



EBRO PULEVA 2007

Results 1H07

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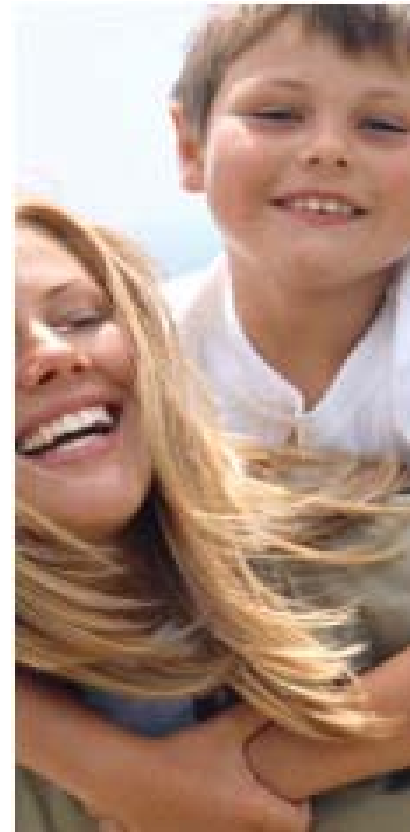
01



Introduction

Introduction

- The business of the different divisions went very well in 1H07, with healthy growth in sales and profits.
- The draft CMO Sugar Reform was being prepared during the first six months of the year and is due to be approved in October 2007, when the future of this Division should become clearer.
- We recently reviewed the strategy of the Pasta Division. On 12 July we announced an agreement to purchase Birkel Teigwaren GmbH ("Birkel"). Birkel gives us a leading position on the German pasta market and a channel to introduce our innovation products on this market, where our rice division is already present.
- We are making progress in the creation of the Meal Solutions Division, which brings the rice and pasta businesses together, providing meal solutions based on these raw materials.



02



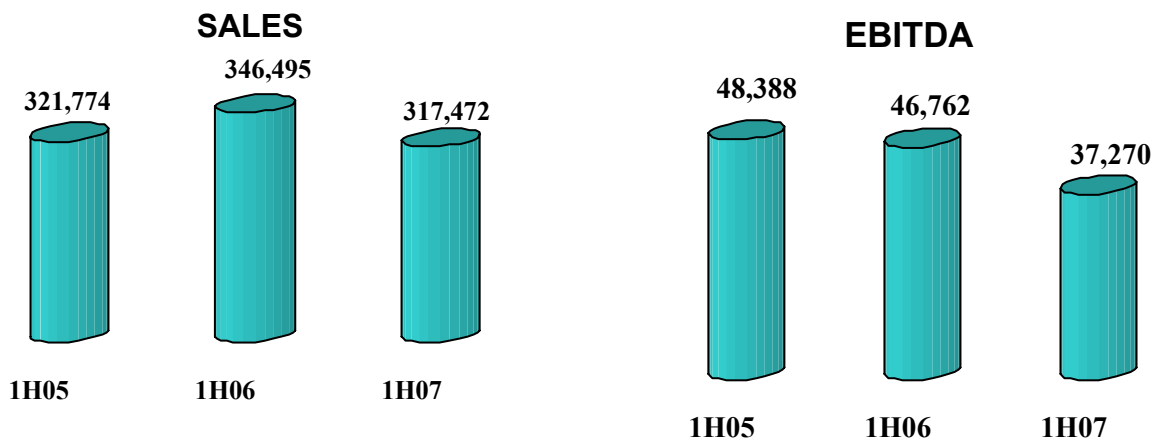
Business Units 1H07 Results

SUGAR



Success of the new formats

- Pending the final outcome of the CMO sugar reform, which will be known in October 2007, the results of the sugar division are slightly down on last year. Much of this decline is due to the disappearance of sales to Intervention and exports outside the EU.
- The amended Reform will foreseeably define the framework of the sugar business for the period 2009-2014.
- We expect conditions to remain more or less stable for the rest of the year, with a strong performance of by-products.



Start of “Nueva Comercial Azucarera” a Strategy for Sugar

- With no possibility of sales to Intervention or exports outside the EU, turnover dropped 8.4% year on year to EUR 317.5m.
- The EBITDA fell by 20.3% to EUR 37.3m, bringing the margin down to 11.7%.
- The division has a ROCE of 11.3%.

Thousand EUR	1H05	1H06	1H07	.07/06	CAGR 07/05
Sales	321,774	346,495	317,472	-8.4%	-0.7%
Ebitda	48,388	46,762	37,270	-20.3%	-12.2%
<i>EBITDA Margin</i>	<i>15.0%</i>	<i>13.5%</i>	<i>11.7%</i>	<i>-13.0%</i>	<i>-11.6%</i>
Ebit	42,728	33,899	25,816	-23.8%	-22.3%
Operating Profit	39,817	21,429	21,403	-0.1%	-26.7%
<i>ROCE</i>	<i>18.5</i>	<i>13.9</i>	<i>11.3</i>		

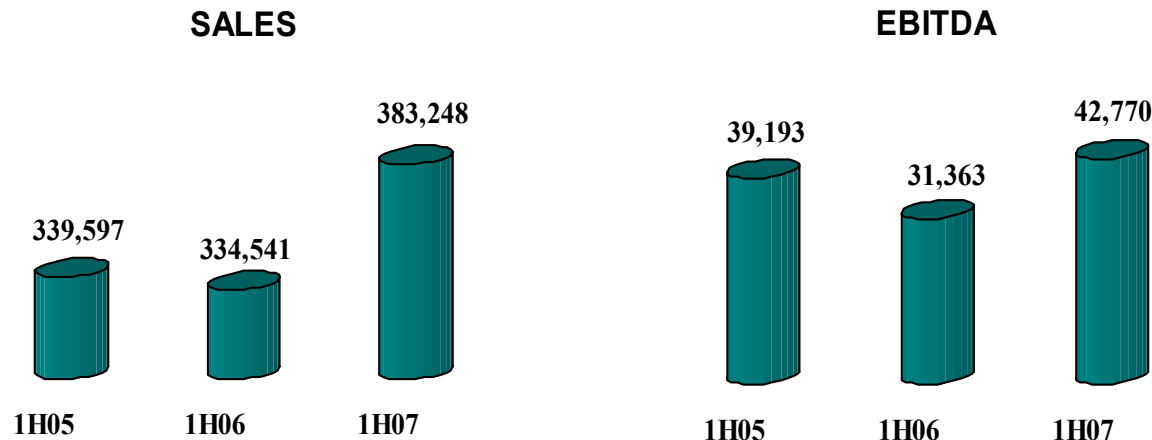


RICE



High Growth in Specialties

- The rice division has achieved growth in sales and margins against a backdrop of rising raw material prices.
- The growth in consumption of brown and special Asian rices was particularly strong in our American subsidiary, rising by 20% and 31%, respectively, which reveals a growing awareness among consumers of wholemeal grains and their health benefits.
- The introduction of microwave products has been successful in North America, and once the concept is well accepted, we will begin to expand our product range in this category.



Introduction of new products

- Margins have picked up after the difficulties encountered in 2006, as the weight of industrial businesses is reduced and that of brand businesses is increased.
- Sales rose by 14.6% to EUR 383.3m, pushed up by the US subsidiary, which contributed EUR 136.9m.
- The EBITDA was up 36.4% to EUR 42.7m, with a EUR 20.7m contribution from the US business.
- The division ROCE improved considerably, rising to 12.4%.

Thousand EUR	1H05	1H06	1H07	.07/06	CAGR 07/05
Sales	339,597	334,541	383,248	14.6%	6.2%
Ebitda	39,193	31,363	42,770	36.4%	4.5%
EBITDA Margin	11.5%	9.4%	11.2%	19.0%	-1.7%
Ebit	28,474	21,626	32,554	50.5%	6.9%
Operating Profit	28,481	16,211	32,213	98.7%	6.4%
ROCE	13.6	10.3	12.4		

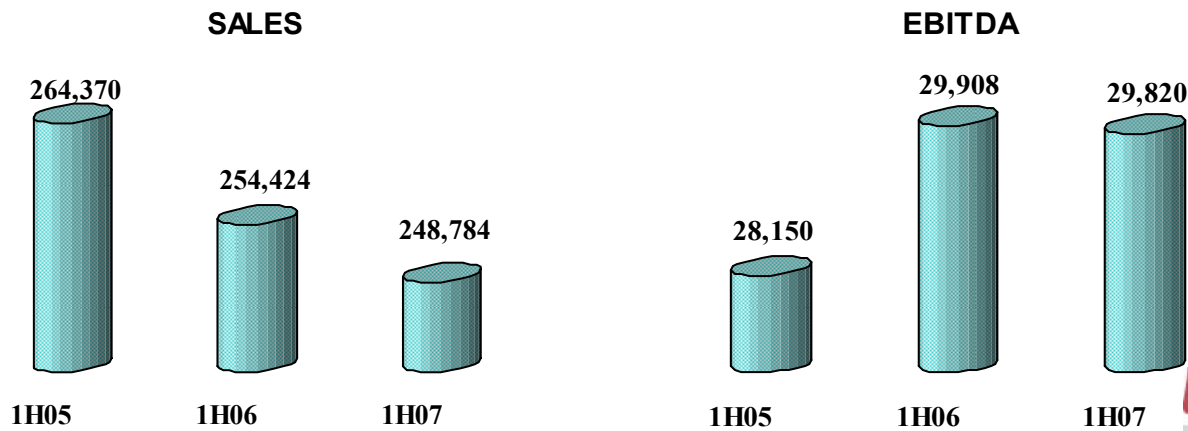


DAIRY



Max Children!

- The dairy division continues to shed products with a small contribution. Within this strategy, we have arranged to sell the factory in Leon. The savings will be achieved when the production of that Leon factory is transferred, in early November.
- The efforts made in the children segment are paying off with spectacular results in both the Puleva Peques brand (growth in volume of 73%) and the products sold under the Puleva Max brand (milk and milk drinks). The product range of these brands will be further expanded this year, with the launching of new innovative products.
- Raw material prices are rising sharply, due to the overall shortage of milk. These higher costs have been passed on to consumers in the retail prices (announced on 1 June).



DAIRY

Strong, Recurrent Cash Generation

- Division sales slid 2.2% to EUR 249m.
- Our logistic costs improved overall by 7.8%, while investment in advertising was stepped up by 7.9%.
- Despite the smaller sales, the division EBITDA held out at last year's levels (EUR 29.8m) improving the quality of the results, with a margin of over 12% (140 b.p. in 24 months).
- The division generated a ROCE of 19%.

Thousand EUR	1H05	1H06	1H07	.07/06	CAGR 07/05
Sales	264,370	254,424	248,784	-2.2%	-3.0%
Ebitda	28,150	29,908	29,820	-0.3%	2.9%
EBITDA Margin	10.6%	11.8%	12.0%	2.0%	6.1%
Ebit	19,473	21,808	22,046	1.1%	6.4%
Operating Profit	15,781	21,093	21,443	1.7%	16.6%
ROCE	14.5	18.0	19.1		



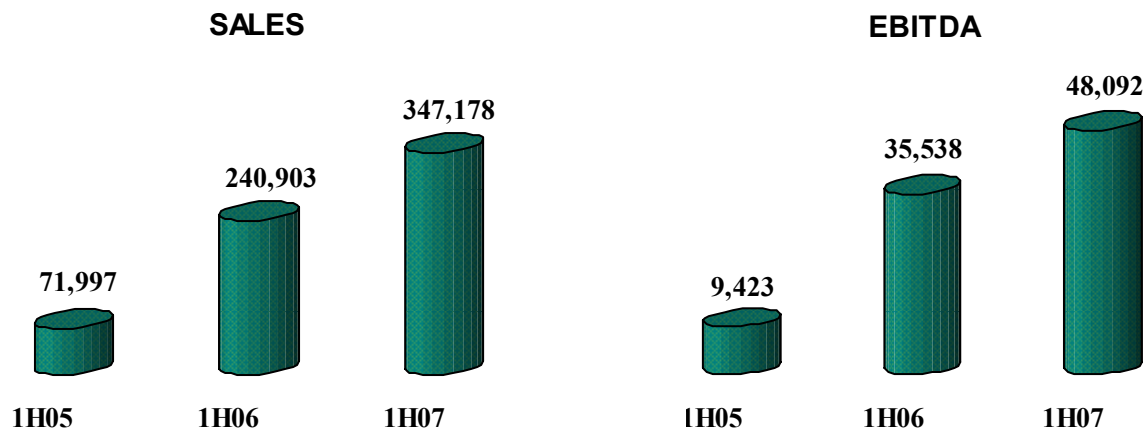


PASTA



Larger Market Shares

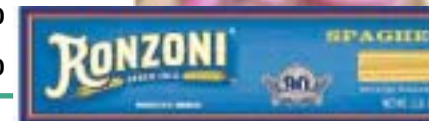
- The higher costs of durum wheat forced us to raise our prices, in March in NWP and April in Panzani. But raw material prices are still going up and we have, consequently, announced a new price rise on the European markets for early October, which will offset the latest increases in costs.
- In this situation and owing to the weaker position of smaller producers, Panzani has increased its market shares, achieving record levels of 37% for dry pasta, 40% in sauces, 32.3% in rice and 33.2% in fresh pasta.
- NWP has embarked on a process of renovation and innovation, with the presentation of Smartaste. The second half of the year is going to be very rich in new products.



Defining the new division

- The division achieved a considerable growth in sales and contribution, although results were curtailed by the price hike in raw materials and the heavy investment in advertising.
- NWP contributed EUR 117.3m to turnover and EUR 18.6m to EBITDA.
- The division generated a ROCE of 17.1%.

Thousand EUR	1H05	1H06	1H07	.07/06	CAGR 07/05
Sales	71,997	240,903	347,178	44.1%	119.6%
Ebitda	9,423	35,538	48,092	35.3%	125.9%
EBITDA Margin	13.1%	14.8%	13.9%	-6.1%	2.9%
Ebit	4,466	24,788	32,940	32.9%	171.6%
Operating Profit	5,231	28,367	32,370	14.1%	148.8%
ROCE	-	16.4	17.1		



03

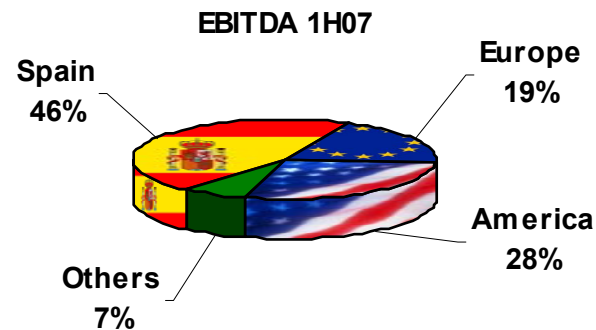
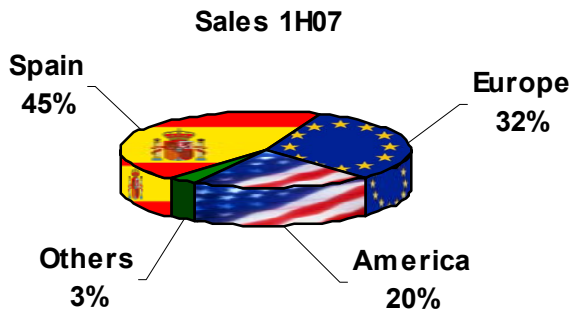


Ebro Puleva Consolidated Results

Ebro Puleva Consolidated 1H07 Results

North America, land of opportunities

- The results show a healthy growth, able to offset the smaller contribution by the sugar business.
- Our business overseas is constantly gaining weight. Our Spanish businesses now account for 45% of the overall turnover.



Ebro Puleva Consolidated 1H07 Results

Profit and Loss Account

Smaller Extraordinary Items

- Consolidated turnover grew by 12% year on year and 13.5% (CAGR) over 2005.
- Investment in advertising increased by 22%, representing 3.4% of sales. If sugar sales are excluded, advertising costs are equivalent to 4.35% of sales.
- EBITDA recorded a strong year-on-year growth of 12.5%.
- Major divestments were made in 1H06. In 1H07, non-recurring items (both positive and negative) were much smaller.
- The company's ROCE is around 13.4%.



Thousand EUR	1H05	1H06	1H07	.07/06	CAGR 07/05
Sales	992,538	1,140,535	1,277,757	12.0%	13.5%
Advertising	20,817	34,210	41,795	22.2%	41.7%
EBITDA	121,343	136,320	153,335	12.5%	12.4%
EBITDA Margin	12.2%	12.0%	12.0%	0.4%	-0.9%
EBIT	89,686	94,036	107,957	14.8%	9.7%
Operating Profit	83,579	110,579	117,480	6.2%	18.6%
Profit before Tax	64,989	91,912	74,659	-18.8%	7.2%
Net Profit	47,802	67,797	49,070	-27.6%	1.3%
ROCE	14.1	12.4	13.4		

Ebro Puleva Consolidated 1H07 Results

Evolution of Debt

Focusing on Business Integration and Reduction of Debt

- The Net Debt was reduced by EUR 60m year on year. During the past twelve months, we have purchased Minute Rice, sold our Central American businesses and paid out EUR 40m in dividends.
- Equity rose 8.75% to EUR 1,176m.

Thousand EUR	31 Dec 05	30 Jun 06	31 Dec 06	30 Jun 07
Net Debt	931,322	1,192,208	1,134,894	1,131,795
Average Debt	841,427	999,347	1,046,354	1,166,921
Shareholders' Equity	1,076,582	1,081,614	1,187,962	1,176,270
Leverage ND	86.5%	110.2%	95.5%	96.2%
Leverage AD	78.2%	92.4%	88.1%	99.2%
x Ebitda (ND)	3.2		3.7	
x Ebitda (AD)	2.9		3.4	



04



Conclusion

● Conclusion

Meal Solutions, a Reality

- We are still working on the integration of businesses and restructuring and reorganisation of our production map, which will lead to major savings in the long term.
- The results of the different divisions are encouraging, fostering an optimistic outlook for 2007 despite the unyielding inflationary pressure from raw materials. We will have to endure time lags between the rising costs of raw materials and passing on these costs in the retail price. Fortunately our brands are sufficiently strong to withstand this.
- With the acquisition of Birkel, we further strengthen our geographical positioning in the pasta division, this time in Germany, where we already have rice businesses. This enhances the outlook for the future Meal Solutions Division.
- By October, we hope to have more information on the CMO Sugar reform and will then be able to define our sugar strategy.
- We aim to reduce the company's debt rapidly with a healthy cash generation, in order to strengthen our balance sheet before we make any further acquisitions.





ANNEX **Birkel**

A Platform for Eastern Europe

Ebro PULEVA
GRUPO

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● Introduction

● Description of Birkel

- 01 Background
 - 02 Markets
 - 03 Industrial Area
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● Procedure, Calendar and Price

● Conclusion



5.1



Introduction

Introduction

- In the past two years we have moved strongly into the pasta business and are proud to say we are the second pasta manufacturer and marketer worldwide.
- We recently reviewed the growth strategy of this division, our organic growth prospects, targets and requirements for inorganic expansion.
- The acquisition of Birkel Teigwaren GmbH ("Birkel") was presented in this context. Birkel gives us a leading position on the German pasta market, enabling us to introduce our innovation products on a familiar market, where we already operate in the rice business.
- Birkel also has strong positions in the Baltic Region and Russia, giving us a foothold on new high-growth markets with a low penetration of pasta, which offer Ebro Puleva an excellent growth opportunity.
- Birkel has an ample array of products, which it sells under the Birkel and 3 Glocken brands. The Birkel brands go back more than 130 years and have an overall market share of 17%, which is higher in value-added products such as noodles (42%).



5.2



Description of Birkel

Background

Market

Strategic Plan

Industrial Area

Financial Highlights

Background



Birkel



- Birkel was founded as a mill by Balthasar Stephan Birkel in Schorndorf (near Stuttgart) in 1874.
- It started to sell branded, packaged pasta in 1902 and was one of the first food brands created in Germany.
- In 1950 it automated production and in the seventies it broadened its product range to include sauces for pasta under the brand "Nudle up" and dried soup mixes under the brand "Minuto".
- In 1990 it was taken over by the Danone Group, which merged the company with its Germany pre-cooked food business Sonnen-Bassermann-Werke GmbH, to create BSB Nahrungsmittel GmbH. A period of coexistence with Panzani began, under the baton of Danone.
- In 1998, just like Panzani, when the Danone Group altered its strategy to focus on dairy products, bottled water, biscuits and baby food, Birkel was sold off and purchased by its management team in a MBO.
- In 2000, in an effort to become the largest German pasta producer, it bought up its main rival, 3 Glocken GmbH.
- In 2001, it acquired Möwe Teigwarenwerk, which gave it a solid base in East Germany.
- In 2005 Birkel embarked on its "2 Werke" strategic plan: with the shutdown and integration of the Weinheim plant (completed September 2006).

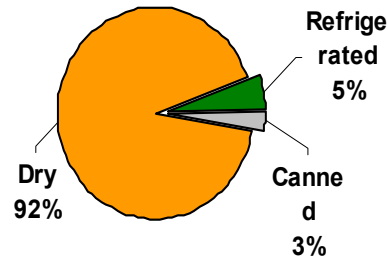
Market



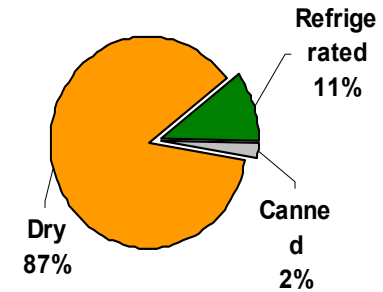
- Birkel offers a broad array of high-quality products, from traditional dry pasta to noodles and pasta sauces. The Birkel brand is one of the 5 best-known staple food brands among German consumers. It is thus considered an excellent platform for the development of our products leveraged on the Birkel brands.

- The size of the German pasta market is estimated at around 510,000 tonnes.

Sales by Category 2000



Sales by Category 2005



- Per capita consumption has increased from 5.5 kg in 1999 to 6.5 kg in 2005.
- 70% of the German pasta market is branded product. According to Nielsen data (June 2006), Birkel has a 27% share of that market, followed by Barilla with 16% and Buitoni with 12%.
- Just as the Spanish market, the German market is segmented into regions. The Birkel brands are absolute leaders in four of them, No. 2 in two and No. 3 in the remaining two. Birkel is the only brand that operates nationwide.

Strategic Plan

- Since the MBO by the current management of the Danone Group, three phases can be distinguished in the strategic development:
 - Consolidation of the category, through the acquisition of 3 Glocken (2000) and Möwe (2001).
 - Integration of production and boosting of productivity. In 2005 it started to implement the "2 Werke" Plan, which is still in force and entailed shutting down the Weinheim factory and transferring production to the more modern factory in Mannheim.
 - Increased weight of brand business. Integration of the different companies that now make up Birkel required a huge financial effort by the management team. Consequently, advertising was kept to a minimum, despite which the market shares of Birkel have been maintained. Since 2005, focusing more on brand growth, new products were developed and launched in 2006 and 2007. In turn, the company has gradually reduced its industrial activities from 38,000 tonnes in 2004 to 31,000 in 2006.



Industrial Area

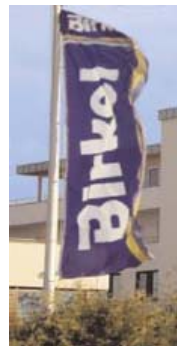
- Birkel currently operates two factories: one in Mannheim and the other in Waren.

Thousand tonnes	Mannheim	Waren
Capacity	76,400	14,000
Production	68,700	13,700
% Utilisation	90%	98%

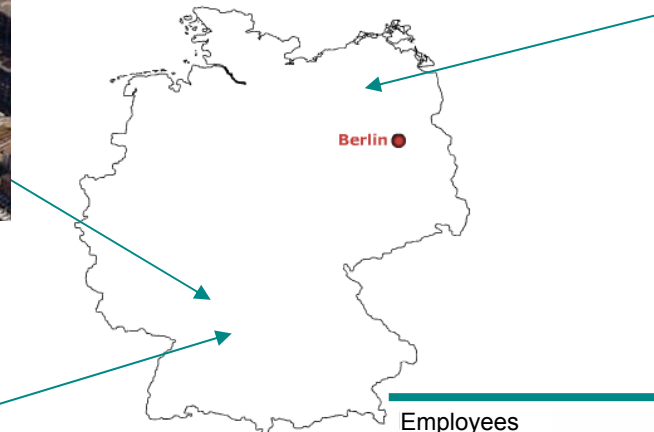
- The head offices are in Waiblingen.



Mannheim



Waiblingen



Waren

Employees	Sept 2004	Sept 2006
Mannheim	154	26
Weinheim	128	
Waren	72	7
Head Office	58	6
Total	412	39



Financial Highlights

Thousand EUR	2006
Sales	90,212
Ebitda	4,321
<i>Ebitda Margin</i>	<i>4.8%</i>

- Over recent years, the company has gradually pulled out of its industrial activities, reflected especially in the turnover, which dropped by 4.2% CAGR over the last two years, to EUR 90.2m.
- The company's EBITDA is EUR 4.3m.



5.3



Procedure, Calendar and Price



Procedure, Calendar and Price

- We reached an agreement to purchase Birkel on 12 July.
- The acquisition is just pending approval by the German antitrust authorities (Bundeskartellamt). The documentation of the transaction was presented on 16 July. We hope the transaction will be approved within one month.
- The price agreed for the acquisition, including all the financial debt and pension fund commitments, is EUR 30m.
- This figure represents an EV/Sales multiple of 0.33 and EV/Ebitda of 7 times.



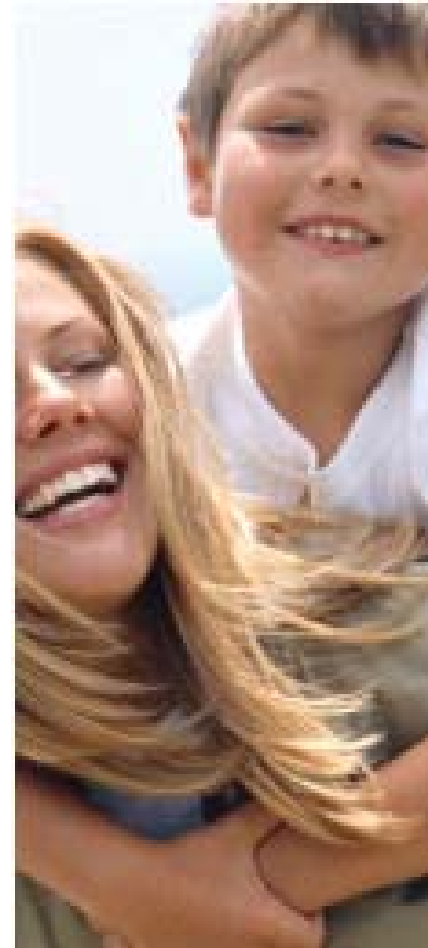
5.4



Conclusion

Conclusions

- Birkel is the leading pasta producer in Germany and has the brands best known by consumers in this category, providing a perfect platform for developing our Meal Solutions range, incorporating the Panzani products: microwave pasta, fresh pasta, frozen pasta and sauces.
- Birkel strengthens our position in Germany, where we already have the leading rice producer, Euryza. We will work on the integration of these two companies.
- Birkel also contributes towards increasing our brand weight, boosting our position in the European pasta business on the important German market, while opening the doors to the Balkan States and Russia.



06



Corporate Calendar



Corporate Calendar

Ebro Puleva continues to pursue its commitment to transparency and reporting in 2007:



1 March	Presentation 2006 year-end results
2 April	Quarterly dividend payment
18 April	Annual General Meeting (2nd Call)
19 April	Presentation 1st quarter results
2 July	Quarterly dividend payment
23 July	Presentation 1st half results
2 October	Quarterly dividend payment
31 October	Presentation 3rd quarter results and outlook for 2007
19 December	Announcement 2008 dividend against 2007 earnings
26 December	Quarterly dividend payment

07



Disclaimer

Disclaimer

- To the best of our knowledge, the estimates contained in this presentation on the future growth of the different businesses and the overall business, market share, financial results and other aspects of the operations and position of the company are accurate as at the date hereof.
- All the figures set out in this report are calculated according to the International Accounting Standards (IAS).
- The contents of this presentation are no guarantee of future actions and entail certain risks and uncertainties. Business results may be affected by numerous factors and, consequently, they may differ considerably from those estimated herein.
- Analysts and investors should not rely exclusively on these estimates, which are valid only at the date of this presentation. Ebro Puleva is not bound to publish the results of any updates of these estimates made to reflect events and circumstances occurring after the date of this presentation, including, though by no means limited to, changes in the Ebro Puleva businesses or in its acquisitions strategy, or to reflect unforeseen events. Analysts and investors are advised to consult the company's Annual Report and the documents filed with the Authorities, especially the National Securities Market Commission (CNMV).

