

Campofrio Food Group

2009 First Semester Financial Results

Madrid, Wednesday 2nd September 2009



Agenda

- **Highlights of the period**
- **Financial Results**

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Highlights of the period

- CFG recorded **net income** of 9.8 million euros, **23.1 million euros higher** than first semester 2008, mainly due to the merger in December 2008 with Groupe Smithfield Holdings
- Consolidated **turnover reached 882 million euros**
 - Like for like implies a moderate 3.5% decline versus prior year figures following drop of consumer spending throughout Europe
- **EBITDA reported** amounted **60.2 million euros**
 - Reported EBITDA includes 8.3 million euros of restructuring costs
 - **Normalized EBITDA reached 68.5 million euros**, in line with pro-forma prior year figures

These key financial indicators highlight Campofrio Food Group's strong underlying performance across its various markets particularly noteworthy against the current economical backdrop

- Key milestone this semester has been the fact that in a **very challenging environment** the company has been able to maintain **underlying profits** with strong focus on:
 - Reducing company costs
 - Accelerating the capture of synergies

We are very encouraged by the delivery of these strong results during a period of challenging economic conditions and the extra efforts necessary to achieve a successful integration of the two predecessor entities into the new Campofrio Food Group. We feel this performance establishes a solid foundation for the second half of the year



Financial Results

Analysis of first semester of 2009

Analysis of 1S results 2009⁽¹⁾

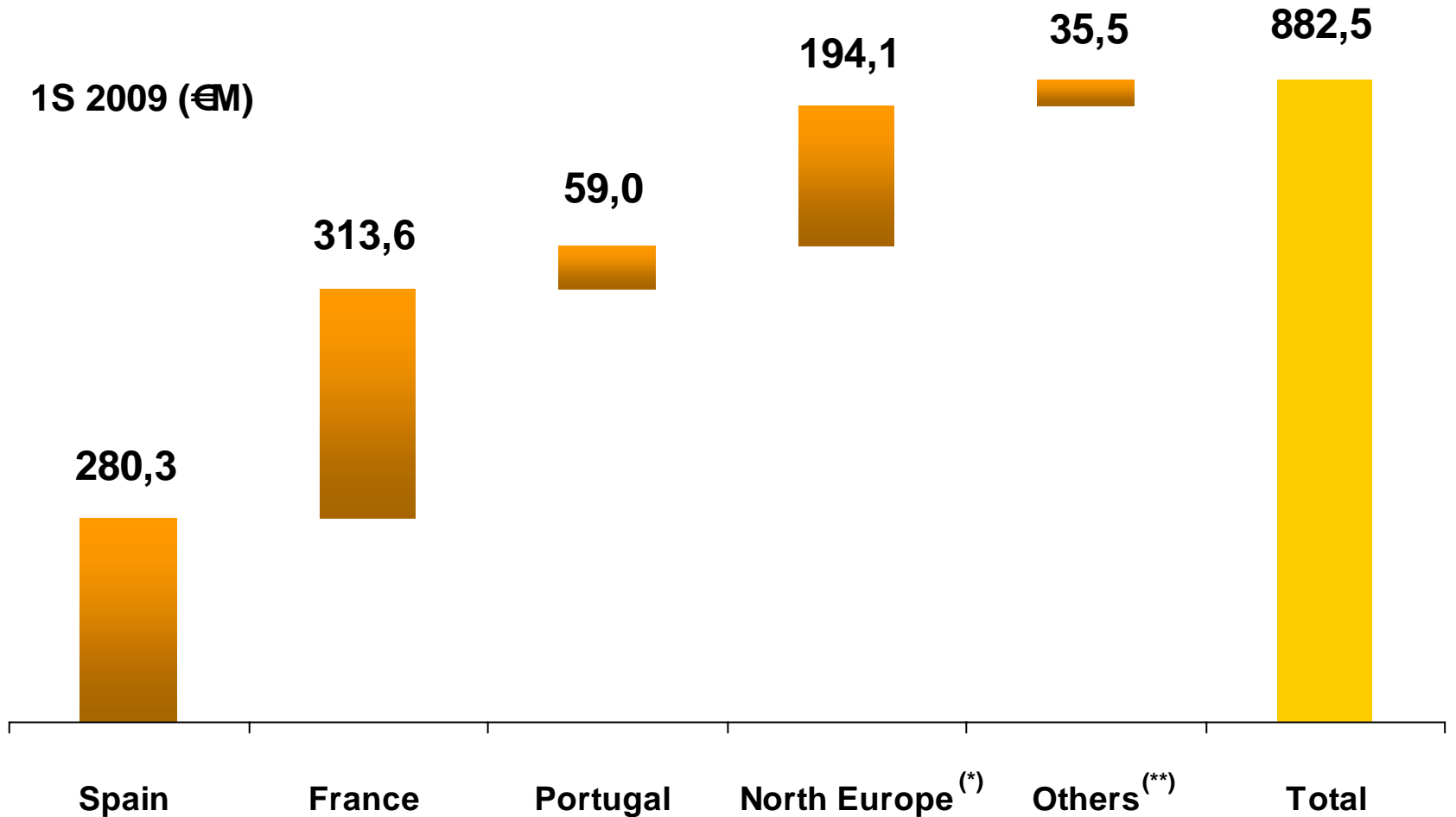
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(M€)	Reported 2008 (2)	Proforma 2008 (3)	Actual 2009	% vs PY Proforma
Volume (Tons'000)	113,1	207,4	203,0	-2,1%
Net Sales	426,9	914,5	882,5	-3,5%
Other non-opating expen.	-	-	(8,3)	
<i>Reported Ebitda</i>	33,7	69,3	60,2	-13,1%
Normalized EBITDA	33,7	69,3	68,5	-1,2%
(margin%)	7,9%	7,6%	7,8%	
Attributable Net Income	(13,3)	(2,0)	9,8	11,8M€

Notes:

- (1) Un-audited figures
- (2) Campomos (Russian subsidiary) considered as discontinued operations
- (3) Proforma basis, namely presented as if the merger between Campofrío and Groupe Smithfield had taken place on 1st January 2008.

Analysis of 1S results – Net Sales Breakdown



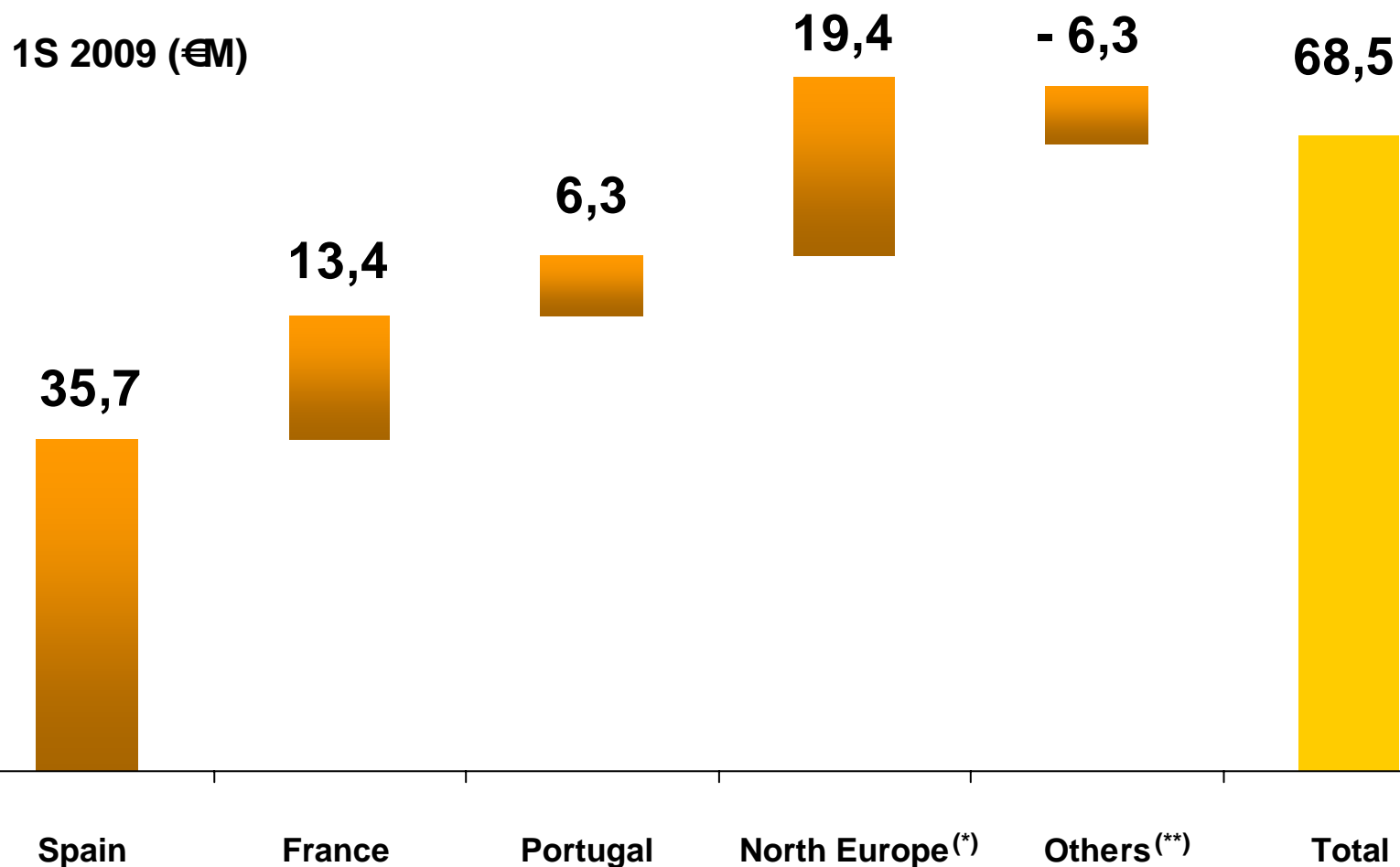
Total Net Sales €882 million

(*) Includes: Belgium, Holland and Germany

(**) Includes: Fresh Meat Business Unit, Romania, other and eliminations

Analysis of 1S results – Normalized EBITDA Breakdown

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Total normalized EBITDA €69 million

(*) Includes: Belgium, Holland and Germany

(**) Includes: Fresh Meat Business Unit, Romania, other and eliminations

Consolidated Balance Statement

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€M	6/30/09	12/31/08
	(Unaudited)	(Audited)
Non Current Assets	1.238,3	1.245,0
Intangible Assets	596,3	596,0
PPE	570,4	582,8
Other non current assets	71,6	66,2
Current assets	638,7	689,1
Stocks	319,0	320,9
Debtors	216,9	247,2
Cash equivalents	102,8	121,0
Other current assets	5,6	3,1
Net assets from disc. Oper.	1,6	-
TOTAL ASSETS	1.884,1	1.937,2
Total Equity	623,8	618,3
Financial Debt	563,4	534,6
Non Current Liabilities	194,0	184,6
Current liabilities	502,9	599,7
TOTAL LIABILITIES	1.884,1	1.937,2
Net Debt	460,6	413,6

Analysis of 1S results - Cash Flow (Un-audited)

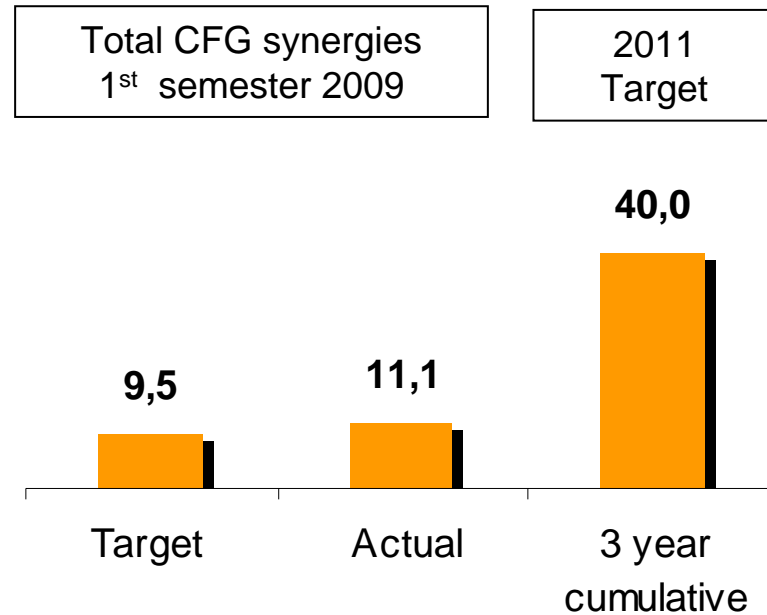
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(M€)

Net Income	10,0
Depreciation and impairments	28,5
Adjustment to reconcile before tax to net cash	21,8
Changes in Working Capital	-21,5
Income tax paid	-4,2
Net cash flow from operating activities	34,5
Net cash used in investing activities	-17,4
Net cash used in financing activities	-35,3 ⁽¹⁾
Variation on cash and cash equivalents	-18,2

(1) Includes 47,2M€ of extraordinary dividend

(M€)



At the end of June:

- We exceeded targets in sourcing synergies (first phase)
- We are in line with targets in other areas