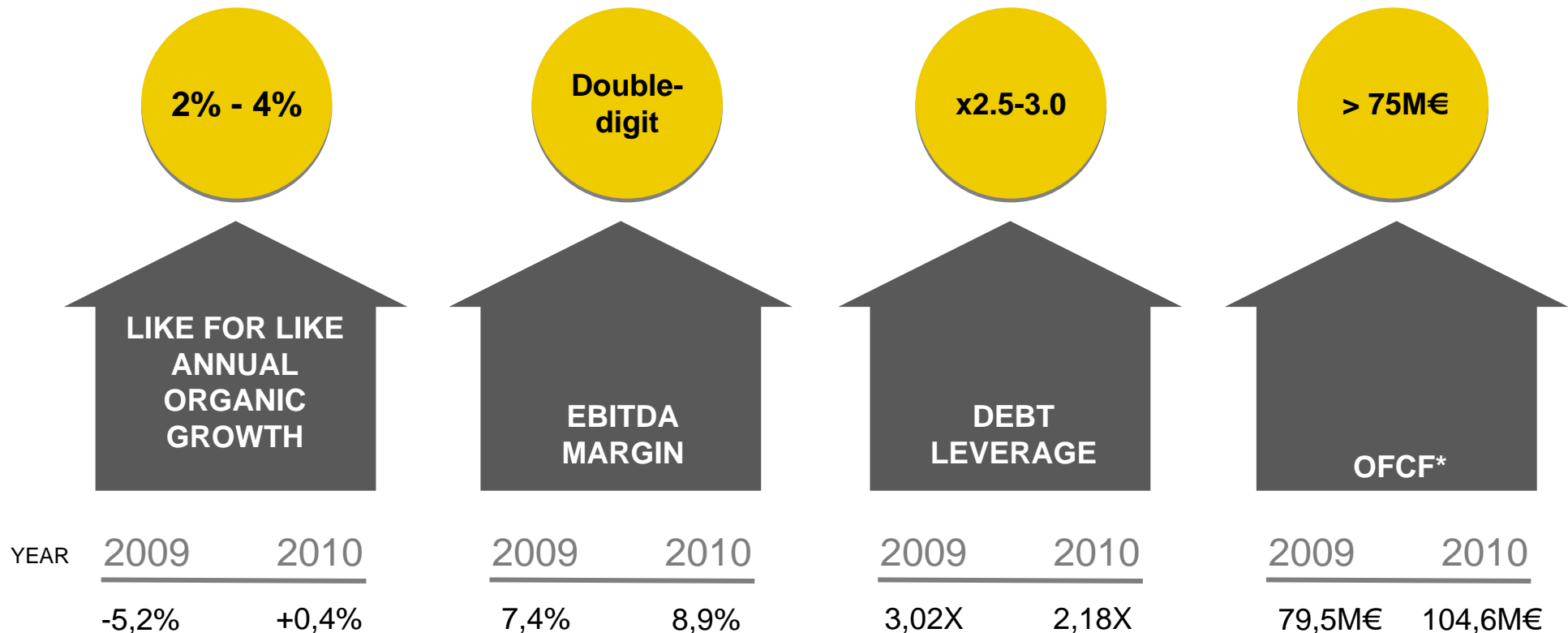
- **CASH:**

- 104,6M€ cash flow achieved in FY10
- Continued discipline in Working Capital
- Robust cash position with €169M€ and solid liquidity, even with 95,6M€ cash impact related to new acquisitions, dividends and debt pay-down
- Net debt with leverage ratio now at 2.18x

GUIDANCE 2012



- Economic environment remains challenging, but resilience of business model, allows us to maintain guidance given last year
- Below results show our progression towards our guidance



ROBERT SHARPE

CHIEF EXECUTIVE OFFICER



CONCLUSION

COMMUNICATION
QUALITY
CUSTOMER
SUPPORT
GROWING
PROFITABILITY
BRANDS
PEOPLE
PRODUCTS

WORKING TOWARDS OUR AMBITION



WORKING
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AMBITION



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