

EBRO PULEVA SELLS AZUCARERA EBRO TO ASSOCIATED BRITISH FOODS

Madrid, 15 December 2008. Ebro Puleva (www.ebropuleva.com), sole shareholder of Azucarera Ebro, and Associated British Foods (ABF) (www.abf.co.uk), sole shareholder of British Sugar (www.britishsugar.co.uk), have signed the sale and purchase contract of the shares of Azucarera Ebro, subject to approval by the anti-trust authorities and it is likely to occur in early 2009.

As we informed on 20 November when the transaction was formally announced, the transaction is valued at €526 million with the following breakdown:

- ABF purchases the sugar business for €385 million, debt free.
- Ebro Puleva will receive €141 million from third parties, corresponding to other compensations, mainly the restructuring funds established under the CMO sugar reform.

Moreover Ebro Puleva will incorporate into its real estate assets, more than 200 hectares of land classified for various uses, valued at €42 million.

Ebro Puleva and ABF are also exploring opportunities for future collaboration in other areas of mutual interest, such as the supply of rice, special flours, ingredients and also R+D+i, through Puleva Biotech.

The sale of its sugar business marks the beginning of a new development phase in Ebro Puleva, in which the group sets its sights on becoming an international benchmark in the meal solutions segment, offering a broad array of products based on health, pleasure and convenience and developing a forward-looking R+D+i policy.

Banco Santander has acted as financial advisor and Garrigues as legal advisor to the seller.

Antonio Hernández Callejas, Chairman of Ebro Puleva, has announced that *“We are very pleased with the agreement reached with ABF, which will enable us to meet two goals: on the one hand, it represents a breakthrough for the construction of an entirely consumer-gearred multinational focusing on high value-added products, and on the other hand, it guarantees the best possible development of our sugar business through its incorporation in a leading European food company, the second largest sugar producer in the world”*.

George Weston, Chief Executive of Associated British Foods, has declared that *“The acquisition of Azucarera Ebro is an exciting development for British Sugar. The business enjoys a leading position in Iberia supported by modern beet factories and a new cane refinery that will benefit from our partnership with Illovo Sugar. Azucarera Ebro and its growers have enjoyed considerable support from the EU and central and regional governments in recent times and we look forward to working with them in continuing to develop the business and the beet industry”*.

About Ebro Puleva

Ebro Puleva (www.ebropuleva.com) is the leading Group in the Spanish food sector in terms of turnover, profit, market capitalisation and international presence. It is world leader in the rice sector, the second group in the international pasta sector and number 1 on the Spanish dairy product market, with leading brands in each of these sectors, including: Panzani®, Ronzoni®, Skinner®, Healthy Harvest®, American Beauty®, Saint Giorgio®, Catelli®, Lancia®, Birkel®, 3 Glocken®, Schuele®, Minuto® and Nudel Up® in pastas and sauces; Mahatma®, Success®, Carolina®, Minute Rice®, Lustucru®, Taureau Ailé®, Oryza®, Bosto®, Reis-Fit®, Riceland®, Danrice®, Risella®, Brillante®, Nomen®, La Cigala® and La Fallera® in the rice sector; and Puleva®, Ram® and El Castillo® in the dairy sector.

About Associated British Foods (ABF)

Associated British Foods (www.abf.co.uk) is a diversified international food, ingredients and retail group with sales of £8.2 billion and over 96,000 employees. It is listed on the London Stock Exchange with a market capitalisation of £5.2 billion. It operates in 44 countries with significant businesses outside Europe in southern Africa, the US, China and Australia. Its overall aim is to achieve strong, sustainable leadership positions in markets that offer potential for profitable growth, which it seeks to achieve through a combination of growth of existing businesses, acquisition of complementary new businesses and achievement of high levels of operating efficiency. ABF has a long track record of successful transactions that have increased the value added of the company.

About British Sugar

British Sugar (www.britishsugar.co.uk) is the second largest sugar producer worldwide and has operations in the UK, Poland, China and southern Africa. For the year ended 13 September 2008 revenue was £1.3bn, adjusted operating profit £153m and some 3.9 million tonnes of sugar was produced.

For more information
P.R Department
Tel. +34.91.724.53.78 -- +34.91.724.52.64
comunicación@ebropuleva.com