CAMPOFRIO FOOD GROUP

UNAUDITED INTERIM SELECTED
CONSOLIDATED FINANCIAL INFORMATION
THREE MONTH PERIOD ENDED 31st MARCH 2013

TABLE OF CONTENTS

INTRODUCTION

In November 2009, CAMPOFRIO FOOD GROUP, S.A. (the “Company”), incorporated as a public limited company (*sociedad anónima*) under the laws of Spain, issued € 500 million aggregate principal amount of its 8.250% Senior Notes due 2016 (the “Notes”) at a price of 99.365%. The Company will pay interest on the Notes semi-annually on each April 30 and October 31, commencing April 30, 2010. Prior to October 31, 2013, the Company will be entitled, at its option, to redeem all or a portion of the Notes by paying relevant “make-whole” premium. At any time on or after October 31, 2013, the Company may redeem all or part of the Notes by paying a specified premium to the holders. In addition, prior to October 31, 2013, the Company may redeem at its option up to 35% of the Notes with the net proceeds from certain equity offerings. If the Company undergo a change of control or sell certain of its assets, it may be required to make an offer to purchase the Notes. In the event of certain developments affecting taxation, the Company may redeem all, but not less than all, of the Notes. The Company may from time to time seek to retire or purchase our outstanding debt through cash purchases and/or exchanges for equity securities, in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, the Company’s liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

The Notes are senior debt of Campofrio Food Group and will rank *pari passu* in right of payment to all of Campofrio Food Group’s existing and future senior indebtedness. The Notes are guaranteed on a senior basis by certain of our subsidiaries.

The Notes are admitted to listing on the Official List of the Luxembourg Stock Exchange and for trading on the Euro MTF market.

The Notes and the Guarantees have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the ‘‘U.S. Securities Act’’). The Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except to qualified institutional buyers in reliance on the exemption from registration provided by Rule 144A under the U.S. Securities Act (‘‘Rule 144A’’) and to certain persons in offshore transactions in reliance on Regulation S under the U.S. Securities Act (‘‘Regulation S’’). You are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A.

Following the issuance of the Notes, the Company redeemed all of its U.S Private Placement notes, prepaid all of its LBO facilities (multicurrency credit facilities with a limit of €415 million, arranged by Citigroup Global Markets Ltd and Royal Bank of Scotland plc.) and repaid all short-term borrowings under various lines of credit.

This Unaudited Selected Consolidated Financial Information is provided to the holders of the Notes pursuant to Section “Description of the notes - Reports (2)” of the indenture.

CONSOLIDATED INCOME STATEMENT

Campofrio Food Group
(In Thousands of Euros)

	Three month ended March 31,			
	2013		2012	
	(unaudited)	% of total oper. revenue	(unaudited)	% of total oper. revenues
Operating revenues				
Net sales and services	441,589	99.1%	447,413	99.1%
Capitalized expenses on Company's work on assets	1,354	0.3%	1,519	0.3%
Other operating revenue	2,606	0.6%	2,766	0.6%
Total operating revenues	445,549	100.0%	451,698	100.0%
Operating expenses				
Consumption of goods and other external charges	(244,317)	(54.8%)	(239,241)	(53.0%)
Employee benefits expense	(85,039)	(19.1%)	(88,855)	(19.7%)
Depreciation and amortization	(15,312)	(3.4%)	(14,951)	(3.3%)
Other operating expenses	(90,160)	(20.2%)	(89,215)	(19.8%)
Changes in trade provisions	(613)	(0.1%)	(470)	(0.1%)
Total operating expenses	(435,441)	(97.7%)	(432,732)	(95.8%)
Impairment of assets	-	-	-	-
Operating profit	**10,108**	**2.3%**	**18,966**	**4.2%**
Financial expenses, net	(12,929)	(2.9%)	(13,946)	(3.1%)
Other results	(2,956)	(0.7%)	(107)	(0.0%)
Profit before tax	**(5,777)**	**(1.3%)**	**4,913**	**1.1%**
Income taxes	1,665	0.4%	(2,547)	(0.6%)
Profit for the period from continuing operations	**(4,112)**	**(0.9)%**	**2,366**	**0.5%**
Profit & (Loss) after tax for the period from discontinued operations	46	0.0%	(2,982)	(0.6%)
Profit for the period	**(4,066)**	**(0.9%)**	**(616)**	**(0.1%)**
Non-controlling interests			-	-
Attributable to equity holders of the parent company	(4,066)	(0.9%)	(616)	(0.1%)

The accompanying notes are an integral part of this consolidated financial information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Campofrio Food Group

(*In Thousands of Euros*)

	Consolidated statement of financial position at,	
	Mar 31, 2013	Mar 31, 2012
	(unaudited)	(unaudited)
ASSETS		
Property, plant and equipment	568,891	573,671
Goodwill	459,174	456,188
Other intangible assets	279,355	261,800
Non-current financial assets	24,526	13,375
Investments accounted for under the equity method	29,101	30,825
Deferred tax assets	142,042	120,487
Total non-current assets	**1,503,089**	**1,456,346**
Inventories	351,485	358,459
Trade and other receivables	186,551	190,327
Other current financial assets	148	419
Other current assets	9,166	6,663
Cash and cash equivalents	161,312	151,295
Total current assets	**708,662**	**707,163**
Assets classified as held for sale and discontinued operations	**1,130**	**5,230**
TOTAL ASSETS	2,212,881	2,168,739
EQUITY AND LIABILITES		
Equity attributable to equity holders of the parent	584,165	577,070
Equity	**584,165**	**577,070**
Debentures	491,318	488,978
Interest-bearing loans and borrowings	59,927	90,455
Other financial liabilities	4,437	3,648
Deferred tax liabilities	170,787	170,483
Other non-current liabilities	14,946	16,810
Provisions	112,164	110,810
Total non-current liabilities	**853,579**	**881,184**
Debentures	17,188	17,188
Interest-bearing loans and borrowings	52,527	30,348
Trade and other payables	592,580	540,688
Other financial liabilities	8,900	3,603
Creditor for income tax	5,668	4,934
Provisions	29,919	39,124
Other current liabilities	68,311	73,213
Total current liabilities	**775,093**	**709,098**
Liabilities associated to operations on sale or discontinued	**44**	**1,387**
TOTAL EQUITY AND LIABILITIES	**2,212,881**	**2,168,739**

The accompanying notes are an integral part of this consolidated financial information.

CONSOLIDATED CASH FLOW STATEMENT

Campofrio Food Group
(*In Thousands of Euros*)

	Three month period ended March 31,	
	2013	2012
	(unaudited)	(unaudited)
Operating flows before changes in working capital	**26,138**	**34,337**
Changes in working capital	(9,910)	1,004
Cash flows from operating activities	**16,228**	**35,341**
Net interest expenses	(1,635)	(2,760)
Provision and pensions payment	(6,168)	(6,081)
Income tax paid	(4,057)	(4,310)
Other collection and payments	-	-
Net cash flows from operating activities	**4,368**	**22,190**
Investments in property, plant and equipment	(14,810)	(11,295)
Investment in Group companies	-	(1,960)
Other cash flows from investing operations, net	140	55
Net cash flows from investing activities	**(14,670)**	**(13,200)**
Changes in current financial assets and liabilities	11,796	6,057
Changes in non-current financial assets and liabilities	(9,800)	(2,500)
Purchase of treasury shares and Dividend payments	(292)	(686)
Net cash flows from financing activities	**1,704**	**2,871**
Net increase/(decrease) in cash and cash equivalents	**(8,598)**	**11,861**
Cash and cash equivalents at beginning of period	169,910	139,411
Cash and cash equivalents at end of period	161,312	151,272

The accompanying notes are an integral part of this consolidated financial information.

OTHER SELECTED CONSOLIDATED FINANCIAL INFORMATION

Campofrio Food Group
(*In Thousands of Euros*)

Conciliation from Profit for the period to EBITDA normalized

	Three month ended March 31,	
	2013	2012
	(unaudited)	(unaudited)
Profit for the period Attributable to equity holders of the parent company	(4,066)	(616)
Profit & (Loss) after tax for the period from discontinued operations	(46)	2,982
Income taxes	(1,665)	2,547
Other results	2,956	107
Financial expenses, net	12,929	13,946
Impairment of assets	-	-
Depreciation and amortization	15,312	14,951
EBITDA	**25,420**	**33,917**
Total Adjustments	325	(10)
EBITDA (normalized)	**25,745**	**33,907**

The accompanying notes are an integral part of this consolidated financial information.

EXPLANATORY NOTES TO THE UNAUDITED INTERIM SELECTED CONSOLIDATED FINANCIAL INFORMATION

Corporate Information

Campofrio Food Group, S.A. (the "Company"), with registered office at Avda. de Europa, Parque Empresarial La Moraleja in Alcobendas (Madrid), was incorporated as a private limited company in Spain on September 1, 1944, under the registered name Conservera Campofrío, S.A. On June 26, 1996, the Company's name was changed to Campofrío Alimentación, S.A. and on December 30, 2008, it was changed to its current name, Campofrio Food Group, S.A.

Campofrio Food Group, S.A. is the parent of a group of companies consolidated under the full and equity consolidation methods.

The Company manufactures and sells products mainly for human consumption. The principal activities of the parent company and the group companies are to manufacture, sell and distribute processed and canned meat and derivatives from pork, poultry and beef by-products and other food products.

The Company operates throughout Spain with factories in Burgos, Villaverde (Madrid), Torrijos (Toledo), Ólvega (Soria), Torrente (Valencia) and Trujillo (Cáceres), and through its investments in Portugal, Belgium, France, Germany, Italy, the Netherlands, United Kingdom, USA and Romania.

During the first quarter of 2012, the group signed an agreement to engage, together with Foxlease, in a Joint Venture on which it holds 49% of the share capital. For the constitution of this Joint Venture, the group contributed with its cooked ham business in France, ran by one of its French subsidiaries, Jean Caby SAS. As of March, 2012, the group proceeded to derecognize Jean Caby assets and liabilities from Group consolidated financial statements, and, as part of a Joint Venture, it is now integrated into the consolidated financial statements as an Equity Investee.

Basis of preparation

The amounts of the consolidated income, balance sheet and cash flow statement, were prepared in accordance with International Financial Reporting Standards, adopted by the European Union (the "IFRS-EU"), in conformity with EU Regulation no. 1606/2002 of the European Parliament and Council. The rest of information and disclosures that are necessary in financial statements elaborated under IFRS-EU are not included since they are not applicable for the purpose of this document.

In any case, this selected financial information here presented and the explanatory notes should be read in conjunction with the Campofrío Food Group, S.A. and subsidiaries Consolidated Financial Statements and Consolidated Management Report for the year ended December 31, 2012 and 2011.

Critical Accounting Policies

Our consolidated financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") in conformity with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council.

The discussion and analysis of our historical results of operations and financial conditions are based on our consolidated financial statements, which have been prepared in accordance with IFRS-EU. The preparation of our consolidated financial statements requires us to apply accounting methods and policies that are based on difficult or subjective judgments, estimates based on past experience and assumptions determined to be reasonable and realistic based on the related circumstances. The application of these estimates and assumptions affects the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of income and expenses during the reporting period. Actual results may differ from these estimates given the uncertainty surrounding the assumptions and conditions upon which the estimates are based.

Detailed information regarding the Company's accounting policies is provided in Note 2 to our consolidated financial statements for the year ended December 31, 2012.

Non IFRS-EU Financial Measures

This selected financial information could contain non-IFRS-EU measures and ratios, including EBITDA, adjusted EBITDA, net debt and leverage and coverage ratios that are not required by, or presented in accordance with, IFRS-EU. We present non-IFRS-EU measures because we believe that they and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. The non-IFRS-EU measures may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS-EU. Non-IFRS-EU measures and ratios such as EBITDA, adjusted EBITDA, net debt and leverage and coverage ratios are not measurements of our performance or liquidity under IFRS-EU and should not be considered as alternatives to operating profit or profit for the year or any other performance measures derived in accordance with IFRS-EU or any other generally accepted accounting principles or as alternatives to cash flow from operating, investing or financing activities.

Discontinued Operations

On December 31, 2011 the parent reclassified all its asset and liabilities related to the French cooked business and its breeding and fattening activities in Spain as “Assets and liabilities held for sales and discontinued operations”, following its decision to discontinue those activities. Consequently, on the separate profit and loss statement, operation results from these activities have been classified as “net loss after tax from discontinued operations” both for the period ended in March 31, 2013 and 2012 (see Corporate Information section regarding cooked ham business in France).

Operating Segment Reporting

Results are presented in accordance with following strategic reporting segments:

- Southern Europe: includes mainly operating activities managed in Spain, Portugal & Italy.
- Northern Europe: includes operating activities managed primarily in France, the Netherlands, Belgium & Germany.
- Other: includes mainly corporate monitoring and supervising activities and operating activities managed in USA.

Note: Elimination in Net Sales and Services segment reporting refers to the elimination of inter-segment sales (i.e.: sales between Southern and Northern Europe) eliminated at consolidated level. Segment information is presented net of intra-segment sales (i.e.: sales between Spain and Portugal)

Net Financial Debt, Liquidity and Capital Resources

The following chart sets forth the Company’s debt position as of March 31, 2013 and March 31, 2012.

NET FINANCIAL DEBT	**Three month ended March 31,**	
	2013	**2012**
Non-current financial debt		
Debentures	491,318	488,978
Interest-bearing loans and borrowings	59,927	90,455
Other financial liabilities	4,437	3,648
Current financial debt		
Debentures	17,188	17,188
Interest-bearing loans and borrowings	52,527	30,348
Other financial liabilities	8,900	3,603
Current financial assets		
Other current financial assets	(148)	(419)
Cash and cash equivalents	(161,312)	(151,295)
Total Net Financial Debt	**472,837**	**482,506**

Our present debt structure consists of the Notes issued in 2009 which account for €498.4 million as of March 31, 2013 and a Senior Term Loan Facility amounting to €90 million drawn down in April 2011 to partially refinance the outstanding debt of Cesare Fiorucci S.p.A. our acquired Italian subsidiary, while the rest of its debt and the equity payment were funded out of our cash. As a result, our total debt is practically long-term. After having early unwound all the remaining derivatives last year, there is not any remaining exposure in this regard. The rest of the debt items (i.e. leasing …) are of negligible value in the context of the Company's balance sheet.

Net financial debt of €472.8 million as of March 31, 2013 is €9,7 million lower than at the end of March 31, 2012 showing our capacity to generate positive cash flow in spite of the extraordinary cash-outs associated to our on-going investments programme.

The Company's liquidity position remained very solid and amounted to €351 million at the end of March 31, 2013, consisting of € 161.3 million in cash and cash equivalents, €190 million circa of fully available and committed bank lines.

The following tables set forth the situation of the Company's two main financing sources as of March 31, 2013 and March 31, 2012.

Debentures	Consolidated position at	
	3/31/2013	3/31/2012
Non-current debentures	491,318	488,978
Current debentures	17,188	17,188
Principal	-	-
Accrued interest	17,188	17,188
Total debentures	**508,506**	**506,166**

Interest-bearing loans and borrowings	Consolidated position at	
	3/31/2013	3/31/2012
Bank loans and credit facilities	108,658	118,065
Credit lines	108,658	118,065
Multicurrency credit line	-	-
Discounted bills payable	2,447	976
Interest payable	1,349	1,761
Total	**112,454**	**120,802**

The following table sets forth the situation of the Company's current and non-current other financial liabilities as of March 31, 2013 and March 31, 2012.

Other financial liabilities	Consolidated position at 3/31/2013			Consolidated position at 3/31/2012		
	Non-current	Current	Total	Non-current	Current	Total
Financial leases	1.094	671	1.765	800	473	1.273
Other financial liabilities	3.343	8.229	11.572	2.755	3.130	5.885
Derivatives	-	-	-	93	-	93
Total	**4.437**	**8.900**	**13.337**	**3.648**	**3.603**	**7.251**

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Campofrio Food Group is the largest European producer of processed meat products based on net sales. Its products, which are sold under well established and leading brands, cover a broad range of processed meat categories, including cooked ham, dry sausages, dry ham, hot dogs, poultry products, cold cuts and pâtés. The Company was founded in 1944 in Burgos, Spain and has expanded to achieve a direct presence in eight European countries, Spain, France, Portugal, The Netherlands, Belgium, Italy, Romania Germany and the United States, and sales in over 80 countries worldwide through independent distributors. The Company's market leading brands include *Campofrío* and *Navidul* in Spain, *Aoste, Justin Bridou* and *Cochonou* in France, *Nobre* in Portugal, *Marcassou* in Belgium, *Stegeman* in The Netherlands and *Fiorucci* in Italy. For the three month period ended March 31, 2013, the Company had Net Sales and Services and Reported EBITDA of €441.6 million and €25.4 million, respectively. It generates most of its revenues in Europe. The Company is headquartered in Madrid, Spain and its shares have been listed on the Madrid stock exchange since 1988 and on the Barcelona stock exchange since 1990, and are now traded under the symbol "CFG". As of March 31, 2013, the Company had a market capitalization of € 476.3 million.

The Company is primarily engaged in the production and sale of processed meat products with a focus on cooked ham, dry sausages, dry ham, hot dogs and poultry products. The Company sources meat primarily from third party suppliers which it monitors on a regular basis to ensure that high-quality and hygienic standards are maintained. The meat is then processed in one, or a combination, of our 30 facilities and the final products are sold directly to customers, which include some of the largest retailers in Europe, including Carrefour, Ahold, Auchan, Delhaize, Casino and Lidl, as well as directly or through wholesalers to a large number of food service specialists and traditional retail outlets. As a result of its strong relationships with retail and food specialist customers, the Company has also developed a strong private label or retailer brand business.

Factors Affecting Our Results of Operations

Raw Material Prices

Pig carcass average price	Three month ended March 31,			% Increase (decrease) over prior period	
	2011	2012	2013	2012 vs. 2011	2013 vs. 2012
		(price in €/kg)			
Spain Mercolleida	1.53	1.56	1.72	+1.9	+10.5
France MPB	1.38	1.51	1.56	+9.4	+3.5
Netherlands Monfoort	1.37	1.56	1.63	+14.1	+4.5
Belgium Danis	1.25	1.44	1.47	+15.2	+1.9
Germany AIM	1.39	1.58	1.67	+13.8	+5.6
Denmark DC	1.27	1.37	1.51	+8.0	+9.6

During 4 of the last 6 years, rising grain prices have negatively affected meat protein prices. 2012 and Q1 2013 were no exception as record international grain quotations continue to impact negatively pork, poultry and beef meat outputs.

Due to adverse climate conditions, the 2012/13 grain production in the EU27 basin reached 274.3 million metric tons, down -3.7% versus the previous year. While plantings increased (+1%), they were more than offset by lower average yields (-4%).

Corn yields (-18.7%) accounted for the most significant part of the lower total EU27 grain output, with disappointing results in key producing countries (Italy, Hungary, Romania and to a lesser extent France). The lack of precipitations in late summer and early fall stymied the yield potential and final production dropped -16% against 2011. Soft wheat production decreased -3.8%. The output exceeded last year's levels in France, but decreased in United Kingdom, Poland, and Spain. Average yields and planted areas dropped respectively -2.7% and -1.7%.

Last summer 2012, grain prices increased to record levels in international markets, influenced by the EU27 situation as well as the sharp drop in US corn and soybean harvest. The “Corn Belt” most severe drought in the past 100 years led to corn and soybean production down by -15% and -12% respectively, severely affecting global grain trade flows. Following this summer event, prices spiked up to never seen before price levels. During 2012, EU27 wheat, barley and corn prices have risen 5% to 10%, and more than 40% for soybean meal. All 4 raw materials are key components of the feed ration for pork and poultry production.

During Q1 2013, grain quotations have relaxed somewhat as current outlooks point to significant improvements in cereals production (increased surfaces planted) both in USA and Europe. In addition, South America just harvested a record soybean crop.

The historically high grain prices in Europe significantly impacted the profitability of pig producers on the continent. EU pork farmers are managing their losses by further lowering current and future sow herds (-3.4% in December 2011 survey, -3.0% for summer 2012, and an estimated -4 to -5% in December 2012). These decisions impact pork meat output with a 10 to 12 months delayed effect. The recently released December 2012 EU27 pig population survey has shed more light on future pork meat output: the estimated drop of -4.0 to 5.0% versus the previous solidifies the trend initiated more than 20 months ago. All key EU27 pork meat producers show additional cuts (Germany: -2.6%, Spain: -6.4%, France: -2.6%, Netherlands: -2.2%, Denmark: -0.8%, Italy: -12.3%). Eastern Europe continues to be decimated (for example, Poland breeding herds was surveyed down -10.0%).

During Q1 2013, EU27 pork production displayed heterogeneous, and better than expected results, with estimated output up around +1.0%. On one hand, the total output rose in Germany (+3.0%), Spain (+4.5% Jan.) and Belgium (+5.1%) ; On the other hand, the opposite occurred in France (-1.6%), the Netherlands (-3.4%), Denmark (-6.8%). Finally, both Poland and UK were stable (+0.8%). As a result, prices have risen less than anticipated during the last quarter. Price risks remain present for H2 2013 due to sow and pig population surveys (10 month lag effect).

For 2012, EU27 exports to third countries slowed down to a final -2.0% against the previous year. During this period, China demand is up +3.7% and overall Asian demand down at -3.0% on lower volumes to Japan, South Korea and the Philippines. For the second consecutive year, China remains the largest client of EU27 trade bloc. In parallel, European neighbour countries (Croatia, Belarus, Ukraine) have not been able to offset the sharp reduction from Russia (-12%, that confirms its gradual move towards increased self-sufficiency). For the first 2 months in 2013, total export volumes kept decreasing (-5.7%). Asia rose +3.0% with good volumes to China (+17%), but Europe flows dropped severely (-18%), mostly due to Russia (-19%) and Belarus (-38%).

Overall, 2012 EU pig carcass prices traded at their highest levels in the last 15 to 20 years, depending on the country. They are up more than +20.0% in the past couple years. Their evolution reflects the heterogeneous supply conditions in the main producer countries. During Q1 2013, the pork quotation rose most in Spain, Denmark, Germany and Netherlands (+10.5%, +9.6%, +5.6%, +4.5%). In France and Belgium, the price inflation was slightly lower, +3.5% and +1.9% respectively.

Among all pork cuts, the value of hams rose in line or faster than pig carcass quotations (from +7.6% in France to +8.3% in Germany, or +4.2% in Belgium). The ham to pig price ratios remain at low levels versus the last 15 years trend, a sign of consumers still switching to cuts with lower relative value (penalizing hams and loins). Shoulders rose again more than their fair share, from +4.4%% in Germany to +9.0% in Spain and 9.8% in Italy. Fat, jowls, trimmings, after surging in the second half of 2012, have dropped significantly during Q1 2013.

European chicken carcass prices have increased slightly year to date (from +2.0% in France to +4.8% in Holland), with limited impact on cuts prices so far as Brazil imports to EU27 have been less than expected (soft internal demand in Europe).

The pork and chicken meat market trends stated above affected Campofrio Food Group raw material costs only indirectly. First, the Company purchases pork and poultry cuts in different proportions, each one following its own supply and demand dynamics. During Q1 2013, the average pork meat price purchased by the Company increased +7.4% versus year ago levels. Second, and more importantly, the cost of goods sold of long-cycle products (cured products) reflects evolutions in raw material prices with a lag time which can vary between 6 and 24 months. Taking into consideration these factors, the pork meat costs for Q1 2013 rose by 4.9% versus the same period last year.

Results of Operations

Comparison of the three month period ended March 31, 2013 and the three month period ended March 31, 2012

Operating Revenues

The following table sets forth a detailed breakdown of our operating revenues for the three month period ended March 31, 2013 and 2012.

Operating revenues	Three month ended March 31,			
	2013		2012	
	(audited)	% of total oper. revenues	(audited)	% of total oper. revenues
Net sales and services	441,589	99.1%	447,413	99.1%
% increase in Net Sales and Services	*(1.3%)*			
Capitalized expenses on Company's fixed assets	1.354	0.3%	1.519	0.3%
Other operating revenue	2.606	0.6%	2.766	0.6%
Total operating revenues	**445,549**	**100,0%**	**451,698**	**100.0%**
% increase in total operating revenues	*(1.4%)*			

Operating revenues decrease by 1.4% to €445.5 million for the three month period ended March 31, 2013 from €451.7 million for the same period of 2012. Net sales decreased by 1.3% to €441.6 million for the three month period ended March, 2013 from €447.4 million in the same period of 2012.

Operating Expenses

The following table sets forth a detailed breakdown of operating expenses for the twelve month period ended March 31, 2013 and March 31, 2012

Operating expenses	Three month ended March 31,			
	2013		2012	
	(unaudited)	% of total oper. revenues	(unaudited)	% of total oper. revenues
Consumption of goods and other external charges	(244,317)	(54.8%)	(239,241)	(53.0%)
Employee benefits expense	(85.039)	(19.1%)	(88.855)	(19.7%)
Depreciation and amortization	(15.312)	(3.4%)	(14.951)	(3.3%)
Other operating expenses	(90.160)	(20.2%)	(89.215)	(19.8%)
Changes in trade provisions	(613)	(0.1%)	(470)	(0.1%)
Total operating expenses	**(435,441)**	**(97.7%)**	**(432,732)**	**(95.8%)**
% increase in total operating expenses	*(1.4%)*			

Operating expenses increased by 1.4% to €435.1 million for the three month period ended March 31, 2013 from €432.7 million for the same period of 2012. Operating expenses constituted 97.7% and 95.8% of total operating revenues for the three month period ended March 31, 2013 and 2012, respectively.

Consumption of Goods and Other External Charges

Consumption of goods and other external charges increased by 2.1% to €244.3 million for the three month period ended March 31, 2013 from €239.2 million for the same period of 2012. Consumption of goods and other external charges constituted 54.8% and 53.0% in percentage of total operating revenues for the three month period ended March 31, 2013 and 2012, respectively. The increased was derived from higher raw material prices during the three month period ended March 31, 2013 versus the same period of 2012.

Employee Benefits Expenses

Employee benefits expenses decreased by 4.3% to €85.0 million for the three month period ended March 31, 2013 from €88.9 million for the same period of 2012. Employee benefits expenses constituted 19.1% and 19.7% in percentage total operating revenues, respectably.

Depreciation and Amortization

Depreciation and amortization increased by 2.4% to €15.3 million for the three month period ended March 31, 2013 from €15.0 million for the same period of 2012. Depreciation and amortization represented 3.4% and 3.3% of total operating revenues for the three month period ended March 31, 2013 and 2012, respectively.

Other Operating Expenses

Other operating expenses increased by 1.1% to €90.2 million for the three month period ended March 31, 2013 from €89.2 million for the same period of 2012.

Finance and Tax Expenses

Finance Revenue and Finance Costs

Net finance cost decreased by €1.0 million for the three month period ended March 31, 2013, from €13.9 million in the same period 2012 to €12.9 million in 2013 due to lower interest expenses.

Income Tax Expenses

Income tax amounted to €1.7 million income for the three month period ended March 31, 2013, compared to €2.5 million loss in the same period of 2012.

Other Results

For the three month period ended March 31, 2013 and 2012, Other Results amounted €3.0 million loss and €0.1 million loss, respectively. Other Results are comprised of our share of profit / (loss) of investments accounted for using the equity method. The loss for the three month period ended March 31, 2013 is mainly related to the joint venture in France.

Result from Discontinued Operations

Results from Discontinued Operations were nil for the three month period ended March 31, 2013 and amounted €3.0 million loss for the same period of 2012. Results from Discontinued Operation in the three month period ended March 31, 2012, are mainly comprised of our French cooked and Spain pork breeding business after tax net results.

Profit (Loss) for the Period

Profit (Loss) for the Period amounted €15.7 million gain in the twelve month period ended December 13, 2012, compared to a €54.2 million loss in the same period of 2012.

Operating Segment Reporting

	Three month ended March 31,			
Net sales and services	**2013**		**2012**	
	(audited)	% of total	**(audited)**	% of total
Southern Europe [1]	245,276	55.5%	262,034	58.6%
Northern Europe [2]	194,819	44.1%	191.930	42.9%
Other [3]	13,494	3.1%	11.504	2.6%
Eliminations [4]	(12,000)	(2.7%)	(18,055)	(4.0%)
Total net sales and services	**441,589**	**100,0%**	**447,413**	**100,0%**

EBITDA (normalized)	Three month ended March 31, 2013		2012	
	(unaudited)	% of total	**(unaudited)**	% of total
Southern Europe [1]	9,883	38.4%	17,992	53.1%
Northern Europe [2]	14,087	54.7%	14,817	43.7%
Other [3]	1,775	6.9%	1,098	3.2%
Total EBITDA	**25,745**	**100,0%**	**33,907**	**100,0%**
% EBITDA normalized margin over Net Sales				
Southern Europe	4.0%		6.9%	
Northern Europe	7.2%		7.7%	
Other	13.2%		9.5%	
Total EBITDA	**5.8%**		**7.6%**	

[1] Southern Europe includes operating activities mainly managed in Spain, Portugal and Italy from April 2011, including our fresh meat operations.

[2] Northern Europe includes operating activities managed primarily in France, the Netherlands, Belgium and Germany.

[3] Other includes operating activities managed in the USA and corporate monitoring and supervising activities.

[4] Intercompany sales between segments which are eliminated during consolidation.

Southern Europe

Net sales in Southern Europe decreased by 6.4% to €245.3 million for the three month period ended March 31, 2013 from €262.0 million for the same period last year. This negative evolution is mainly impacted by fewer days of sales, 3 to 5 days depending on the countries, Eastern week in 1Q13 and one day less in February vs 1Q12. As well, challenging macroeconomic conditions is moving consumption to value for money impacting the mix of sales of the segment.

Normalized EBITDA amounted €9.9 million for the three month period ended March 31, 2013 compared to €18.0 million for the same period last year, mainly driven by impacts mentioned above.

Normalized EBITDA margin over net sales for the three month period ended March 31, 2013 reached 4.0% showing a decrease over previous period of 284 basis points, result of the difficult macroeconomic situation in Spain, Portugal and Italy, aggravated by raw material inflation, as well as higher utilities and taxes charges. Notwithstanding market results, the group continues on its pricing/value actions and value creation via innovation and brand building, together with continuous improvement from global sourcing (European meat platform) and other productivity measures, to counteract inflation in meat costs.

Northern Europe

Net Sales in Northern Europe increased by 1.5% to €194.8 million in the three month period ended March 31, 2013 from €191.9 million in the same period last year. Growth is driven by focus on brand building and improved mix with very positive results in market share increase.

The Normalized EBITDA for three month period ended March 31, 2013 reached €14.1 million compared with €14.8 million for the same period last year. Margin over net sales for the three month period ended March 31, 2013 was 7.2% showing a decrease over previous period of 49 basis points.

The impact of materials price increases was weaker than in Southern Europe and partially compensated by results of pricing/value actions and focus on value creation via innovation, brand building and improved mix, together with cost cutting measures in General and Administration.

Other

The “Other” segment mainly refers to corporate costs in the headquarters and business in USA which made excellent progress and benefited of a less inflationary raw material context.

Cash Flow

Cash Flows from Operating Activities

For the three month period ended March 31, 2013, cash flow from operating activities amounted to €4.4 million compared to €22.2 million for the same period of 2012. This variance was primarily attributable to lower operating cash flow before changes in working capital and lower variation in changes in working capital.

Cash Used in Investing Activities

For the three month period ended March 31, 2013, cash flow from investing activities amounted to a negative €14.7 million, compared to a negative €13.2 million for the same period of 2012. Capital Expenditures amounted to €14.8 million in the three month period ended March 31, 2013 and €11.3 million in the same period last year. Investment in Group in 2012 is related to the capital investment in the Joint Venture with Foxlease in France.

Cash Flow from Financing Activities

For the three month period ended March 31, 2013, cash flow from financing activities amounted to a positive €1.7 million compared to a positive €2.9 million for the same period last year. The cash flow from financing activities for the three month period ended March 31, 2013 and 2012, include the changes in our short-term bank debt, changes in non-current financial assets, and the cash involved in the purchase of treasury shares.

ANNEXE A – EXPLANATION OF INCOME STATEMENT ITEMS

Operating Revenues

Operating revenues consist of net sales and services, increases in inventories of finished goods and work in progress, capitalized expenses of company work on assets and other operating revenues.

Net Sales and Services

Our net sales and services consists primarily of the sales of dry, cooked and other meats products, after deduction of rebates and off invoice discounts.

Increase in Inventories of Finished Goods and Work in Progress

Increase in inventories of finished goods and work in progress includes the positive variation between the closing and opening value of finished products and work in progress.

Capitalized Expenses of Company Work on Assets

Capitalized expenses of Company work on assets includes personnel costs for staff engaged in facility development and construction and personnel expenses in connection with tangible and intangible assets. Capitalized staff costs are added to the carrying amount for the related asset in property, plant and equipment and amortized over their useful life.

Other Operating Revenues

Other operating revenues include other income not related to our core activities, such as capital grants release and operating grants.

Operating Expenses

Operating expenses consist of decrease in inventories of finished goods and work in progress, consumption of goods and other external charges, employee benefits expense, depreciation and amortization, changes in trade provisions and other operating expenses.

Decrease in Inventories of Finished Goods and Work in Progress

Decrease in inventories of finished goods and work in progress includes the negative variation between the closing and opening value of finished products and work in progress.

Consumption of Goods and Other External Charges

Consumption of goods and other external charges includes primary purchases of raw material, mainly meats, and other product components such as packaging, spices and other auxiliary materials. This item also includes the stock variation of such materials.

Employee Benefits Expense

Employee benefits expense includes wages and salaries, dismissal indemnities, social security costs and other employee benefits such as health and life insurance.

Depreciation and Amortization

Depreciation and amortization includes property, plant and equipment depreciation charges, amortization of other intangible assets with definitive useful life, such as operating software. Costs of property, plant and equipment in use are depreciated on a straight-line basis at annual rates based on the estimated useful life of the assets.

Changes in Trade Provisions

Changes in trade provisions include mainly changes in trade allowances and reversal from doubtful debtors. Also accounted for in this line item generally, are specific, non-recurring items that are not related to our ordinary business activities.

Other Operating Expenses

Other operating expenses include all other operating expenses, including services expenses, transport cost, utilities, energies, advertising, marketing and general expenses.

EBIT

EBIT is equal to operating revenues less operating expenses.

Net Finance Cost

Net finance cost includes finance revenue and finance costs. Finance revenue consists of income on loans and other marketable securities, other interest and similar income, exchange rate gains and changes in fair value of financial instruments. Finance cost consists of interest bearing loans and borrowings, other finance costs and exchange losses.

Income on Loans and other Marketable Securities

Income on loans and other marketable securities consists principally of interest from deposits.

Exchange Rate Gains and Losses

This item includes gains and losses from the variation on financial liabilities denominated in US dollars, which is partially offset by the existing cash flow hedge accounting, and also includes, to a lesser extent gains and losses from the trading generated by accounts payable and receivables denominated in currencies other than euro.

Change in Fair Value of Financial Instruments

Change in fair value of financial instruments includes gains and losses from the variation in the fair value of financial instruments that do not qualify for cash flow hedge accounting.

Impairment of Assets

Impairment of assets includes losses recognized when the recoverable amount of non current-assets is lower than their carrying value. The recoverable value is defined as the higher of the net fair market value or the value in use of each non-current asset.

Share of Profit (Losses) of Investments Accounted for Using the Equity Method

Results of companies accounted for using the equity method include investments in associates over which we exercise significant influence but which are neither subsidiaries nor jointly controlled entities. Investments are measured initially at acquisition cost, subsequently adjusted for changes to each company's equity, taking into consideration the percentage of ownership and any impairment.

Income Taxes

Income taxes consist of current tax payable on the taxable profit for the year and deferred tax. The corporate tax rate in Spain was 35% in 2006, 32.5% in 2007 and 30% in 2008.

Profit (loss) from Discontinued Operations

Profit (loss) from discontinued operations represents profit or loss for the year attributable to discontinued operations.